



Future-Back Sustainability: Five Principles to Turn CPG Ambitions into Action

By Claudia Pardo

Key Takeaways

- Sustainability fuels growth when it's embedded in the way decisions get made—not treated as a side agenda.
- Forward-looking companies act ahead of regulation, turning long-term risks into competitive advantage.
- Lasting impact comes from making sustainability integral to how a business operates at every level.

Sustainability presents a paradox for the consumer goods industry. On one hand, consumers say they care about reducing waste, but most resist paying more for sustainable products. Consumer goods companies, backed by investors, have also embraced ESG goals. Yet few have made sustainability central to their business models.

At the same time, the scale of waste remains staggering. The world produces 400 million tons of plastic every year, almost half of it for packaging, yet only 9% is recycled. One-third of all food is wasted before it even reaches consumers. As much as 40% of beauty products go unused. And about one in four people still lack access to clean water,

a problem aggravated by climate change and pollution.

The companies best positioned to tackle this paradox are approaching strategy differently, using a future-back approach to build sustainability into their growth plans. Future-back strategy starts by asking: What must be true 10 to 15 years from now for our business to thrive? It then works backward to define the bold moves and trade-offs required, without the constraints of what's possible today. This approach helps organizations invest and scale solutions over time, guided by long-term ambition.

The following five principles show how consumer goods companies can use a future-back approach

to make sustainability a core part of strategy—not a separate agenda.

Embed sustainability into core strategy

When sustainability is fully integrated across a company's planning, incentives, operations, and brand positioning, it becomes a driver of growth, not a constraint. In 2010, Unilever was one of the early pioneers in making sustainability central to its business model, publicly committing to growing the business without increasing its environmental impact. That leadership set a benchmark for the industry, with bold targets that reshaped how the company approached growth and environmental impact.

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Unilever has continued to bolster its commitment. It has hard-wired sustainability into strategic planning cycles where capital allocation and other decisions are made, while establishing regular checkpoints at the top of the organization to monitor the pace of progress. This has brought its environmental goals into line with its other business deliverables, with company-wide KPIs used in its executive bonus plan as well as individual KPIs to manage workstreams.

In addition to major outlays to decarbonize its manufacturing facilities, it has also rolled out initiatives like a supplier climate program to accelerate the transition of key suppliers to climate leaders as well as collaboration with trade associations and governments. The efforts

have bolstered the British multinational's brand, contributing to strong top-line growth while reducing costs and risks connected to regulation and reputation.

Shape your future — don't just adapt to it

Sustainability leadership is proactive. It means acting because you choose to do so, not because regulations are forcing your hand.

Ajinomoto and Danone recently partnered to address emissions in the dairy supply chain, a sector that's traditionally difficult to decarbonize because of the nature of livestock and feed production. Their initiative focuses on improving animal nutrition by using Ajinomoto's amino acid formulation, which improves absorption of nutrients in the cow's digestion.

This reduced the need for high-protein feed and cut greenhouse gas emissions at the source, with the potential to lower certain emissions by as much as a third and reduce feed costs by up to 15%. It's a strong example of how companies can lead by anticipating future challenges and investing in solutions that deliver both environmental and economic value, not because regulation demands it, but because they've chosen to act.

Recognize your role in the ecosystem

No company can solve these challenges alone. Meaningful progress requires collaboration across the entire value chain, from suppliers to distributors, end-users, and governments, and must be adapted to each local ecosystem.

Coca-Cola HBC, a leading bottler in 29 countries, aimed to expand 100% recycled plastic use to Romania. It built its first in-house rPET facility, shifted fully to rPET bottles, and joined a national

deposit return scheme. Co-investing with the Romanian government, the initiative addressed local supply gaps and required working with public agencies, retailers, recyclers, and consumers.

This closed-loop system reduced the carbon footprint of bottles by up to 80% and contributed to broader energy savings. The company is now engaging governments in countries like Nigeria and Egypt to explore context-specific circular solutions in regions where recycling infrastructure is still developing.

Rethink the business model — not just the product

Companies are rethinking how they create and deliver value by embedding sustainability into the core of their business models. Instead of treating environmental goals as a separate agenda, they are redesigning supply chains and financial structures to reflect long-term environmental and social priorities. From sourcing raw materials to post-consumer use, these companies are building systems that reward outcomes like regeneration and durability. This shift reflects a broader change in how business success is defined and pursued.

For many consumer product companies, that means moving beyond launching “greener” versions of existing SKUs. It means developing entirely new delivery models. Take Wild, the U.K.-based refillable deodorant brand recently acquired by Unilever. It replaces single-use packaging with sleek, refillable cases, and its model is built around long-term use, not repeat disposal. This isn’t just sustainable. It’s a premium, growing business.

Build a culture that enables change

Sustainability won’t scale if it’s siloed, sitting in corporate affairs or an ESG team alone. Transformation happens when every function

Understanding Future-Back Strategy

Future-back strategy unlocks transformational growth by asking: What must be true in 10–15 years for a business to thrive? It’s a way of thinking, driven by a bold vision, that identifies the strategic moves a company needs to make today to meet that vision. It’s more powerful than traditional present-forward planning, which is limited by current constraints.

You can develop visionary future-back strategies in three major phases:

1. Develop a vision – your company’s best possible future.
2. Walk it back into the present, translating it into a clear strategy, with explicit benchmarks and goals.
3. Prepare for and manage its implementation.

sees sustainability as part of their job: when R&D rethinks materials, when logistics plans for emissions, when operations consider energy use, and procurement evaluates suppliers differently.

ALDI U.S., part of the German-based discount grocery store chain, has worked to embed sustainability into day-to-day operations by empowering teams and holding leaders accountable for progress. The company’s global sustainability standards are built into business planning and store

operations, enabling functions across the business to integrate climate goals into their work.

This approach has delivered tangible results. Over 700 stores now use natural refrigerants, cutting the climate impact of leaks by up to 4,000 times compared to traditional systems. The company has also eliminated plastic shopping bags chainwide, keeping nearly 9 million pounds of plastic out of circulation annually. These efforts are driven

by clear targets like phasing out high-impact refrigerants by 2035 and reaching net-zero carbon emissions by 2050.

Sustainability becomes real when companies lead with intention. Those that define the future they want to create, and act boldly to build it, are turning ambition into lasting advantage.

ABOUT THE AUTHORS



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