

## FAQs

### Vision 2050: It's time to transform

To support the launch of Vision 2050: Time to Transform, we have built this FAQ document looking to address some of the most recurring questions about the report.

This is a living document, and if you do not find the answer to the question you're asking yourself, please feel free to [email](#) us.

- **What is Vision 2050?**

Vision 2050 is a framework for business action in line with the urgency of the challenges that we face if 9+ billion people are to live well, within planetary boundaries, by 2050.

- **Who is it intended for?**

Vision 2050: Time to Transform is destined for business leaders across the WBCSD membership and beyond, globally. The report also targets policymakers and investors to better understand the role of business in systems transformation.

- **What is it about?**

Vision 2050 lays out:

A shared vision: a rearticulation of our vision for 2050, setting out what achieving it will look like in practice.

Transformation pathways: distinct and actionable pathways that outline the key transitions required in nine major areas of business activity, and the essential business actions that will drive progress over the course of the next decade.

Foundational mindset shifts: critical new ways of thinking that will be needed to underpin the transformations laid out in our pathways.

Keys to understanding and unlocking transformation: clarity around what systems transformation means, how it happens, and the role that business can, and needs to, play.

This update of our Vision 2050 is designed to help business fulfil its full potential and societal responsibility to lead the transformation towards a world in which 9+ billion people live well, within planetary boundaries.

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The report is not intended as an overly prescriptive plan or blueprint, but rather as a positive and inspiring agenda that the business community can come together around and use to accelerate transformation. It aims to provide a collective and comprehensive understanding of the necessary and urgent transformations the world needs; a common narrative for business leaders, grounded in opportunity and business reality; and a resource that companies and WBCSD can leverage to inform our respective strategic and sustainability planning.

- **Who are the companies behind it? What was the process to refresh Vision 2050?**

WBCSD member companies that engaged in the development of Vision 2050: Time to Transform were: 3M, ACCIONA, Arcadis, ArcelorMittal, BASF, Bayer, Chanel, DNV, DSM, EDF Group, ENGIE, ERM, EY, Fujitsu, Givaudan, Godrej Industries, Henkel, IFF, Inter IKEA Group, Microsoft Corporation, Mitsubishi Corporation, Natura, Neste Corporation, Nestlé, Olam International, PwC, Rabobank, Banco Santander, Shell, Sompo Japan Insurance Inc., SONAE, Syngenta, The Navigator Company, Toyota Motor Corporation, Unilever, Vale, Volkswagen, and Yara.

40 WBCSD member companies have come together to revisit Vision 2050. Drawing on guidance from an external review committee of leading global thinkers, plus engagements with a wide range of stakeholders from throughout WBCSD's global network, these companies have worked over 18 months to bring the original vision up to date and to reset the baseline for business leadership for the decade to come.

- **What makes it unique? What is new?**

1. The focus of *Vision 2050: Time to Transform*, is action. **What is new, is that we offer a uniquely comprehensive framework to guide business action in line with the urgency of the challenges that we face.** We lay out, comprehensively, what it will take for business to actually make transformation happen. The components of our framework are:

- a. a clear and shared vision (what it means to live well, within planetary boundaries)
- b. an understanding of systems transformation on which our action agenda is built
- c. transformation pathways that lay out tangible actions for business
- d. new perspectives on the strategic mindset shifts on which transformation will depend
- e. acknowledgment that business cannot make transformation happen on its own – it must also support and contribute to change through essential transformation enablers.

2. While the original vision is well known, it is important for business to understand what achieving that vision actually looks like in practice. **What is new, is that we build on the latest science, a broad range of expert inputs, and close consultation of intergovernmental instruments and frameworks such as the Sustainable Development Goals and the UN Declaration of Human Rights, to articulate a common view of the future we seek to create, and define what “living well” and what keeping “within planetary boundaries” really mean and look like in practice.**

3. At the heart of *Vision 2050: Time to Transform* are nine transformation pathways. **What is new, is that these pathways are not based on sectors or sustainability challenges, rather they are the areas of business activity that are essential to society.** This focuses attention on the ways in which society will benefit from transformations, and the essential role that business will play in bringing about these essential transformations. The visions within each of these pathways, focused on societal outcomes, are also new thinking.

4. These transformations will depend on three radical mindset shifts. **What is new, is that we call out core strategic business mindsets as barriers to/essential components of progress on our transformation pathways.** This is the update to “business as usual is no longer an option”. We are saying that at the heart of business as usual is our current model of capitalism – unless we move away from that foundational element of business as usual, we will not see progress on our transformation pathways at the rate and scale required. Shifting our mindset on the purpose and outcomes of capitalism – moving to a longer term view of what business exists to do – will allow us think differently about what it means to be a more resilient business, and why it is important to become a regenerative business. We will understand that these mindsets are the key to running companies well, well into the future.

5. *Vision 2050: Time to Transform* aligns with the SDGs and the Paris Agreement. **What is new, is that our framework for action makes the achievement of the SDGs actionable for business.**

Furthermore, we acknowledge that business cannot drive these transformations on its own, and we explore how it must also steer, support and contribute to change through its influence on, and interactions with enablers of transformation.

- **What were the key barriers that held up progress over the last decade, what lessons can we learn, what we can do differently, and why will this time be different?**

This update builds on the groundbreaking work of the original vision. *Vision 2050: Time to Transform* explores key barriers that held up progress over the last decade, significant barriers to progress, the lessons can we learn, and asks what we can do differently.

#### 1. **Most significant barriers to progress:**

- **Short-termism:** An already-entrenched short-term focus, on the part of companies, investors, policymakers and individuals, exacerbated by the need to recover from the 2008 financial crisis and return to the status quo, was (and likely still is) the primary barrier to transformation.
- **Alignment and ambition:** our collective mindsets weren't yet sufficiently aligned on the need for action. In the absence of a critical mass of public and institutional opinion in support of action, policy efforts such as the push for an effective price on carbon, or a shift in our measures (and timeframes) of success, were unable to advance.
- **Transition costs:** We have not been sufficiently transparent about the costs of transition or its likely effects on a range of different stakeholders.

#### 2. **Lessons we can learn from the last decade**

- **Crisis response count:** how we respond to a crisis has profound effects on how we recover from it in the long term. The priorities embedded within the response determine the outcomes of the

recovery. It is encouraging that, in the wake of the COVID-19 pandemic, so many governments around the world are talking in terms of “building back better”, aligning rescue and recovery packages with a broader agenda of transformational goals.

- **Systems approaches are essential:** without changes to our political and economic incentives, we will continue to face crippling tension between long-term requirements and short-term gains. A reinvention of capitalism, by both forward-looking business and policy leaders, will have the most tangible impact on shifting the rules of the game and overcoming one of the most significant barriers to change. Any change to the policy landscape needs to reach beyond a single country or regional block in order for it to have truly transformational effect.
- **There’s no transformation without societal support:** The erosion of a common set of societal facts is threatening the positive shifts that have occurred toward greater public understanding and support for action on sustainable development challenges. Efforts to improve public trust in the media, experts and institutions will be central to societally supported transformations.

### 3. What can we do differently

- **Shift strategic business mindsets:** these mindset shifts lie at the heart of how business should make decisions.
- **Apply systems-thinking:** exploring macrotrends, potential disruptions and maturing innovations help us to understand the world in which we will be taking action.
- **Understand the importance of stakeholders** – business must collaborate much more effectively with the key enablers of transformation: innovation, investment, individuals and policy.

### 4. Why will it work this time?

- Because it must. But also, because the biggest change in approach has already happened. The zeitgeist has finally caught up with the urgency of the challenges that we face. Those not aligned with the need for transformation find themselves in a weaker position every day. Business can shift its approach and embrace the need for transformation, driving for wider collaboration, greater ambition and faster action in its efforts to build a better world.

- **What about the original Vision 2050?**

WBCSD first introduced this vision in a landmark 2010 report. It was a collaborative effort by 29 WBCSD member companies from 14 industries, reflecting insights from more than 200 additional companies and external stakeholders in 20 countries. It explored what a sustainable world would look like, how such a world could be created, and the role business should play in bringing it about.

The report made it clear that radical change would be required to provide the 9+ billion people projected to live on Earth in 2050 with enough food, clean water, sanitation, shelter, mobility, education, and health so that they could all live well within the limits of what this small, fragile planet can supply, renew and replenish.

The report outlined a pathway to achieve Vision 2050 that included two timeframes for action. 2010-2020 would be the “turbulent teens”, a formative period of dynamism and energy during which new ideas and approaches would emerge, compete, and evolve, ultimately paving the way for

“transformation time” from 2020-2050 – in which hard-won ideas and relationships would transform our businesses, economies, and societies at scale.

Ten years on, it is clear that the turbulent teens aren’t over. Transformation is eluding us. While many of the building blocks now exist, in the form of frameworks such as the Paris Agreement and the SDGs, change is not happening at the speed or scale required. As unprecedented global risks continue to build and we approach key ecological tipping points, we have a unique but rapidly closing window of opportunity for action over the course of the next decade. There is momentum to build on, but we must accelerate our efforts.

- **What do you mean by “transformation” of business?**

The status quo is unsustainable. Focusing only on optimizing financial outcomes has led us to ignore the impacts our system of capitalism has had on climate, nature and people, thus creating unsustainable outcomes. We must change:

- The way we think about and measure economic and business performance
- Market structures and dynamics that favor financial value extraction
- Weak institutions that are not able to regulate markets effectively enough to ensure they function efficiently, fairly and sustainably.

Incremental changes will not be enough, and to create long-term success business, we need a livable planet, cohesive societies, free and fair markets overseen by robust, inclusive institutions.

- **Is this a genuine “line in the sand” moment for capitalism?**

The COVID-19 crisis has highlighted the deep inequalities and inefficiencies of our systems in ways not seen before and highlighted the many shortcomings of our current system.

The status quo of our model does not differentiate value extraction from value creation, and isn’t working.

The capitalism debate is now mainstream and calls for a different approach are rife.

Companies also recognize that the system they are part of undermines the social and environmental systems that underpin economic prosperity.

It is the right moment to bring about the necessary thinking for what a different capitalist system will look like.

- **What does a system based on value creation (not extraction) look like?**

A reinvented capitalism focused on true value would lead to three outcomes that are critical for achieving the speed and scale of transformation required to deliver Vision 2050:

- Reward better run companies that make better decisions and deliver the necessary product, service and business model innovations that contribute to a flourishing society



- See capital markets properly value inclusive, sustainable business practices and reward the companies with the greatest positive social and environmental impact
- Have more capital being mobilized towards businesses, assets and solutions that deliver the SDGs, including the transition to a 1.5 degree world.
- **What does a 2050 economy/business look like?**

Vision 2050 calls for a reinvented, reimagined or reset capitalism that will deliver an economy that should reward true value creation. We want an economy in which the power of private enterprise and competitive markets is better directed towards enabling 9+ billion people to live within planetary boundaries. Said economy will have the following five characteristics:

- Stakeholder-oriented rather than shareholder-value-maximizing
- Impact-internalizing, rather than impact-externalizing
- Long-term rather than short term
- Regenerative rather than degenerative
- Accountable, rather than unaccountable.

Together, these features will shift the purpose of business so that it generates long-term true value for all: employees, customers, suppliers, communities, the natural environment but also shareholders.

- **Are there past examples of a seismic shift in capitalism that give an inkling of what we're talking about here?**

Capitalism has been reinvented before, often in response to crisis, following the Great Depression and World War Two, and again in the 1970s. A series of more recent system shocks including rapid technological change, mounting inequality, trade wars, the intensifying impacts of climate change and the COVID-19 pandemic are likely creating conditions for this again.

- **Why should we “reinvent the model of capitalism that we have grown up with”?**

The current system is generating unsustainably high levels of inequality and breaching planetary boundaries. Our current approach is not working, business and capitalism must change: this is a “do” or “die” time.

The core problem is that capitalism today does not distinguish between value creation and value extraction, and this is no longer sustainable for business, people, or the planet. But this does not mean that we should abandon capitalism – quite the opposite. Harnessing the power of markets and for-profit enterprises is essential if we are to achieve the scale and speed of transformation needed to achieve our Vision of 9+ billion people living well, within planetary boundaries, by mid-century.

- **Vision 2050 talks about “rejecting” business-as-usual: isn't that a bit excessive?**

No, business as usual is no longer sustainable, not for business, people, or the planet. This was recognized over a decade ago and the pace of change needs to increase. Ten years ago, the original Vision 2050 by WBCSD stated that business as usual was no longer an option. The world now needs a continued reinvention across systems, and beyond technologies or sectors.

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Consumers, too, are starting to demand change. The trends of the times are finally catching up with the urgency of the challenges we face.

- **Why is this transformation so urgent?**

Our world faces the increasingly urgent challenges of a climate emergency, nature in crisis and inequality, and the COVID-19 pandemic has exposed vulnerabilities across all our systems. Key tipping points are being reached and our window of opportunity is fast dwindling – for example, we only have eight years to halve emissions to remain in a 1.5 degree-scenario for global warming. It's time to transform – and to reinvent.

Business transformation need to accelerate, and importantly, our current system of capitalism is producing outcomes that are unsustainable. There has been too much talk and not enough action – we must move from incremental change to transformation.

- **What are the enablers of transformation according to Vision 2050?**

*Vision 2050: Time to Transform* offers insights into how business must also support and contribute to change through its influence on, and collaborations with, essential enablers of transformation.

- **Innovation & Technology:** Innovation processes that set goals around social and environmental impact as well as anticipate and avoid negative unintended consequences will be good for society, and will lead to more resilient business models.
- **Finance & Investment:** Finding ways for companies to direct investment towards socially, environmentally and financially sustainable outcomes will be essential to achieving Vision 2050.
- **Individuals & Consumption:** Business has a role to play in enabling individuals to be agents of positive change. Giving people the options and incentives they need to make more sustainable choices is key to accelerating transformation.
- **Policy & Regulation:** Regulation creates the stable, predictable and fair conditions that companies depend on to invest, compete and thrive. Business must better support the design of policies that incentivize sustainable transformation.

- **How does Vision 2050 deliver on the call to reinvent capitalism?**

Vision 2050 recognizes that we must reinvent business as usual – a new model of capitalism that rewards value creation - and that we need to do it now to ensure that the power of private enterprise and competitive markets can be directed to benefit people, planet and business. It explains that if we reinvent capitalism to generate true value, the world will see companies making better decisions for a flourishing society, markets that value inclusive, sustainable business practices, companies rewarded when they put these into practice and finance worldwide directed toward sustainable solutions.

It lays out the five features of capitalism that generates true value:

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- Stakeholder-oriented: rather than shareholder-value-maximizing (*inclusive*)
- Impact-internalizing, rather than impact-externalizing (*owned*)
- Long term, rather than short term (*for the future*)
- Regenerative, rather than degenerative (*restorative*)
- Accountable, rather than unaccountable (*responsible*).

It provides more detail for business, including specific actions and policy asks, in an accompanying issue brief to the vision – Reinventing capitalism: a transformation agenda.

- **Vision 2050 was described as a platform for “common understanding” by those that read it back in 2010. Why is this valuable? What practical difference does it make to those leading business?**

Vision 2050: Time to Transform provides a shared vision and direction. It gives business leaders worldwide access to a complete framework for business action to drive the necessary transformations. This is the “how to” to help secure the future of their business:

- A practical framework for action centered around a shared long-term goal and vision
- A global business action-oriented framework and common narrative for the future the business community can share and act upon
- Routes that all business leaders can follow for 9+ billion people to live well, within planetary boundaries, by 2050, and for there to be any future business.

**Vision 2050: Time to Transform lays out what it will take to run companies well, well into the future.** It provides a framework to help business unlock the transformations that a safe and sustainable future depends on. We now call on business leaders to leverage this work and make the vision a reality.

- **What relevance has COVID-19 in all this?**

The COVID-19 pandemic became the tip of the iceberg, highlighting the interconnection of all our systems but also exposing the flaws that our current model emphasizes – thus proving that there is no more time to waste if business doesn’t want to fail, along with society.

- **We’ve been saying sustainable business makes rationale sense to business. Why has this argument taken so long to land? Why are you confident it is landing now?**

Until COVID-19 came into play, many aspects of the fragility of our systems and societies were easy to ignore. The entire business ecosystem (including policy makers and consumers) didn’t foresee the need for change to happen at speed. In fact they became comfortable with business as usual and misunderstood the concept of sustainability for too long

Today it is clear that that we must change, in order to continue thriving in the future that is being defined now.

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