

Annual Report 2019-2020



WORLD ECONOMIC FORUM

The logo for the World Economic Forum, featuring the words "WORLD", "ECONOMIC", and "FORUM" stacked vertically in a bold, sans-serif font. A blue arc curves around the text, starting from the top left, passing behind the letters, and ending at the bottom right.

COMMITTED TO
IMPROVING THE STATE
OF THE WORLD

Annual Report 2019-2020

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From the Executive Chairman

Dear Partners and Constituents,

As I write this foreword to our Annual Report, many societies remain in lockdown or on high alert, international travel stands at its lowest point in decades and global cooperation is under severe pressure. Yet the need for international and interdisciplinary contacts has never been greater: we will not be fully safe anywhere until and unless everyone is, everywhere. At this crucial junction, the Forum will continue to play its role of global platform for governments, businesses, civil society and all generations.

It seems like a long time ago now but, just a few months ago in January 2020, our organization held its 50th Annual Meeting in Davos-Klosters, celebrating its mission of improving the state of the world. We looked back at some remarkable achievements in our history, such as the Davos Manifesto on stakeholder responsibility in 1973, the creation of GAVI, the Vaccine Alliance, and the Coalition for Epidemic Preparedness Innovations in the 2000s, and the ongoing work on climate change, environmental protection, and inclusive growth and development.

These achievements were the result of our dedication to three narratives that we continue to adhere to: first, our commitment to the “stakeholder ideology” as the paradigm for responsible leadership in today’s world; second, the belief that the big challenges in the world can best be met through public-private cooperation; and third, our conviction that we must shape and leverage the Fourth Industrial Revolution for good, and need always to remain at the forefront of innovation. These narratives will play a major role in creating shared prosperity in the next decades as well.

As we celebrated our achievements back in January, however, it was becoming clear that another force could go on to cause great global disruption: COVID-19. Already in Davos, meetings were being held on the threat of the disease, and policy-makers were facing questions about their preparedness.

In our own response to the COVID crisis, we reorganized our planning and resources, and focused on helping where we could, including in coordinating health equipment from partners to governments, in support of organizations such as the WHO.

- We brought global stakeholders together on the COVID Action Platform, featuring the heads of international organizations, governments and global business.
- We convened regional and industry Action Groups to promote their engagement in dialogue, learning and collaboration, despite the difficulties to meet in person.
- We brought in many diverse voices from academia, new generations and civil society to ensure the COVID response benefits all.

Never in its history has the Forum rallied so extensively and suddenly behind one common objective, and I thank all of you who joined these initiatives for your contribution.

As we move forward, though, it is of prime importance that we remain committed to this approach of convening, coordinating and collaborating. The need for it has never been greater. While many organizations are now organizing virtual meetings around the world, most focus on niche topics and none manages to achieve true international coordination and impact. Yet in a world that appears to be disintegrating – think of our public health, social and environmental challenges – with some actors turning away from others, such a comprehensive and global approach is needed.

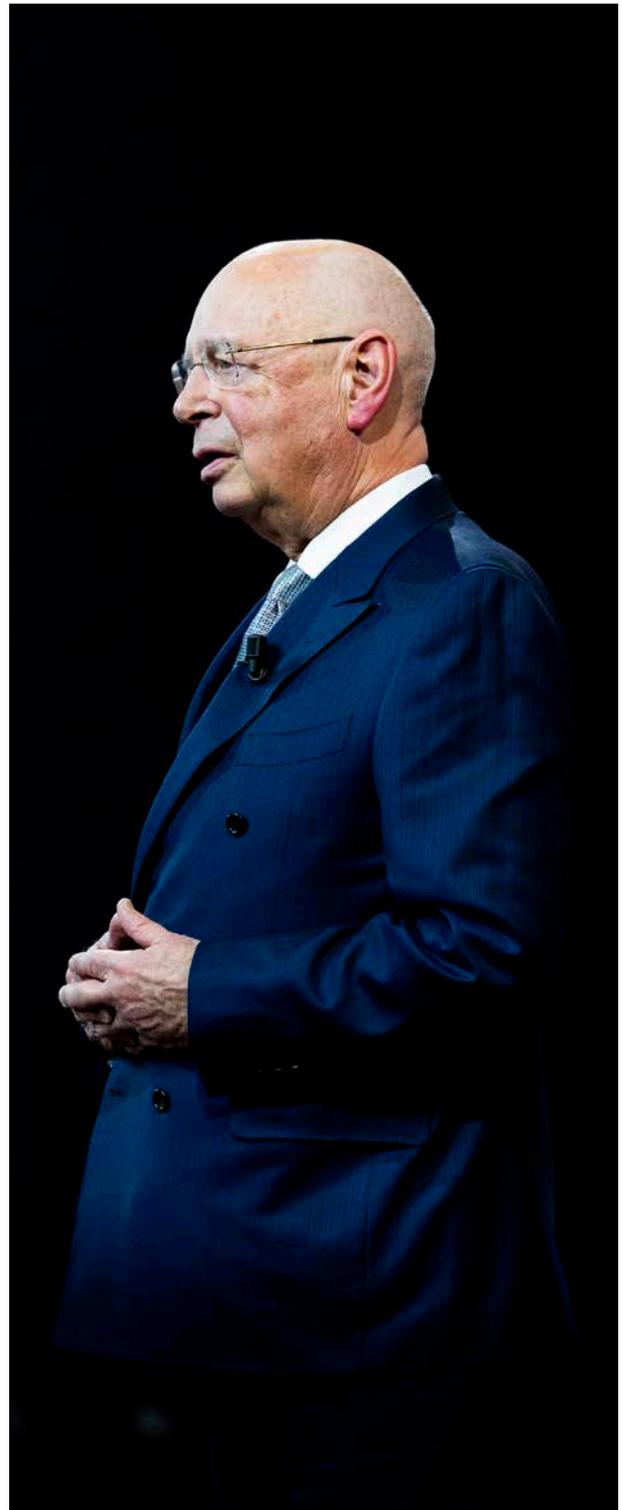
At the World Economic Forum, our purpose is clear: we aim to shape the future of public-private cooperation. We want to do so globally, regionally and nationally. We want to help develop successful and responsible business models. We want to harness the technologies of the Fourth Industrial Revolution. We want to design cohesive, sustainable and resilient social and economic systems. And we want to enhance the stewardship of our global commons.

As we face the world post-COVID and get ready for The Great Reset of our social, economic and environmental systems and approaches, the Forum will be there every step of the way. Heading into the next 50 years, the World Economic Forum will be all that it was in the past year and even 50 years, and more: the Forum will henceforth be a curator of purpose-oriented communities, all in their way committed to improving the state of the world.

In closing, I would like to thank you all, our constituents, who supported the World Economic Forum in this extraordinary year.

I would also particularly like to thank our Partners, who despite facing extraordinary and often challenging circumstances themselves, have remained loyal and committed to our organization. I would like to thank the governments that stepped forward in this crisis and that showed how important it is to reach out to other stakeholders. And finally, a big thank you to the people at the Forum who, despite having to work remotely, have never been so productive and creative as in the last few months.

I trust this report will provide insight into the manifold collaborative efforts of our Partners and constituents to shape global, regional and business agendas.



Klaus Schwab

Founder and Executive Chairman

From the President and Managing Board

The World Economic Forum's 50th year saw the emergence of a global pandemic in the context of an unsettled world. Geopolitical turbulence persists as a backdrop to the spread of the coronavirus, making clear the importance of continued, and strengthened, multistakeholder cooperation.

The year began with great hope as we marked our 50th Annual Meeting in Davos-Klosters. The Forum launched a number of high-profile global initiatives, including 1t.org, a "platform for the trillion tree community", to grow, restore and conserve 1 trillion trees; the Reskilling Revolution to provide better education, skills and work to 1 billion people by 2030; and the Lighthouse projects to showcase innovation and investment in social, human, environmental and physical capital.

We adopted the new [Davos Manifesto 2020](#), which succeeds the 1973 manifesto as the defining articulation of the stakeholder capitalism concept. This concept has underpinned the mission of the Forum for the past five decades but has now been integrated within the context of the Fourth Industrial Revolution.

The launch of the new Manifesto was prescient. The Forum's analytical work identified the potential for a multifaceted health crisis, but we did not know in January that a once-in-a-century challenge would underscore the value of stakeholder capitalism like never before.

As the health crisis worsened and took on global proportions during the first quarter of 2020, the Forum mobilized quickly. In March 2020, we established the COVID Action Platform, convening more than 1,200 organizations and individuals at exceptional speed for coordinated action to protect people's livelihoods and facilitate business continuity. High-level weekly meetings between the director-general of the WHO, heads of state and government, ministers, CEOs and non-governmental organization (NGO) leaders established action plans and defined next steps.

This platform kick-started 39 projects, with nearly 500 public and private actors as contributing or organizing partners. From donations of personal protective equipment and sanitizer and food distribution to seed funding for treatments and vaccination development,

the scope of this work was far-reaching. The COVID Response Alliance for Social Entrepreneurs was established to support those helping the most vulnerable and marginalized groups of society with \$75 million in funding, a database of available emergency relief funds, legal services and technical support.

The COVID-19 crisis further crystalized the value the Forum provides through our platforms and the engagement of our communities.

The Platform for Shaping the Future of Digital Economy and New Value Creation set a proactive tone, collaborating with the World Bank to issue an action plan for the maintenance and expansion of broadband connectivity among populations in lockdowns. And the Platform for Shaping the Future of Cybersecurity and Digital Trust continued its work to build resilience in the very real threat of a "cyber pandemic".

The Platform for Shaping the Future of Advanced Manufacturing and Production worked with senior industry leaders to identify the best responses to the COVID-19 crisis with the aim of building longer-term resilience in supply systems and operations. In addition, the Platform for Shaping the Future of Financial and Monetary Systems co-led the formation of the Global Coalition to Fight Financial Crime, with a virtual awareness-raising campaign that reached 15 million viewers in 15 countries.

Action on nature, climate change and food security gathered pace through the Platform for Shaping the Future of Global Public Goods, including new initiatives to decarbonize heavy industry, encourage climate-friendly investments and promote nature-positive economic development. The effects of COVID-19 both underlined the need to maintain momentum on this work and steered the focus to immediate issues, such as food security and nature-based solutions to climate and environmental crises.

With technology taking centre stage in the response to COVID-19, the Centre for the Fourth Industrial Revolution's work on governance, agile policy norms and partnerships accelerated the delivery of rapid solutions to generate sustainable, positive impact for all. The Precision Medicine Programme continued important work on health data, while other achievements of the Centre for the Fourth Industrial Revolution included the launch of several initiatives, including government guidelines to accelerate efficiencies through the use of trusted artificial intelligence (AI), blockchain principles to tackle supply chain hurdles, and a global effort to advance the responsible and ethical use of smart city technologies.

The productivity of the Forum expanded at a time when public health considerations prevented in-person meetings. We used an array of technologies, including the digital platform TopLink, to facilitate action-oriented dialogues. Eight Regional Action Groups and 14 Industry Action Groups were convened virtually, extending the reach of business engagement and in many cases refining relationships.

Complementing the efforts at the regional and industry levels, the Forum also established the Global Action Group, comprising leaders from the public and private sectors, to determine how multistakeholder and multi-conceptual collaboration can advance common interests globally.

Much of the work was informed by the Forum's analytical products. *The Global Risks Report 2020* identified health as a key concern for 2020, warning that "no country is fully prepared to handle an epidemic or pandemic" and "our collective vulnerability to the societal and economic impacts of infectious disease crises appears to be increasing". Earlier last year, the Forum published a report highlighting the growing risk of infectious disease and cautioned businesses that pandemics were worryingly under-represented in considerations of risk. Additionally, *The Global Competitiveness Report* showed that those countries with a holistic approach to socio-economic challenges looked set to get ahead.

Notable regional achievements included the launch of the Closing the Skills Gap Accelerator initiative in India and Pakistan to enhance the employability and Fourth Industrial Revolution readiness of South Asian workforces. In the Middle East, the Forum and the Government of the United Arab Emirates (UAE) inaugurated the SCALE 360 initiative that promotes innovations to fast-track the circular economy.

Latin America saw the Forum's Tropical Forest Alliance support zero-deforestation commodity agreements in Colombia and new activities in Peru and Brazil. In Africa, initiatives to help small and medium-sized enterprises (SMEs) and start-ups are under way. In Europe, the Forum launched the CEO Action Group for the European Green Deal to support the continent's transition to a low-carbon economy.

The Centre for the Fourth Industrial Revolution Japan helped to inform policy for the G20 Smart Cities Alliance on Technology Governance and also created the Authorized Public Purpose Access, a secure structure for accessing healthcare data.

The Forum's own channels have offered information, commentary and balanced opinion on the most urgent issues. The Annual Meeting 2020 in Davos-Klosters was the most widely covered in our history. The Forum was mentioned more than half a million times in the world's media, with website traffic surpassing 2 million. Blog posts written by our Strategic Partners alone were read by over 100,000 people.

Our priorities are driven by a clear sense of urgency and purpose. That is why the Forum's attention is fully focused on the essential and the existential. And while the challenges are significant, so too are the opportunities, and the Forum has had a clear role to play as its deep belief in global cooperation and multistakeholderism makes it the foremost partner in transformation.

The tireless work of Forum staff illustrates the values of strong intellectual curiosity and integrity, independence, passionate yet impartial engagement and a positive mindset.

We are extremely grateful to our Partners and constituents for engaging in all our activities and working to deliver great impact during this extraordinary and challenging year.



Børge Brende

President

A handwritten signature in black ink that reads "Børge Brende". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Our 50th Annual Meeting

The 50th Annual Meeting of the World Economic Forum was a historic milestone, not only for the stakeholder concept but also for shaping the future of public-private cooperation.

The idea that businesses should serve the interests of all society rather than simply those of their shareholders was proposed by the Forum in 1973 in the Davos Manifesto. Needless to say, the idea ran counter to the business norms of that era, but today stakeholder capitalism is seen as the best way forward to address social, political, economic and environmental divides.

The [Davos Manifesto 2020](#), which highlights new stakeholder imperatives such as fair and transparent taxation, zero tolerance for corruption and respect for human rights, was launched at the Annual Meeting this year. And in Davos-Klosters, the International Business Council, uniting 140 of the world's largest companies, agreed to support efforts to develop a core set of common metrics and disclosures that could be used to measure private-sector progress against key environmental, social and governance (ESG) goals.

To shape the future of public-private cooperation, 53 heads of state and government were joined by public figures from 117 countries who convened to accelerate progress on building a better future. Among the global leaders in Davos-Klosters were US President Donald Trump and UN Secretary-General António Guterres. At the working level, government ministers announced negotiations between 99 economies on a new international agreement on investment facilitation at the World Trade Organization (WTO), making it easier for investment to flow between economies while increasing its development impact.

The Annual Meeting also provided one of the first public warnings of a global pandemic that would unfold in subsequent months as experts gathered to discuss how to develop a vaccine. CEPI, the Coalition for Epidemic Preparedness Innovations that was launched at the Annual Meeting 2017, announced three programmes to develop vaccines against the novel coronavirus, in partnership with Moderna and the Wellcome Trust. The swift action was made possible by the presence in Davos of the leaders from the partner organizations.

Progress can only be made when all sectors of society work together, and our 50th meeting exemplified this approach. Business, government and civil society leaders pushed forward action in areas such as skills and work, inclusive growth, trade, technology, cybersecurity and sustainability. Important outcomes from the Annual Meeting 2020 included the following:

- The Reskilling Revolution to provide better education, skills and jobs to 1 billion people by 2030 received initial backing from the Governments of Bahrain, Brazil, Denmark, France, India, Oman, Pakistan, Singapore, UAE and the United States as well as business partners. The Forum's Global Shapers Community further pledged to provide skills to 100,000 people in vulnerable communities.
- The Davos Friends of Africa Growth Platform was launched with the support of the presidents of Botswana and Ghana to promote entrepreneurship in Africa. The platform's initial target is to reach 1 million entrepreneurs by the end of 2020.
- Some 42 organizations, including businesses from the mining, automotive, chemical and energy industries with a combined revenue of \$1 trillion, agreed on 10 guiding principles for a sustainable battery value chain, enabled by a traceability platform called Battery Passport.
- The Sustainable Markets Initiative, backed by a Sustainable Markets Council, was launched by HRH the Prince of Wales in collaboration with the Forum with the goal of bringing about a transition to sustainable markets and rapid industry-wide decarbonization.
- 1t.org, a new multistakeholder initiative aimed at supporting efforts to grow, restore and conserve 1 trillion trees by the end of the decade, was announced. Within the first days of its launch, the US and China announced support. Salesforce announced a new commitment to plant 100 million trees; Colombia confirmed its existing commitment to plant 180 million trees by 2022; Pakistan reaffirmed its 10 billion trees campaign; and the Global Shapers also committed to planting 1 million trees by 2021 across its 400 Hubs worldwide.



Ursula von der Leyen, President of the European Commission, speaking during the session celebrating the Forum's 50th anniversary at the World Economic Forum Annual Meeting 2020. Copyright: World Economic Forum/Mattias Nutt

- A new multistakeholder partnership, SDG500, was launched to mobilize \$500 million towards achieving the Sustainable Development Goals (SDGs) in emerging markets through a series of six blended finance funds. SDG500 is a partnership between the International Fund for Agricultural Development, the United Nations Capital Development Fund, Smart Africa, the Stop TB Partnership, the IDB Lab of the Inter-American Development Bank, the International Trade Centre, CARE USA and Bamboo Capital Partners.
- The Forum partnered with a community of 40 central banks, international organizations, academic researchers and financial institutions to create a framework to help central banks evaluate, design and potentially deploy central bank digital currency (CBDC).
- A group of private-sector leaders from cybersecurity companies, service providers and global corporations, along with law enforcement agencies Interpol and Europol, agreed to work together with the Forum through 2020 to foster a global public-private alliance against cybercrime.

- GAVI, the Vaccine Alliance, celebrated its 20th anniversary. GAVI was launched at the Annual Meeting 2000 with the backing of the Gates Foundation, the World Health Organization (WHO), pharmaceutical companies and governments to bring vaccines to children who lacked access. Since then, GAVI has reached 760 million children.

Such outcomes and milestones demonstrate how the Annual Meeting provides Forum Partners and constituents with an unparalleled opportunity to galvanize action at the start of the new year. This momentum helped to ensure that critical work streams continued despite the challenges of the COVID-19 pandemic.



Lee Howell

Managing Director

Our Platforms



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COVID Action Platform

The dramatic spread of COVID-19 has disrupted lives, livelihoods, communities and businesses worldwide. The Great Lockdown recession will drag global GDP down in 2020 and the fallout will hit developing countries and vulnerable communities hardest. By the end of this year, 265 million people could be facing starvation, according to the UN World Food Programme. The sum of many individual actions will not add up to a sufficient response: only coordinated, swift action by business, combined with global, multistakeholder cooperation, can mitigate the risk and impact of this unprecedented crisis.

On 11 March, the World Economic Forum launched the COVID Action Platform, which is focused on achieving impact through three priorities: galvanizing the global business community for collective action; protecting people's livelihoods and facilitating business continuity; and mobilizing cooperation and business support for the COVID-19 response.

The COVID Action Platform brought together more than 1,200 businesses and organizations to tackle the impacts of the emergency, advancing 39 projects across more than a dozen platforms. In the field of business alone, it engaged over 1,190 executives from some 670 Partner and Member companies. These stakeholders continue to regularly convene through virtual meetings to deliver the multistakeholder projects and to share their insight and expertise on how the world can move forward through this crisis. The Forum also articulated [Stakeholder Principles in the COVID Era](#) and is supporting the global business community in living up to those principles.

In the field of governments and international organizations, the platform engaged more than 1,600 ministers representing 174 countries, bringing high-level public figures into the platform's virtual meetings, projects and support network. Using the new COVID Social Sector Mobilization Platform, meanwhile, the COVID Action Platform also convened 65 leading civil society, social enterprise and philanthropic organizations to exchange knowledge and influence policy. It built the COVID Response Alliance for Social Entrepreneurs to amplify support for these entrepreneurs, mobilizing more than \$75 million to mitigate the impact of the pandemic on the sector.

Projects ranged from developing workforce principles for chief human resource officers, and connecting essential workers to mobility operators, to launching #JuntosenCasa, an educational and prevention programme for Hispanic youth in the US and Latin America, with the cooperation of Univision and the WHO.

One such project rapidly brought together the Africa Centres for Disease Control and Prevention, the WHO, Resolve to Save Lives and IPSOS to provide real-time data about health and public sentiment to decision-makers, so they can adapt COVID-19 response measures to local needs and capacities in Africa. In another example, the 3D Printing COVID-19 Rapid Response Initiative was established to address rising demand for medical supplies triggered by COVID-19, which included providing support for equipment manufacturers and smoothing the flow of equipment to where it was needed.

From the start of the pandemic, the COVID Action Platform leveraged its networks and partnerships to expedite the emergency responses of some of the world's largest private organizations, including helping Unilever donate €100 million of sanitizer, soap, bleach and food to areas in need, guiding AstraZeneca's swift distribution of 9 million masks, and facilitating a funding gift of \$50 million from Johnson & Johnson to front-line healthcare workers fighting the coronavirus.

From February to May, the Forum brought together CEOs, heads of state and global innovators to discuss action plans and next steps for tackling the global crisis; speakers included the WHO Director-General, the Austrian Chancellor, the US Treasurer and the President of Colombia. Finally, the Forum's digital media team busily amplified health advice on LinkedIn, Facebook, Instagram, TikTok, Twitter and the Agenda blog, to make sure the right information reached the right audience.



A participant in the "Update: Wuhan Coronavirus" session during the World Economic Forum Annual Meeting 2020. Copyright: World Economic Forum/Greg Beadle



Testimonial

Luis Alberto Moreno

President, Inter-American Development Bank,
Washington DC

Every global challenge seems to be accompanied by a nearly identical call: “the international community must work together” or “the world’s decision-makers and experts need to join forces”. Too often, that call goes unheeded or falls short. But in many cases, international resolve does improve lives.

I’ve described the COVID-19 pandemic as something like the 1918 Spanish flu and the Great Depression combined. If the world ever needed its leaders to band together, it certainly does now. In this daunting context, when I consider the partnership between the Inter-American Development Bank (IDB) and the World Economic Forum, I feel deeply gratified. In the past year, we have collaborated in areas ranging from gender parity to cybersecurity and entrepreneurship to infrastructure, seeking out public-private synergies to benefit the people of Latin America and the Caribbean.

But thanks to our many years of prior collaboration, we were also rapidly able to shift our work in response to the pandemic.

The Forum’s COVID Action Platform has been a critical resource for the IDB Group, as have weekly high-level calls and The Great Reset meeting series. They have enabled us to exchange firsthand insights with the private sector, governments and other international organizations, and identify opportunities to complement each other’s efforts. The Pandemic Supply Chain Network has helped us coordinate with the WHO and the Pan American Health Organization on sourcing critical medical supplies.

As the World Economic Forum’s Founder and Executive Chairman Klaus Schwab so eloquently described in a virtual conversation with me in May, the pandemic has brought into relief many of our societies’ long-standing failings. I am proud that the Forum and IDB were already working on several of these social challenges. In 2016, we joined forces to implement Gender Parity Accelerators in more than 10 countries in Latin America and the Caribbean. The effort produced action plans in six countries for increasing women’s labour participation and leadership and reducing the wage gap. Today, amid a surge in gender-based violence and new strains upon women as primary caretakers, we are working with the Forum and our countries to begin adapting these strategies to the new reality.

The pandemic has also exposed gaping disparities in technological capacity, both across the world and within countries. Before the health crisis struck, the IDB partnered with the Forum’s Centre for the Fourth Industrial Revolution to develop blockchain projects in our region. These ongoing initiatives will test the use of this technology for improving government transparency and fighting corruption as well as increasing the efficiency of international commerce. In the COVID-19 era, with government resources historically strained and supply chains stressed, this work only becomes more critical.

I have always considered myself a development optimist. In these dark days of death tolls and shuttered businesses, it is not always easy to remain hopeful. But we at the IDB agree that this moment can – and should – be the start of a Great Reset: a future that is more equitable, sustainable and resilient. Yes, it certainly requires “the international community to work together”. A strong IDB-Forum partnership is one among many that are needed for the sake of tomorrow.

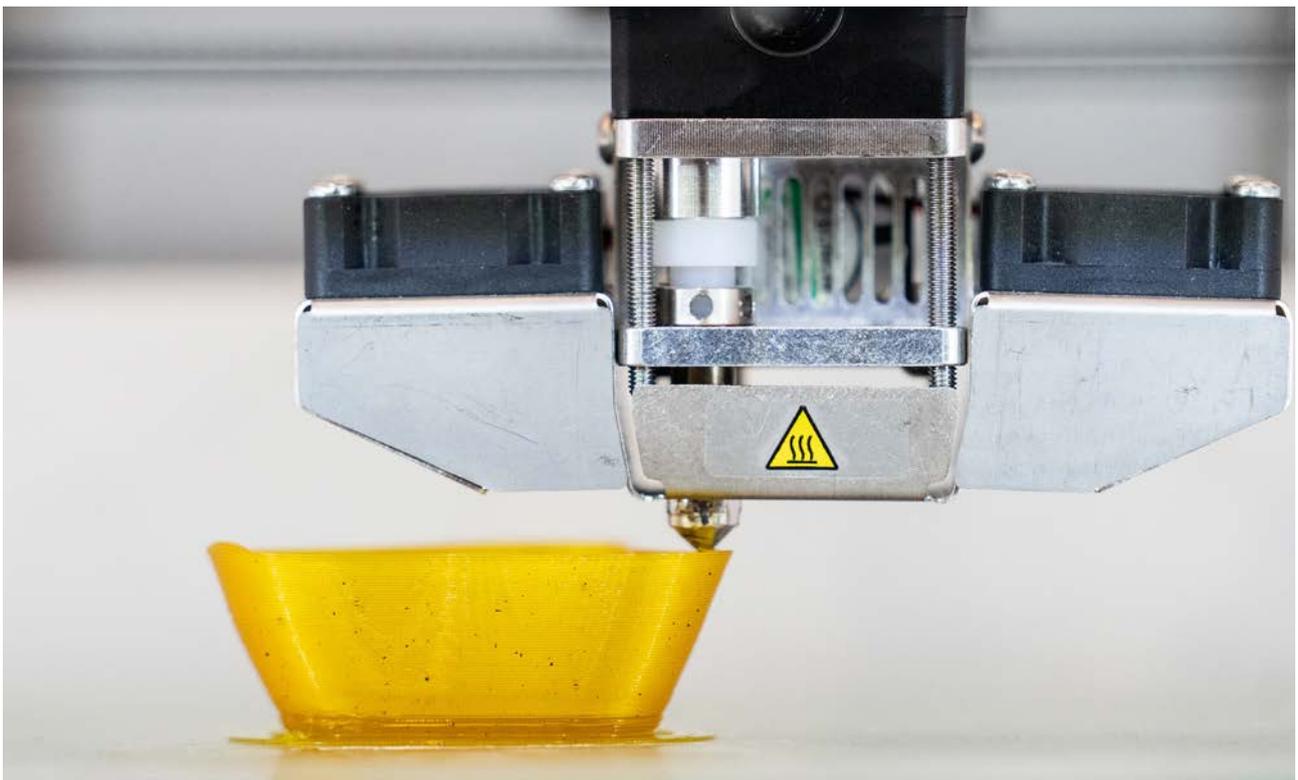
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Shaping the Future of Advanced Manufacturing and Production

The Platform for Shaping the Future of Advanced Manufacturing and Production brings together a diverse community of over 130 organizations from more than 22 industry sectors, governments, academic institutions and civil society to boost the dissemination of inclusive technology while stimulating innovation, sustainability and employment. The platform enables solutions to the greatest challenges facing multiple industries, accelerating the growth of advanced manufacturing while helping stakeholders fulfil their social responsibility. It does this by evaluating and proposing pilot schemes, examining the latest approaches in skills development, driving improvements in partnerships and informing business model transformations and next-generation industrial development strategies.

The Forum welcomed 18 new factories to its Global Lighthouse Network of advanced manufacturers, bringing the total to 44. Lighthouses are resetting industry benchmarks for the manufacturing sector while reducing the sector's impact on the environment. Efficiency gains can reach up to 30% and are prompting the broader manufacturing community to accelerate its transformation.

In September 2019, in partnership with the United Nations Development Programme (UNDP), the Forum launched a Strategic Value Framework to help all stakeholders along the global value chain understand and respond to disruptions brought on by significant global trends.



Copyright: World Economic Forum/Sikarin Fon Thanachaiary



COVID-19 continues to disrupt manufacturing and supply chains. The Forum sought industry leadership advice to identify the best responses to the pandemic with the aim of building resilience in supply systems. The findings were featured in the white paper “How to rebound stronger from COVID-19: Resilience in manufacturing and supply systems”, considering three areas: immediate action, recovery and improved resilience, and adaptation to ensure long-term success. In addition, companies can work with the platform to identify solutions that help reconfigure global value chains in their specific industries.

In response to the pandemic, the platform also pivoted existing efforts to support rapid response initiatives in two main ways: by engaging the Global Lighthouse Network and the world’s largest 3D printing manufacturers in the 3D Printing COVID-19 Rapid Response Initiative and efforts to help mobilize manufacturing capacity, capabilities and coordination to address the personal protective equipment supply gap; and by launching the online collaboration portal MFG Works to support the manufacturing workforce with new training and development opportunities.

Furthermore, the platform supported strategic efforts to build future resilience and prepare for the post-COVID-19 scenario by beginning a cross-industry initiative to understand and anticipate the impact of COVID-19 on global manufacturing, supply and value delivery systems; sharing best practices from the Global Network of Advanced Manufacturing Hubs; and launching an effort to explore how COVID-19 is accelerating business-model innovation, described in the white paper “Winning the race for survival: How advanced manufacturing technologies are driving business-model innovation”.



Testimonial

Ruth Porat

Senior Vice-President and Chief Financial Officer,
Google, USA

Since being all together at the Annual Meeting 2020 in Davos-Klosters in January, the global physical and economic suffering from the COVID crisis has been intense. On the heels of this, demonstrations and cries for racial justice have galvanized the attention of leaders around the world and, hopefully, represent the turning point in addressing racial inequality.

No one government or company can respond alone to the major challenges we face around public health, racial justice, sustainability and economic growth. It's clear that the most disadvantaged are carrying the greatest share of pain and hardship. The World Economic Forum, with its core mission of fostering dialogue among nations and decision-makers, has a key role now more than ever as a platform for governments and businesses to collaborate and work on solutions for these urgent issues. Throughout the pandemic, the Forum has been at the forefront of developing global solutions. The COVID-19 Action Platform, of which Google is a member, has been a prime example of this, enabling thought and business leaders and government officials to connect and inspire, take action and discuss responses to the crisis.

We must commit to improving education, building product tools and innovations that rebuild communities as part of a global initiative of inclusive economic recovery for businesses and individuals. As part of our own response to the crisis, Google has focused on prioritizing the link between job skills and economic recovery – empowering jobseekers, business owners and entrepreneurs with the skills and access they need for economic recovery. That's why Google recently pledged to help 10 million people and businesses in Europe, the Middle East and Africa find jobs, digitize and grow over the next 18 months.

It is also vitally important that the “restart” of world economies extends to how we think about racial justice, diversity, equity and inclusion. That, of course, starts within our own organizations. At Google, we're taking a hard look at these issues internally, including committing to improving leadership representation of under-represented groups by 30% by 2025, and externally with a focus on creating products and programmes that help Black users in the moments that matter most.

I'm excited to see the Forum focusing attention on these important questions as well, through its Global Shapers Community, and plans for an interactive, virtual Annual Meeting, opening up our discussions at the meeting to even more people around the world.

Through The Great Reset strategy, the Forum is helping shape what our immediate future will be and is addressing the statement that so many have uttered that “things will never be the same”. The Forum has a key voice in the global dialogue on working on solutions for racial inequity and racial injustice. The cataclysmic events of 2020 require all leaders to play an active part in shaping the world economy to make it more diverse, equitable and sustainable and better able to meet the new challenges of our world. To succeed, we must come to these solutions by working together.

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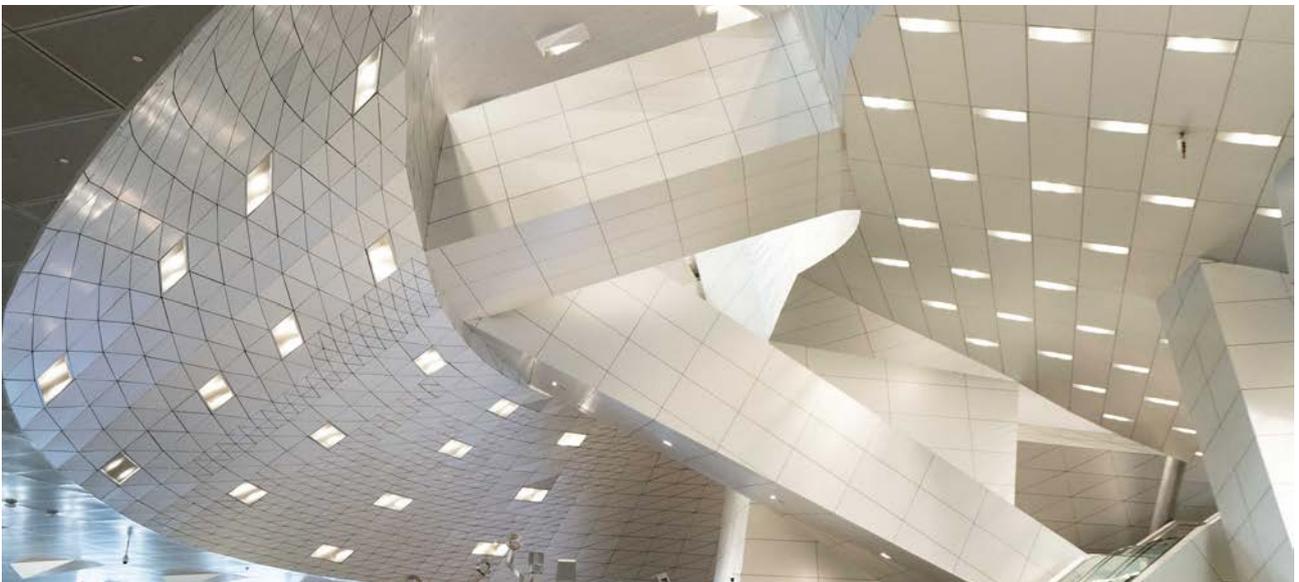
Shaping the Future of Cities, Infrastructure and Urban Services

Urbanization is one of the key megatrends driving global economic growth. Cities are already home to more than 50% of the world's population, and it is estimated that by 2050 this proportion will rise to two-thirds. They also currently produce more than 60% of global emissions. The Platform for Shaping the Future of Cities, Infrastructure and Urban Services explores this key habitat for humanity. It supports investment in critical infrastructure, green policies, citizen well-being and smart-city technology, and addresses the question of how to make our urban centres safe and resilient in the face of climate change and burgeoning population growth. It empowers companies to solve key urban issues together, while ensuring a focus on corporate social responsibility for the greater public good.

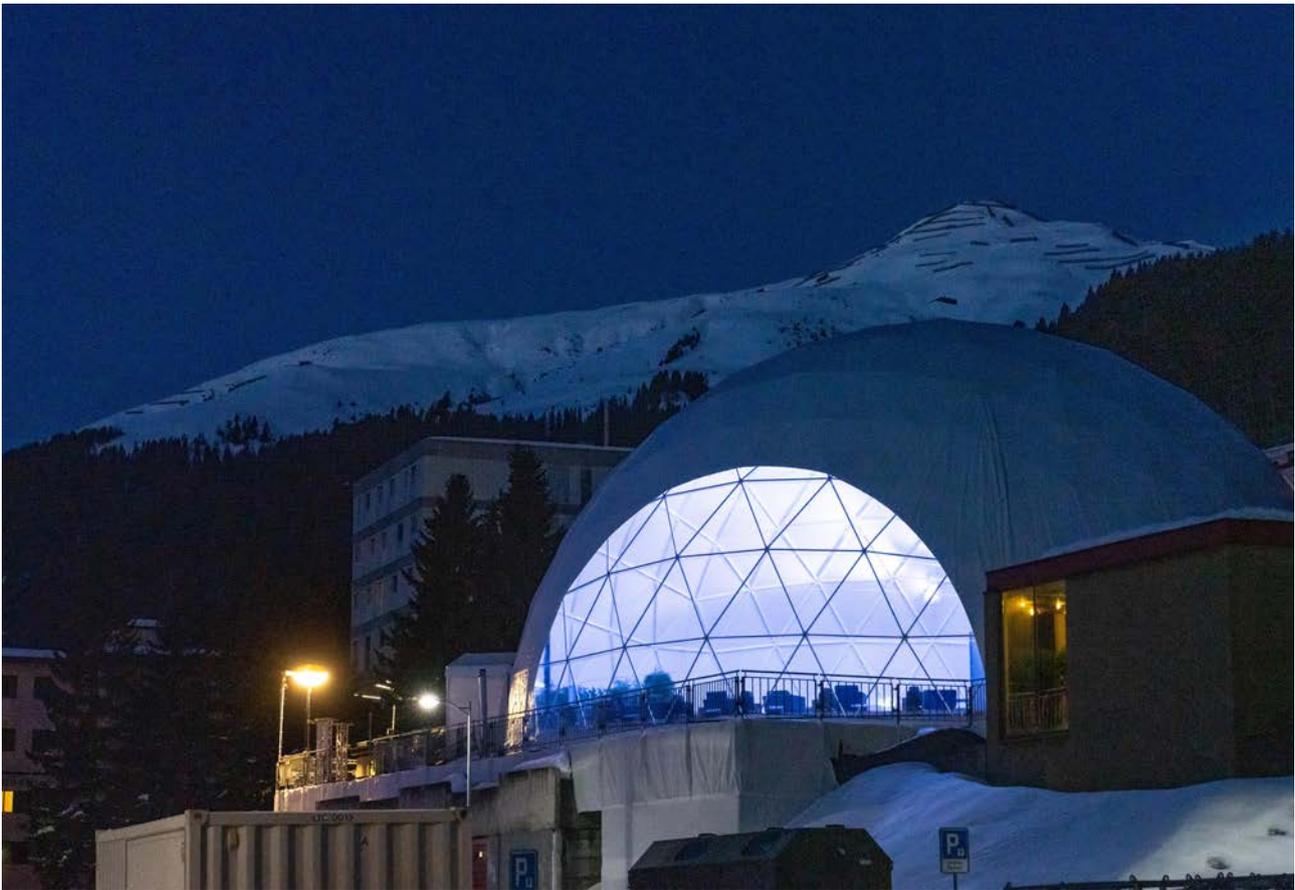
In March, as the COVID-19 pandemic spread across Europe, the platform played a key role in the launch of Connected Units for Respiratory Ailments (CURA). These emergency intensive-care units (ICUs), fashioned from shipping containers, are suitable for quarantining patients through negative-pressure biocontainment, can be shipped globally to where ICU beds are in

short supply and connected to form a high-grade field hospital. The groundbreaking, collaborative project was presented to CEOs in such sectors as real estate and engineering, drawing involvement from Forum Partners like Jacobs, GE and Royal Philips. The open-source design was adopted in such nations as France and Kuwait. A number of industry leaders engaged in CURA also signed an [open letter](#) to governments globally, offering their support in constructing hospitals and repurposing other buildings for emergency COVID-19 healthcare. The platform's work on the CURA initiative was a vital early response to boosting global urban healthcare facilities as the crisis deepened.

Unacceptable carbon emissions continue to be a challenge for cities globally. To combat them, the platform launched the Systemic Efficiency: Transitioning Energy and Buildings Initiative in collaboration with the Forum's Platform for Shaping the Future of Energy and Materials. This project facilitates dialogue between more than 200 stakeholders on how to reduce emissions by 30% by 2030 and ultimately deliver net-zero cities, focusing on energy efficiency, green building and clean



Venue of the World Economic Forum Annual Meeting of the New Champions 2019 in Dalian, People's Republic of China. Copyright: World Economic Forum/Sikarin Fon Thanachaiyari



World Economic Forum Annual Meeting 2020 in Davos-Klosters, Switzerland. Copyright: World Economic Forum/Greg Beadle

electrification. Specific working groups have since been established to raise the ambitions of national, regional and city-level policy-makers, along with financiers, the private sector and civil society, and to promote a menu of green policies, standards and designs.

Another key area of activity was infrastructure. The world faces a \$15 trillion investment gap to provide adequate infrastructure by the year 2040. At the same time, the construction sector must dramatically improve its efficiency: by some estimates, 98% of megaprojects incur cost overruns exceeding 30% of original budget. While many factors contribute, industry leaders identify poor risk allocation practices as decisive. In response, in October the platform convened sector leaders for a Risk Allocation Workshop, whose recommendations in seven risk categories were discussed by key industry and government players at the Annual Meeting 2020 in Davos-Klosters in January. At the same time, the platform partnered with the Engineering and Construction Risk Institute and Project 13 on a workshop series to shift industry norms away from the transactional procurement of assets and towards value-driven teams that can achieve cities' social, environmental and economic objectives.

As COVID-19 continued to change urban lives around the world, the platform adapted its core initiatives to address near-term challenges presented by the crisis, while using these unprecedented events to accelerate positive trends that were in motion around climate change, sustainability and digitization. To this end, the Governors of the Infrastructure and Urban Development industries delivered recommendations for governments globally on effective stimulus packages and safe practices for returning to work.

4

Shaping the Future of Consumption

The Platform for Shaping the Future of Consumption works to promote responsible models of consumption for the benefit of business and society. Consumer spending drives approximately 60% of global GDP, and embracing the power of technology will be paramount to ensuring growth in the future. Engaging over 150 organizations, the platform encourages the adoption of new technologies poised to transform value chains in the Fourth Industrial Revolution, from AI to blockchain. It also supports innovative customer-relationship models, addressing trust and transparency concerns in the world of big data as well as societal challenges, including urban-rural divides, environmental degradation due to overconsumption, and wage inequality through worker reskilling.

This year, the platform focused attention on two key areas: ensuring consumer well-being and battling the planetary scourge of single-use plastics.

Unhealthy lifestyle choices are a major concern that can lead to non-communicable diseases, which account for 71% of all deaths worldwide. In addition, mental health issues affect one in four people globally.

The platform's Healthy Cities and Communities initiative aggregates private- and public-sector efforts to support socially vibrant communities in which individuals are empowered to reach their fullest potential. It aims to improve the lives of citizens through preventive interventions that enable physical and mental well-being.

In 2019, the initiative launched its first multistakeholder collaboration in Jersey City, USA, where 10% of residents are diabetic and 25% are obese. With support from the city's mayor, the first pilot expanded access to vertically farmed nutritious greens to 750 residents in 10 low-income public housing communities, while providing tech-enabled personalized nutrition diagnostics. Over the next 12 months, similar partnerships are planned with such cities as Austin, Texas, Mumbai, India and Moscow, Russia.

Meanwhile, with less than 10% of global plastic waste being recycled, disposable packaging is piling up around the planet. Stakeholders recognize the urgent need for new consumption models that prevent waste upstream at the level of consumers.

The platform's Consumers Beyond Disposability initiative brings together leading private- and public-sector actors and civil society representatives committed to advancing scalable alternatives to single-use packaging. The project fosters partnerships between businesses, innovators and city governments to advance regulatory frameworks, infrastructure requirements and advocacy efforts to test and increase reuse systems on the ground. Participants so far have included Paris, New York, London and Tokyo.

This year, the Consumers Beyond Disposability community kicked off a work programme with more than 50 leaders and experts, to develop global guidelines for reusable packaging, along with a toolbox for cities to accelerate reuse solutions at scale. This work builds on that of the Loop Alliance, a durable packaging platform incubated at the Forum, which over the past year launched consumer pilots in France and the US, featuring over 300 products and 5,000 consumers in each market.

The platform also assumed a leadership role in the fast-evolving COVID-19 context. It offered the consumer industry an opportunity to identify effective approaches to navigate the crisis and emerge stronger. Its work focused on proactively shaping the crisis response and a new future for consumption in two key areas: first, its Global Supply System Dashboard ensured a continued supply of essential goods, convening key players to build a digital visibility tool that can address disruptions due to the pandemic; second, the Consumer Industries Task Force for the Future of Work helped to protect livelihoods, despite COVID-19 having affected millions of jobs, with low-wage workers left especially vulnerable. The Task Force facilitated a collaboration to support dislocated workers of consumer companies, such as retailers and manufacturers, through cross-industry talent exchanges.



Zara Ingilizian, Head of Shaping the Future of Consumption at the World Economic Forum LLC, during the World Economic Forum Annual Meeting of the Global Future Councils 2016. Copyright: World Economic Forum/Jakob Polacsek

5

Shaping the Future of Cybersecurity and Digital Trust

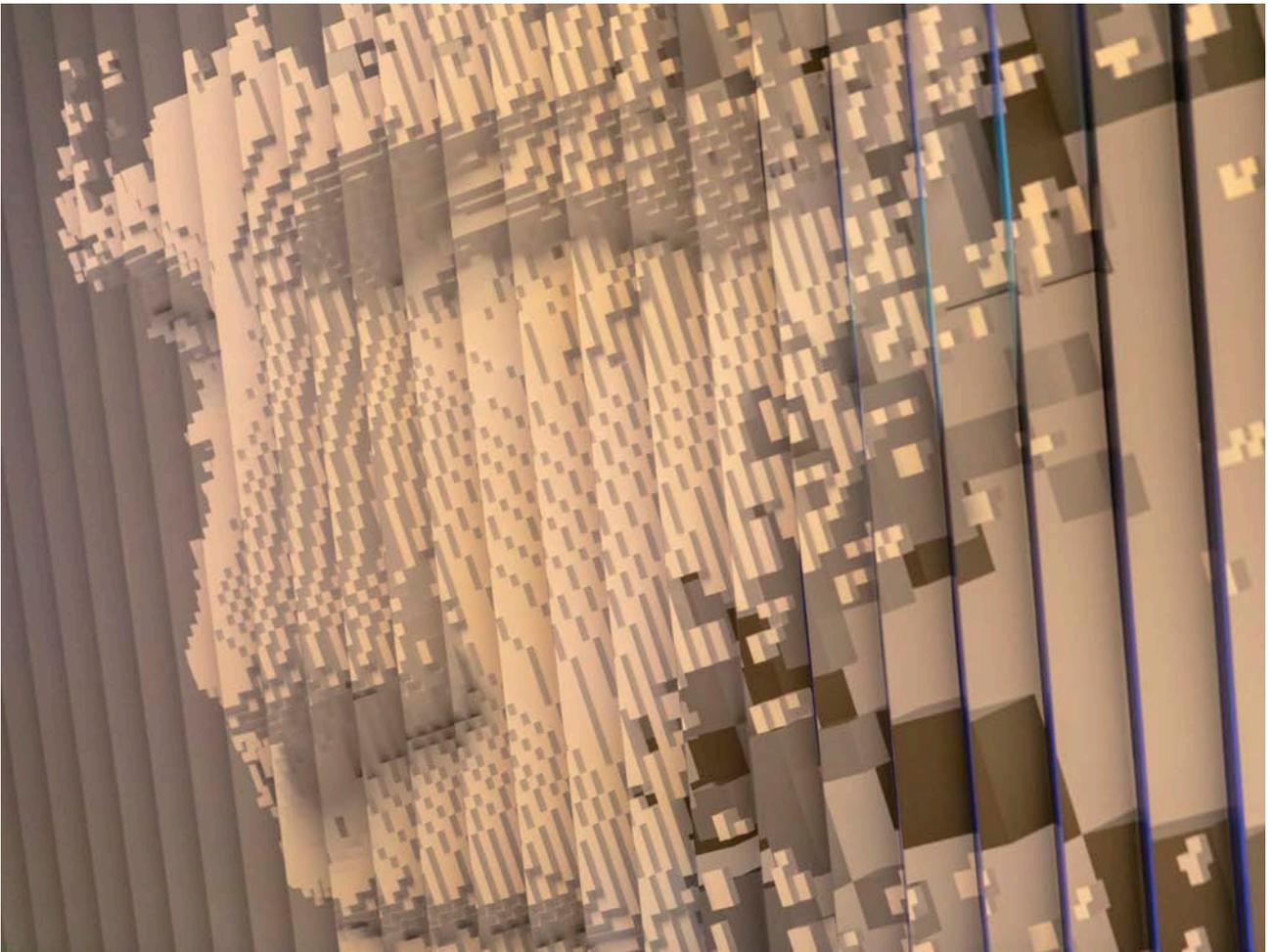
The Platform for Shaping the Future of Cybersecurity and Digital Trust targets global collaboration to address systemic cybersecurity challenges and improve digital trust, safeguarding innovation and protecting institutions, businesses and individuals. The platform leads a strong and growing global effort to champion cybersecurity as a competitive advantage that creates value and opportunities for public and private organizations and, ultimately, for all. Effective cybersecurity creates an atmosphere of digital trust, spurs innovation and progress in society and enhances the social responsibility and accountability of organizations, the cumulative effects of which enable economic prosperity and inclusion.

This year, the platform worked with public- and private-sector partners on initiatives to build collective security resilience throughout the global digital ecosystem. Digital connectivity has a pivotal role to play in unlocking innovation and prosperity in the Fourth Industrial Revolution, and cybersecurity provides the foundation of trust and stability necessary for this to happen. However, cybersecurity threats are among the most significant challenges facing the world today, posing a high risk to the digital economy. The Forum's *Global Risks Report 2020* identified them as among the most pressing strategic issues facing global leaders, while the recent report *COVID-19 Risk Outlook: A Preliminary Mapping and Its Implications* noted the heightened danger as the world becomes more dependent on digital technology. Building trust and a secure internet for the global economy is a major challenge requiring public-private collaboration and a deep transformation in the global digital ecosystem.

To face this challenge, the platform built multistakeholder partnerships and communities of purpose that work across several key themes, bringing security to systemically important industries, working to understand the risks of new technology and promoting cooperation between partners who can scale collective resilience and collective action.

Key achievements included the development of a global partnership against cybercrime along with 19 companies and 20 public and non-profit actors including Interpol and Europol; the promotion and delivery of principles with leading global internet service providers that can protect over 1 billion internet users; and the mobilization of more than 100 public and private stakeholders across the aviation, oil and gas, and electricity industries to promote the adoption of practices that will enable greater cyber-resilience.

In response to COVID-19, the platform convened global experts to identify and better understand the challenges emerging from the crisis and to develop an effective approach to mitigate these risks both during and in the wake of the pandemic. In May 2020, this effort resulted in the publication of *Cybersecurity Leadership Principles: Lessons learnt during the COVID-19 pandemic to prepare for the new normal*. The platform also organized a series of webinars with senior cybersecurity leaders to share insights on the most salient issues affecting businesses and governments during the pandemic, and on the role of cybersecurity as an enabler of business continuity.



At the World Economic Forum Annual Meeting 2020. Copyright: World Economic Forum/Faruk Pinjo



Testimonial

Natarajan Chandrasekaran

Executive Chairman, Tata Sons, India

The 2020 coronavirus pandemic and its aftermath will leave behind a changed world on virtually every front, be it in health, jobs, climate, inequality, mobility or governance. Yet, all of these are global issues that will require globally coordinated solutions – at a time of increased polarization.

Having recently marked the 50th year of its founding, the World Economic Forum will have a vital future role to play here. From its foresight into the future of work to its convening power of direct action groups, the Forum occupies a unique role in driving collaboration across businesses, governments, academia, civil society and media. The Tata Group and Tata Consultancy Services have been committed Partners of the Forum for over a decade, sharing its vision of improving the state of our world. We are currently engaged with the COVID Action Platform, which has assembled over 1,000 companies to work in collaboration with governments and multilateral bodies to counter the current pandemic.

Of particular importance to our long-term future is the Forum's focus on climate. The Annual Meeting 2020 in Davos-Klosters was centred on climate action, while a full range of long-standing initiatives (from the Forum's work to attain net-zero emissions in heavy industry to the Loop Alliance to eliminate plastic waste in packaging, among others) are moving corporate action towards building climate resilience and sustainability into the core design of all business models.

From climate to healthcare, I believe the acceleration in digital solutions will play a pivotal role. In that vein, the Tata Group has been a part of several key Forum initiatives, ranging from strengthening cybersecurity and creating advanced digital manufacturing, to reskilling 17 million people towards the future economy. In January this year, I launched my book *Bridgital Nation* at the Annual Meeting. The book lays out how AI and the Fourth Industrial Revolution can lead to more and better jobs, if we deliberately design technology to solve access challenges in services such as health and education. If we get it right, AI can positively impact 30 million jobs by 2025 in India alone.

This will not happen on its own. The Forum and its Partners will have a key role to play in shaping this fundamental transition, to make way for a world that is more inclusive, more connected and more resilient than it has ever been before.

6

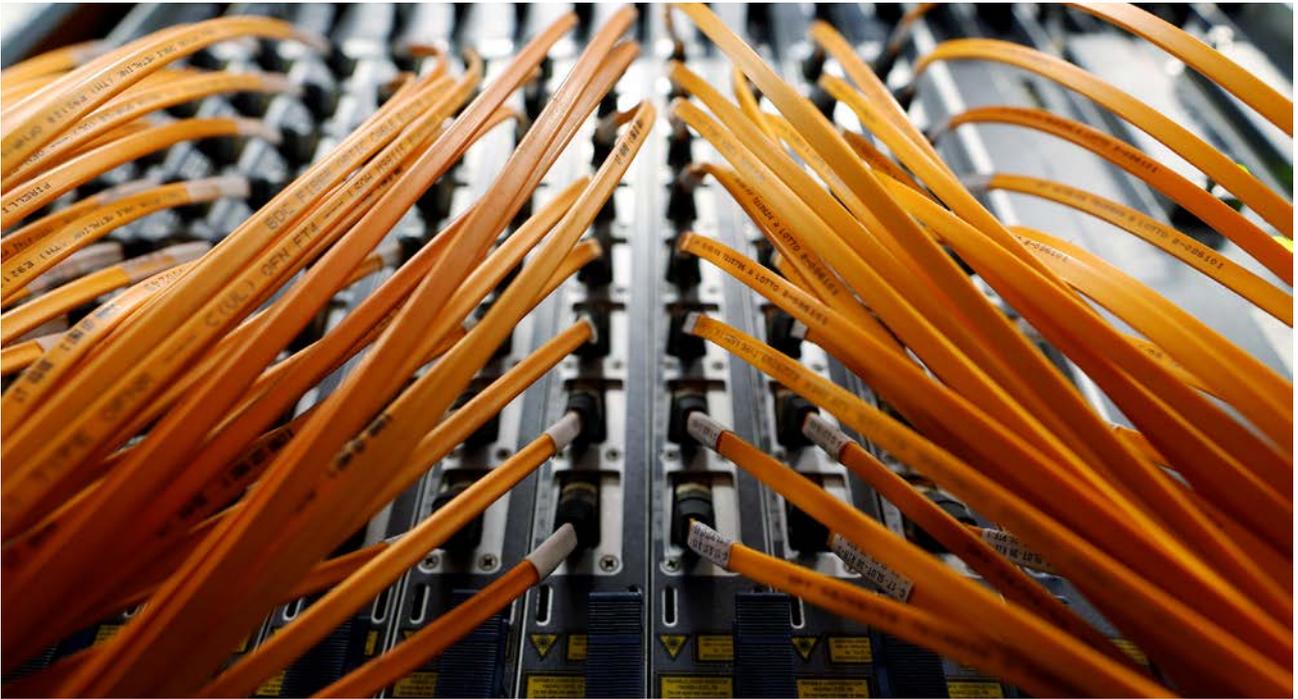
Shaping the Future of Digital Economy and New Value Creation

The Platform for Shaping the Future of Digital Economy and New Value Creation develops digitally-driven economic and business models, creating sustainable value for an inclusive economy. It works with more than 1,000 executives, experts, policy-makers, civil society leaders and academics to create new frameworks for disrupting traditional business, investment and innovation models, to help companies leverage technology to be agile in the face of shocks, and to create digitally enabled business models for the new normal.

In response to COVID-19, the platform stepped up to protect and expand critical digital connectivity. Since the start of the pandemic, demands on digital networks have grown 200-300%. At the same time, 3 billion people remain excluded from the internet and digital services. Affordable and reliable broadband access are crucial to helping people, businesses and countries remain connected, and to incorporate the unconnected. In April 2020, the platform collaborated with key international organizations on a call to action to help countries remain connected during the COVID-19 crisis. A letter was sent to ministers and regulators from 170 countries and discussed at a joint high-level meeting with CEOs and policy-makers from more than 60 countries. It was highlighted by CEOs from GSMA, Qualcomm and Huawei in a *Forbes* op-ed and a CNN international special. The platform also coordinated a multistakeholder group of existing networks to maintain and accelerate broadband penetration. It will continue to disseminate the call through the Regional Action Groups for Africa and for Latin America and the Forum's Essential Digital Infrastructure and Services Network initiative.

The platform also worked to accelerate and coordinate the digital response to the pandemic. COVID-19 created a need for digital technologies that meet the needs of the hour. Companies and governments deployed digital tools to share information about viral spread, support detection and containment, assist healthcare and safeguard key workers, but a framework was required to coordinate and amplify these efforts and to address questions about localized solutions, privacy, data rights and regulations in emerging areas such as telemedicine. In April, the platform established the COVID Digital Response Network, launching a compendium of the technology and data innovations that had already arisen during the pandemic. It featured 80 use cases and 90 companies, identified solutions that align with the needs of the global community and – having been shared at the WTO dialogue with more than 80 countries – will continue to shape the response agenda and evaluate digital solutions that deliver value and potential for scale.

Additionally, the platform performed essential work to help companies navigate business disruptions and the transition to digital-first models. The average tenure of an S&P 500 company is expected to halve from 24 to 12 years between 2016 and 2027, due to disruptive technologies, changing customer behaviour and the climate crisis. At the same time, emerging digital ecosystems could account for more than \$60 trillion in revenue by 2025 – more than 30% of all global corporate revenue. Companies must reimagine how they create value in the face of digital disruption, which has been accelerated by COVID-19. Following the success of the Digital Transformation Initiative, the platform launched a refreshed Accelerating Digital



Telecom Italia optical fibre cables in a telephone exchange in Rome, Italy, December 2013. Reuters/Alessandro Bianchi

Transformation programme. It involves a cross-industry group of eight CEO champions and a working group of 45 executives, co-creating playbooks for using technology and data to create inclusive and sustainable value. Through this effort, the platform is curating a community to help organizations create new business and societal value while also retaining trust, and will continue to provide a space for learning, collaboration and the sharing of knowledge and resources.

The platform mobilized stakeholder commitment to ensuring connectivity during COVID-19, and to accelerating digital inclusion in the new normal. It helped businesses navigate disruptions exacerbated by COVID-19, while creating value for all. The COVID Digital Response Network was launched with an associated compendium of solutions – a completely new effort. On an organizational basis, the Forum also adapted to a digital-first approach, transitioning communities onto its digital platform, creating new interactive virtual experiences and launching a virtual programme to share insights with its network.



Testimonial

Frannie Léautier

Senior Partner, SouthBridge Group, Rwanda

There has never been inequality on the scale seen today that did not end in revolution. The unemployment, poor quality of jobs, police violence and racial tensions that afflict many parts of the world are all born from a context of poverty, and years and years of exclusion.

What can we do to avoid disruptive and massively dangerous revolutions, while righting the wrongs that fuel people's legitimate anger?

I believe that the World Economic Forum has a role to play in unpicking inequality. Many of the themes that I have worked on in over a decade of involvement – including entrepreneurship, youth unemployment, the digital economy, debt management and the technologies of the Fourth Industrial Revolution – are core to creating a more inclusive economy in Africa and beyond.

Looking back specifically at last year, the pandemic both compounded and reflected global and national inequalities, adding new urgency to the need for a Great Reset of our economic system.

COVID-19 exposed the gaps that have remained with decision-makers for decades, and for which countries are now likely to pay an economic and existential price. But the crisis also provides an opportunity to fix these gaps, particularly in relation to public goods. Access to health, water, sanitation and livelihoods needs to be seen as a right for all citizens, not luxuries or commodities. The Leadership, Ethics and Values Initiative, of which I was a part this year, fosters decision-making that respects the humanity of all.

One area in which values must come into play is in the governance of the promising new technologies of the Fourth Industrial Revolution. My work with the Forum Platform for Shaping the Future of Digital Economy and New Value Creation included policy action on the risks of such technologies, such as facial recognition in Africa, to ensure tracking technology is not used to clamp down on protestors or crowd out freedom of speech.

The Forum has also been a place to share ideas and expertise on getting the best out of the bright side of technology. From advanced blockchain applications to drone delivery systems in Kenya and Rwanda, Forum discussions and initiatives have helped to feed the culture of innovation.

It is telling that even as the world closed its borders earlier the year, to solve problems we had to share technologies and solutions. We face a very stark situation as we try to recover from this pandemic and address the glaring inequalities boiling over in many parts of the world. It will take cooperation and collaboration, hallmarks of the Forum's approach, to make The Great Reset the positive milestone it needs to be.

7

Shaping the Future of Energy and Materials

Today's global energy and materials industries are characterized by significant shifts, with new trends and technologies changing the way energy is produced, delivered and consumed. The Platform for Shaping the Future of Energy and Materials is focused on accelerating the transition to a more sustainable, secure and affordable energy system, while optimizing the net social and economic value delivered by materials. It brings together leaders from the electricity industry, the oil and gas sector, the mining and metals industry, and chemical and advanced materials companies across the value chain.

Some of the platform's key work this year was in the field of low-carbon emitting technologies (LCETs). Owing to global population growth and a rising middle class, the demand for chemicals and materials is set to quadruple by 2050. Despite a reduction in CO₂ emissions, the chemical industry will not be able to fulfil its climate goals without adopting new LCETs, as the optimization of current production processes has technical limitations.

The platform's CEO-led initiative, Collaborative Innovation for Low-Carbon Emitting Technologies in the Chemical Industry, aims to accelerate the development and expansion of LCETs for chemical production and related value chains, setting the chemical industry on a path to net-zero emissions by 2050. The initiative's 21 companies continued their engagement in five parallel technology clusters: i) carbon capture utilization, led by Total; ii) biomass utilization, led by Clariant and Royal DSM; iii) electrification, led by BASF; iv) alternative hydrogen production, led by Air Liquide; and v) waste-processing, led by SABIC, Covestro and BASF. The initiative brought together chief technology officers and senior technical experts to accelerate collaboration and define actions for further work through the creation of joint ventures, start-ups and alliances.

The platform also had an impact on the field of cyber-resilience. Another CEO-led initiative, Systems of Cyber-Resilience: Electricity, gathered representatives from more than 50 businesses, government entities and academic institutions to enhance the cyber-resilience of critical electricity infrastructure in an increasingly interconnected world. The approach is centred around high-level dialogues, supplemented by insights generated from theme-based collaborations between electricity industry leaders, and provides ongoing guidance to electricity industry stakeholders on building an ecosystem-wide cyber-resilient strategy and culture. The Forum ensures the neutrality of this community and provides a platform for members to collaborate on TopLink. Together with regulator and government stakeholders, the initiative aims to develop and disseminate high-level recommendations for policy-makers.

As the pandemic spread, the platform created Industry Action Groups for CEOs and senior executives in the electricity, oil and gas, mining and metals, and chemical industries to focus on sector-specific recovery actions and long-term implications, and to design new structures for collaboration across stakeholder groups.

The platform initiated a work stream on energy policy, in collaboration with the International Energy Agency, which brought together the Industry Action Groups for oil and gas and for electricity with selected energy policy-makers, in a sustained dialogue on designing policy and stimulus measures to benefit the economic recovery and the sustainable energy transition.

Meanwhile, other work streams increased their digital offerings, with regular dialogues to convene global stakeholders, refreshed maps to make sense of transformational changes, additional media opportunities to showcase how governments and businesses are standing together, and strategic intelligence-hosted webinars for the broader Forum network.



Photovoltaic solar panels at the Tenaska Imperial Solar Energy Center South in California, USA, May 2020. Photo taken by a drone. Reuters/Bing Guan

8

Shaping the Future of Financial and Monetary Systems

The Platform for Shaping the Future of Financial and Monetary Systems works to facilitate the development of a more efficient, resilient and equitable international financial system that protects customers, enables saving and investment for growth, and supports the creation of jobs and enterprises. It provides an impartial and trusted space for stakeholders to connect, identify shared needs and collaborate to navigate challenges faced by the financial services industry.

This year, the platform took a leading role in forming the historic Alliance on Appropriate Data Use in financial services. Given the centrality of data to the evolution of the financial system, the spectre of inappropriate data use presents the risk of an erosion of trust, potentially affecting financial stability. For this effort, the Forum engaged more than 65 banks, insurance firms, technology companies, consumer groups, trade unions, central bankers, regulators, law firms and

religious groups to develop global principles guiding the use, collection and sharing of data. Signatories to the Alliance on Appropriate Data Use align their data practices with principles that benefit the customers they serve, who comprise more than 16 million banking customers globally, along with approximately 140 million retail, corporate and microinsurance customers across developed, developing and emerging markets, and 205,000 small business customers in the United States alone.

The platform also performed key work to help shape the strategy of the financial institution of the future. With emerging technologies playing an increasingly significant role in financial services, decision-makers must ensure they are fully informed about the potential of new technologies, as well as the challenges that adoption may present. The Forum is driving cutting-edge thought leadership that explores how AI and other emerging technologies, such as Quantum, 5G and the internet of things (IoT), are shaping the financial



A man cycling past a screen displaying world market indices outside a brokerage firm in Tokyo, Japan, following the COVID-19 outbreak, March 2020. Reuters/Issel Kato



An exhibit during the "Building a Clean Mobility Future" session at the World Economic Forum Annual Meeting 2019. Copyright: World Economic Forum/Faruk Pinjo

institution of the future. Over the past year, more than 200 industry players engaged in this work, with findings and insights informing the strategy of current financial institutions and fintechs worldwide. Research methodology included nine global workshops, over 150 expert interviews and robust secondary research. A full report into the issue will be published in September.

The platform took important steps to combat criminal activity by forming the Global Coalition to Fight Financial Crime (GCFFC). Illicit proceeds from criminal activities are estimated at 2-5% of global GDP, yet less than 1% of this total is seized or frozen by law-enforcement agencies. To fight this, in June 2020, the Forum announced the formal launch of the GCFFC, a union of 13 key players working to develop and promote the core tenets of an effective anti-financial crime regime, such as those in the European Commission's recently drafted anti-money laundering action plan, to which Coalition members actively contributed. Co-founded with Europol and Refinitiv, and involving more than 100 organizations including banks, think tanks, business associations, law-enforcement agencies and advocacy groups, the GCFFC raises awareness and fosters collaboration among key stakeholders to mitigate the damaging economic and societal implications of financial crime. It has to date conducted numerous virtual awareness-raising events, reaching 15 million viewers across 62 countries.

As COVID-19 rattled financial markets in early March 2020, the platform created the COVID-19 Financial Services Response Network in collaboration with the International Monetary Fund and with support from the Bank for International Settlements. This network enables sustained public-private dialogue on the financial stability implications of the pandemic, the effectiveness of policy responses, and emerging threats to capital market functioning. It evaluated numerous topics, ranging from macroeconomic and market trends to the health of the fintech sector during the pandemic, and International Financial Reporting Standard accounting and credit rating challenges, to the evolution of financial crime. Policy recommendations were issued in a white paper entitled "Impact of COVID-19 on the Global Financial System".



Testimonial

Marc Benioff

Chairman and Chief Executive Officer, Salesforce, USA

Business is the greatest platform for change.

That's why I started my company 21 years ago, and that's why at the Annual Meeting 2020 I declared that capitalism was dead. It's past time to scatter earth on the coffin of Milton Friedman's cruel logic: that the business of business is business, and all that matters is money, money, money.

That thinking hits a wall when the planet is burning and people are suffering injustices that will no longer be tolerated.

In place of the old capitalism, we need multistakeholder capitalism: a more sustainable, equitable and humane version of the old model. The Forum has been championing this idea for the last 50 years. With a Great Reset of the COVID pandemic, we're now at an unparalleled turning point.

What if we nurtured a trillion trees? What if we taught skills to a billion people? In the past year, I have supported Forum initiatives that plan to do just that. We need audacious ambitions to make this different kind of capitalism work.

The scale of the climate emergency is terrifying. If we fail to bury the old capitalism, our grandchildren will inherit a world of scorched earth and drowned cities. Planting trees is not enough – we need to make our economy carbon neutral, and we need to do it fast. But research shows that if we conserve, restore and plant 1 trillion trees by 2030, we can help slow the planet's rising temperatures as well as stimulate biodiversity.

UpLink, co-created in 2020 with Salesforce and other Forum Partners, will be part of the solution. By connecting problem-solving entrepreneurs with the support they need to increase their impact, it will bring new energy to challenges, from protecting the oceans to preserving our forests. It is a network in the best sense of the word: open and egalitarian, working towards the UN Sustainable Development Goals.

The pandemic has underscored our divides, from knowledge workers tapping away at laptops in their kitchens, to delivery drivers with no sick pay to fall back on and millions who have lost their livelihoods. A more equal society means access to skills and opportunity for all – increasingly urgent as the automation of the Fourth Industrial Revolution ramps up. The Reskilling Revolution Platform launched by the Forum aims to bring skills and jobs to 1 billion people. No one government or sector can solve a challenge as big as this. We need a true multistakeholder approach.

COVID-19 has laid bare our faults. Now the business of business is to build back better.

9

Shaping the Future of Global Public Goods

Over the past year, action on nature, climate change and food security gathered pace through the Platform for Shaping the Future of Global Public Goods, including new initiatives launched in late 2019 to decarbonize heavy industry, encourage climate-friendly investments and promote nature-positive economic development.

While the effects of COVID-19 placed fresh hurdles in the way of the transition to a sustainable, low-carbon future, from the very start of the outbreak the platform worked to ensure momentum was maintained on a range of issues, from food security and plastic pollution to encouraging nature-based solutions to our climate and environmental crises.

In the months prior to the Forum's 50th Annual Meeting 2020 in January, the platform had already taken action on nature, the climate and food security. Platform leads were closely involved with the UN Secretary-General's Climate Action Summit in September 2019, while major initiatives on shifting heavy industry sectors towards net-zero emissions, climate-resilient investments and nature-positive economic development were launched at the Sustainable Development Impact Summit 2019 in September. The new Centre for the Fourth Industrial Revolution Norway, focused on the preservation of oceans, was announced at the summit, while Food Action Dialogues and the Food Action Alliance were also triggered.

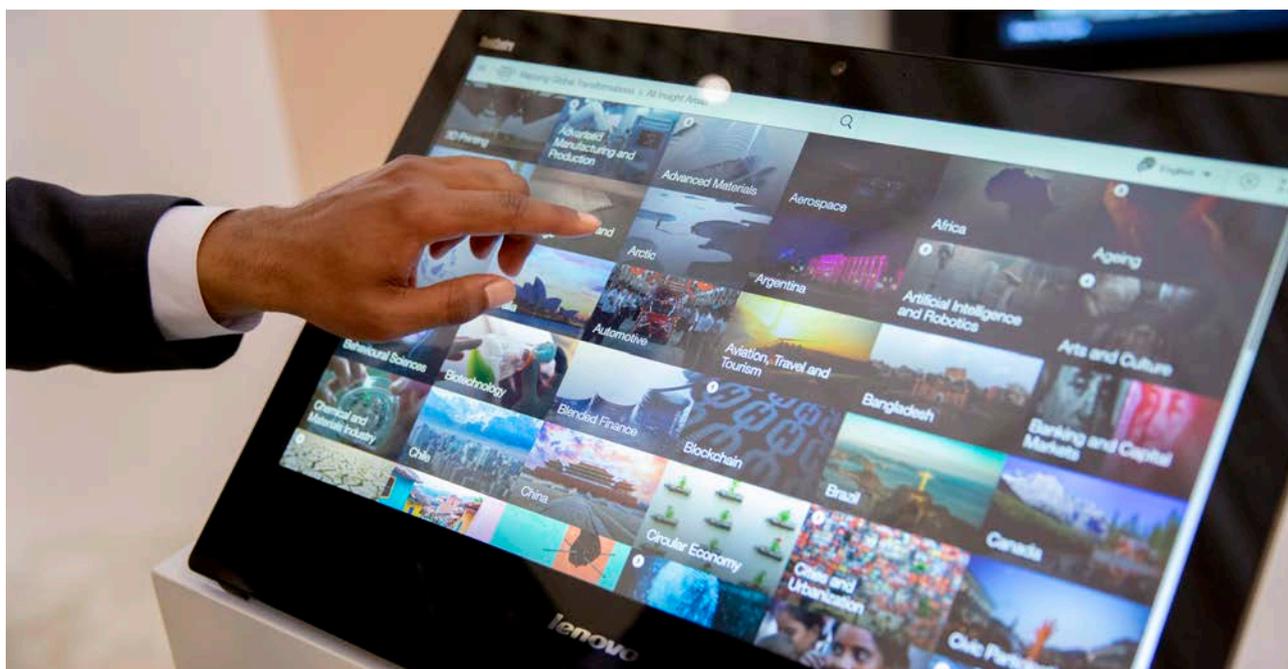
This year was set to be one of action on global public goods, with the United Nations' Ocean, Biodiversity and Climate Change conferences scheduled for June, October and November 2020, respectively. As a result, much of the discussions at the Annual Meeting in January focused on mobilizing action on these topics. The emergence of an overarching framework for ESG criteria, led by the International Business Council, also garnered attention. The sense was that stakeholder capitalism was arriving.

Then, in March 2020, the COVID-19 pandemic erupted. Its impact on public health, society, economics and politics around the world proved unprecedented. The world today is not the world of January 2020.

And yet, as many commentators noted, neither the climate nor the environmental crises have dissipated, despite a temporary decrease in pollution levels between March and May as economic activity fell around the world. In fact, rates of ecosystem destruction and global warming continued to rise. The past 12 months saw record CO₂ emissions from fossil fuels, while the tropics lost 11.9 million hectares of tree cover – the equivalent of losing a football pitch of primary forest every six seconds throughout the entire year. Furthermore, these environmental impacts, combined with the social and economic consequences of COVID-19, hit our food systems hard. Leading food commentators in the Platform for Shaping the Future of Public Goods Food Stewards' meetings warned that significantly more people could die from a combined food and socio-economic crisis linked to the pandemic than from the disease itself.

The WHO reported that 60% of infectious diseases are now zoonotic – that is, they have jumped from animals to humans. This trend can be attributed in large part to rising levels of tropical deforestation.

That is one reason this year saw an increased focus on the platform's Nature-Based Solutions programme. Efforts in this area included expanding the work of the Tropical Forest Alliance, notably into China; the launch at the Annual Meeting of the 1t.org project for mass-scale nature restoration; and the publication of a major report on nature loss and the economy: *Nature Risk Rising*. The Friends of Ocean Action initiative also stepped up its activities during the COVID-19 crisis, curating the Virtual Ocean Dialogues in June 2020 as a substitute for the postponed UN Ocean Summit. Over 300 participants from around the world and 780,000 viewers followed a week of livestreamed ocean action discussions, with 4.3 million people keeping abreast of the event on social media, making this the largest ever virtual ocean event.



At the World Economic Forum on the Middle East and North Africa 2019. Copyright: World Economic Forum/Faruk Pinjo

In a similar vein, when the COVID-19 crisis began, the platform worked closely with the international community to find ways to maintain momentum on the food, nature and climate SDG action agendas, given the postponement of many key international meetings. The platform hosted the Friends of Climate Action, for example. This group of public- and private-sector and civil society leaders met regularly after the start of the COVID-19 crisis to help design a virtual action agenda for COP26, now that the summit has been moved to November 2021. The Alliance of CEO Climate Leaders, numbering 87 chief executives and rising, also strengthened its delivery, with three CEOs becoming co-chairs and working closely with the COP26 team and European Green Deal decision-makers.

In May 2020, the Schwab Foundation for Social Entrepreneurship established the COVID Response Alliance for Social Entrepreneurs. It brings together over 50 leading global organizations to coordinate assistance for social entrepreneurs as they overcome the impacts of COVID-19. To date, members have committed over \$75 million and represent over 17,500 social entrepreneurs in 190 countries.

Through its programme areas and communities, the platform continued to host a portfolio of 32 active and significant public-private projects, most of which are run jointly with Partner organizations or as affiliated third-party initiatives, such as the Platform for Accelerating the Circular Economy, which is now hosted by the World Resources Institute in the Hague under the auspices of the Government of the Netherlands. It has more than 75 governments and companies in its network.

A major new platform initiative, 2030Vision, was launched at the Annual Meeting by the UK technology company ARM, which is working with the Platform for Shaping the Future of Global Public Goods to expand and accelerate its vision for technology partnerships to meet the SDGs. This collaboration, co-chaired by the administrator of the UNDP and the CEO of ARM, already has several major technology firms, NGOs and international organization partners in its coalition, as well as government champions.

Overall, during the year more than 150 Forum industry Partners, 50 governments and over 60 international and civil society organizations engaged with the platform, as did a wealth of scientific, academic and research experts and collaborators.

Some of the platform's most impactful highlights from the past year include:

Stepping up climate action

The Mission Possible Platform worked with more than 300 companies and organizations to decarbonize the heavy industry and transport sectors. It is regarded as the key global initiative for driving the net-zero industry transition.

The Mission Possible Platform focused on seven sectors that must achieve net-zero transition by 2050 or sooner for the targets of the Paris Agreement to be met. These seven industry sectors together – aluminium, aviation, cement, chemicals, shipping, steel and trucking/heavy land-based vehicles – make up 30% of global energy emissions. In this coalition initiative, each sector develops a practical roadmap for transition, championed by key industry leaders and validated by leading experts. These efforts are then developed further with governments and international organizations, so that public policies can be deployed to further accelerate and scale the industry transition, creating a virtuous feedback loop. Cross-cutting initiatives like technology innovation and finance are also deployed.

Tackling plastic ocean pollution

The Global Plastic Action Partnership (GPAP) helped the Government of Indonesia to launch an evidence-based multistakeholder action plan to combat national plastic pollution. The plan lays out a series of projects that will cut Indonesia's marine plastic leakage by 70% in five years and achieve a full transition to a circular economy by 2040. GPAP also launched the Viet Nam National Plastic Action Partnership, which will help the Government of Viet Nam accelerate progress towards its national target of reducing marine plastic waste by 75% by 2030.

Around 8 million tonnes of plastic waste leak into the ocean each year. By 2050, there will be more plastic than fish by weight in the ocean if urgent, collective action is not taken. GPAP is a bold multistakeholder platform working to free the world from plastic waste and pollution. It is dedicated to translating national and global commitments to reduce plastic pollution and waste into concrete deeds. Already, 400 global and national organizations and companies are involved, and 25 further countries are targeted for action under the next stage of expansion to 2025.

Deploying UpLink

By June 2020, the UpLink pilot had drawn in almost 1,000 users from around the globe. UpLink is a digital platform for crowdsourcing innovations and perspectives in order to address the world's most pressing challenges. Its core objective is to identify innovators who are not usually engaged in the global conversation, amplify their impact, and connect them to networks of investors, topic experts and policy-makers who have the resources to scale their projects. Its inaugural Ocean Solutions Sprint competition, which aimed to find the best innovations for tackling ocean challenges, attracted more than 60 entries. The winners, including a start-up in Myanmar and two Global Shapers from Bangladesh, already began discussions with major start-up platforms and investors. UpLink has shown how those who would never have previously been part of the Forum conversation can share their breakthrough contributions to help meet the SDGs.



**Dominic
Waughray**

Managing Director



Testimonial

Nancy Brown

Chief Executive Officer, American Heart Association, USA

There is no such thing as a health crisis in isolation. COVID-19 has illustrated how a novel communicable disease is linked to communicable disease and social and economic factors.

People with heart disease, stroke, diabetes, obesity and hypertension have a higher risk of severe or fatal COVID-19. Many of these conditions affect Black, LatinX and American Indian/Alaska Native individuals and communities in the United States at disproportionately higher rates, which has shone a bright light on all the work that needs to be done to address social determinants of health and disparities in health and healthcare.

For several years, the American Heart Association has worked with the World Economic Forum as part of our mission as a force for a world of longer, healthier lives for all. With patients at the centre of our work, we partner with the Global Coalition for Value in Healthcare to ensure health systems deliver the best possible outcomes for patients while optimizing efficiencies and streamlining and tackling waste and misaligned financial incentives so care can be delivered at the most reasonable cost. To improve quality of care and outcomes for all patients, we need to create a more efficient and humane health and healthcare ecosystem with value and patient health as the driving force.

One silver lining of the COVID-19 pandemic is that crisis often fuels innovation. Many nations are models for best practice for testing and contact tracing. Many organizations have moved at an extraordinary pace to develop vaccines and treatments. Digital and telehealth is becoming a standard way for people to consume healthcare. In response to COVID-19, the American Heart Association joined the Forum's Health and Healthcare Industry Action Group to identify how the industry can successfully navigate the pandemic and emerge stronger. Convening mobile tech companies and healthcare providers to collaborate on gathering data in an ethical, privacy-sensitive fashion will be one step forward.

The potential to use high-performance computing to fulfil the promise of precision medicine is vast, but we first must address the challenge that individualized data is not representative of all people. Our work with the World Economic Forum Global Precision Medicine Council will help create frameworks and guidelines to inspire individuals to confidently share their data, especially those from diverse populations, and optimize that data for inclusive scientific progress and better health.

Will we ever be the same on the other side of this pandemic? I hope not. As the Forum has underlined in The Great Reset initiative, we cannot return to business as usual. I believe we will emerge transformed, discovering new ways to tackle our challenges together.

10

Shaping the Future of Health and Healthcare

The ethos of the Platform for Shaping the Future of Health and Healthcare is to support the healthcare industry's transformation while promoting healthy lives and ensuring access to affordable quality care for all. The emergence of personalized medicine, increasing amounts of data, the entry of disruptive and non-traditional competitors, the demand for expanded care delivery sites, and revamped payment and public funding models are all affecting the healthcare business. This platform brings together international organizations, academic institutions, pharmaceutical and biomedical companies, healthcare NGOs, hospitals, healthcare providers, infrastructure and insurance organizations.

Mental illness is the leading cause of disability and poor life outcomes for young people today. This fact led the platform and Orygen to develop and launch the Global Framework for Youth Mental Health and a report that outlines eight core principles to guide the local implementation of youth mental healthcare in any location. This approach allows local communities to decide on specific programmes, activities and interventions for their context. The principles are rapid, easy and affordable access; youth-specific care; awareness, engagement and integration; early intervention; youth partnership; family engagement and support; continuous improvement; and prevention.

In addition, the Forum hosted the UHC2030 Private Sector Constituency on 20 September 2019 and released a [statement](#) on the private-sector contribution to universal health coverage (UHC). The statement was the first from the private sector to collectively recognize its significant role in achieving UHC and provides a basis for building collaboration with all stakeholders. Indeed, the private sector offers a diverse range of health products and services and provides more than 60% of health services in many countries.

In response to COVID-19 in Africa, the Forum and a consortium of global health organizations and private-sector firms formed a public-private partnership aimed at supporting the evidence-based implementation of public health and social measures to flatten the COVID-19 curve in African countries. The Partnership for Evidence-Based Response to COVID-19 also helped to mitigate the pandemic's negative effects, such as economic hardship and civil unrest, and provided data and recommendations for African governments' long-term response. These included using data to make informed decisions, adapting local measures as the pandemic and public perceptions evolve, and mitigating adverse effects by focusing on protecting the most vulnerable populations.

Additionally this year, to address the urgent global need to respond to COVID-19 and ensure the availability of and global access to critical healthcare items, the Forum supported the WHO coordinating mechanism to expedite business donations by acting as a liaison between business and recipient organizations. In this capacity, it secured over €100 million for cleaning supplies and 9 million face masks.



Will Hetzler, Co-Founder of Zipline, USA, speaking during a session on drone delivery at the World Economic Forum Annual Meeting of the New Champions 2019. Copyright: World Economic Forum/Sikarin Fon Thanachaiary



Testimonial

Ngozi Okonjo-Iweala

Chair, Gavi, the Vaccine Alliance, Switzerland

This time last year, no one could have predicted how dramatically the world could change in just one year. In a few short months, the novel coronavirus radically changed the way we live our lives, the way we work, play and interact with others. But in our haste to bring an end to the pandemic and the suffering, to get economies back online and return to some form of normality, we should not be too keen to return to how things were: we must ensure that the world we return to is a more sustainable, inclusive one.

With COVID-19 having already claimed the lives of nearly half a million people, infecting at least a billion more, with devastating impacts on livelihoods and economies the world over, we clearly need to end this crisis. But in the process, this is a once in a lifetime opportunity to reset the world towards a future that is more equitable, inclusive, sustainable and resilient. Here, the Forum has a central role to play. In fact, for decades it has already been doing so.

As the Black Lives Matter movement has demonstrated, cultivating change isn't easy and rarely happens quickly. The Forum has a long and strong track record of being the catalyst to make change happen. In the last year alone, I personally witnessed it driving the COP26 climate change agenda; I've seen technological solutions from the Fourth Industrial Revolution start to yield real benefits, as blockchain, AI and a whole range of new technologies have been put to good use creating social as well as economic value. At its Annual Meeting in Davos-Klosters, which marked the Forum's 50th anniversary, we saw renewed global interest in its long-held concept of stakeholder capitalism.

But also at this year's Annual Meeting, the Forum celebrated another important anniversary, the creation of Gavi, the Vaccine Alliance, which was born in Davos 20 years ago. Arguably one of its greatest achievements, Gavi is a true agent of change, which

has transformed the lives of hundreds of millions of people. Created out of a chronic need to protect the world's most vulnerable children from preventable disease, its impact has been formidable. In the last two decades, Gavi has helped vaccinate more than 760 million children, preventing 12 million deaths and generating \$150 billion in economic benefits in the process.

I'm proud to be the current Chair of Gavi. Today, it provides vaccines for half the world's children and it does this through a unique and highly innovative business model that typifies the Forum's multistakeholder approach, bringing together all relevant parties – donor governments, global health organizations, vaccine manufacturers, private sector and civil society – to solve a burning global problem. And now, amid this current global crisis, Gavi is playing a critical role in bringing this pandemic to an end.

By applying this same innovative, multistakeholder approach, Gavi is leading the way to increase our chances of developing the COVID-19 vaccines we need and to ensure everyone has access to them. By doing so, and through its ongoing mission to expand routine immunization, it is helping to reset the way we respond to, and ultimately prevent, pandemics. This is real change.

So in some ways the pandemic offers positive opportunities to introduce much needed change. If we are to learn anything from this crisis, it is that often global challenges cannot be solved by governments alone, nor businesses or civil society. And in a post-COVID world, the Forum will be a powerful catalyst, both intellectually and in practical terms, by bringing all parties together and providing a common platform to create specific plans and policies, that will help us to put the world back together, and make it better in the process.

11

Shaping the Future of Investing

Today's world is excessively driven by short-term pressures. However, with its trillions of dollars in assets, the investment community – from venture capitalists to sovereign wealth funds – has the power to act as a champion of long-term thinking and a sustainable global economy. The Platform for Shaping the Future of Investing focuses on creating value for society by financing the world's most pressing opportunities and responding to longer-term risks. It pushes the conversation towards long-term investing, including asset stewardship, infrastructure financing, pension reform, sustainable investing, ESG and corporate leadership. To do this, it has built a coalition of more than 100 partners, including companies, policy-makers, pension funds, asset managers and insurance companies, to drive consensus on investment reforms that address global challenges.

This year, the platform targeted the creation of performance metrics in the field of ESG. The absence of an accepted international framework for companies to report material aspects of ESG and sustainable value creation stands in stark contrast to the better-established standards that exist for financial performance. The existence of multiple ESG metrics has also been identified as a pain point that hinders the capacity for companies to demonstrate their progress on sustainability.

The Forum's ESG initiative, led by the International Business Council, provides a common set of measurements to achieve more consistency of reporting. Integrating financial metrics with relevant non-financial criteria, such as greenhouse gas emissions, gender equality and compensation practices, will encourage faster progress towards systemic solutions. In collaboration with Deloitte, EY, KPMG and PwC, the platform consulted with key stakeholders in the ESG and sustainability ecosystem, including the Global Reporting Initiative, the International Financial Reporting Standards Foundation and the Sustainability Accounting Standards Board. Proposing both a core and an expanded set of recommended disclosures, the project leveraged already established metrics and built upon the extensive work already done within the ESG standards ecosystem.

What's more, the platform focused on closing the investment gap in the area of non-traditional risks. The world faces an annual investment gap of \$6.27 trillion stemming from failures to address non-traditional risks. In 2020, COVID-19 emerged as a new non-traditional risk that demands investor leadership to rebuild for a better future. The platform's project, Navigating Non-Traditional Risks and Opportunities, convened a global multistakeholder community that advances a protocol for how long-term investors can understand, collaborate and respond to non-traditional risks such as technological and climate change and water scarcity. Six leading investors from four continents contributed case studies and built a new framework for governing and collaborating in investment risk response. Multiple project participants are now establishing dedicated investment funds to lead the COVID-19 response in their regions.

As the COVID-19 pandemic spread, the platform launched the Investors' Industry Action Group to lead the global economic recovery by advancing new business models and focusing on a renewed social agenda. As a CEO-led community, representing more than \$7 trillion in assets under management, this Industry Action Group advances the principles of stakeholder capitalism to provide business leaders with the tools and insight to navigate the current public health, economic, political and social crises. With the global economy facing a prolonged recession, record unemployment, extensive bankruptcies and massive business disruption, the Investors' Industry Action Group will address COVID-19-related challenges around the world.



12

Shaping the Future of Media, Entertainment and Culture

Media, entertainment and culture have been radically disrupted over the last decade. Together with Forum Members and Partners, the Platform for Shaping the Future of Media, Entertainment and Culture is creating a new media system between content creators, distributors and consumers. The platform enables business, government and civil society to work together and reinforce key areas affected by the current era of digital disruption – addressing the value in media, from the stability of the content supply chain to responsible data and secure consumer privacy and protection.

World Economic Forum research shows that the value of media is growing and people's willingness to pay for media will increase 70%. The Value in Media project this year brought together content creators, distributors, brands, agencies and innovators from news, entertainment, sports, music, live events and advertising to examine evolving trends facing the industry.

Two resources guided the project's work: i) a quantitative research base built from a consumer survey in April 2020 of over 9,100 people in China, Germany, India, the Republic of Korea, the United Kingdom and the United States on their media consumption and payment habits and preferences, complemented by data from the platform's partners; and ii) qualitative insight obtained from individual or group-level consultation with executives from the advertising, entertainment, news and other media sectors on business strategies, including their perception of the possible implications for society.

Meanwhile, digital businesses continued their fight against an increase in harmful content, from the spread of hate speech to threats to children's safety. The Advancing Global Digital Content Safety project this year helped to shape global dialogue and improve the safety of digital content spaces. At the Sustainable Development Impact Summit 2019, industry experts

discussed key guiding principles for potential regulations, the importance of safe content online, and public-private cooperation through an action plan to reduce harmful content online. The overall project aim is to explore industry and regulatory progress in the area of digital content safety.

The DQ Institute's #DQEveryChild initiative has used the World Economic Forum platform to accelerate its work globally since its launch in 2017. The initiative has focused on increasing the digital intelligence quotient (DQ) of children aged 8-12. It has increased digital citizenship in children worldwide by 10% on average, reducing cyber-risk exposure by 15%. The initiative has reached more than 700,000 children in 107 countries and has been translated into 21 languages. A coalition of over 100 members works to empower children with DQ to actively minimize cyber-risks, while preparing them for a future dominated by technology.

The coronavirus challenge has emphasized the indispensable role that the media plays in society. Working with Partners, the Forum showcased examples of agile and constructive stakeholder responses to the crisis. And to achieve its goal of using technology and data to solve societal challenges, the Platform for Purpose project focused on the challenges of COVID-19 on the media ecosystem. A white paper developed with Accenture, "The Media, Entertainment and Culture Industry's Response and Role in a Society in Crisis", explores the industry's role during crises and how companies' efforts can advance recovery and long-term resilience. In-depth examinations of some of the initiatives highlighted in this paper, such as improving health awareness and access to education, will help advance the project's mission to build cohesion in society through public-private partnerships and cooperation.



Giuseppe Conte, Prime Minister of Italy, during a press conference at the World Economic Forum Annual Meeting 2019. Copyright: World Economic Forum/Benedikt von Loebell

13

Shaping the Future of Mobility

Mobility – the movement of people and goods – provides access to jobs, education, healthcare and trade. Yet today’s mobility systems cannot meet future demand without increasing congestion and pollution in the process. The Platform for Shaping the Future of Mobility works to accelerate the global transition to safer, cleaner and more inclusive transportation systems, optimizing the delivery of goods and ensuring access to mobility for everyone. It seeks to provide a space where business leaders can partner with policy-makers to develop a global mobility system that is more sustainable, secure and efficient. It champions the safe use of cutting-edge technologies, such as autonomous vehicles, biometrics and drones to transform mobility to meet 21st-century demands.

The platform had a busy year. It co-led the International Civil Aviation Organization’s Humanitarian Guidance for Unmanned Aircraft Systems task force, co-hosted the African Drone Forum, which gathered more than 60 regulators from over 25 African nations to scale new approaches to drone regulations pioneered by Rwanda, and continued to support investment in drone operations in partnership with the World Bank by releasing governance tools and case studies. In India, it supported the piloting of medical deliveries by drone and is now expanding those efforts to include the states of Telangana and Arunachal Pradesh.

Through the Known Traveller Digital Identity (KTDI) project, meanwhile, it helped develop a decentralized identity management platform that promotes seamless, secure travel while allowing individuals to self-manage their identity data. Digital identity approaches such as KTDI will be critical to enable touchless, safer travel in a post COVID-19 world through the use of biometrics and blockchain technologies and the private and secure sharing of required health and identity data. The KTDI will be trialled in the first cross-border pilot of its kind, between Canada and the Netherlands, as part of a consortium between airlines, airports, government and technology providers.

The platform also played a central role in the Getting to Zero Coalition, a partnership between the Forum, Friends of Ocean Action and the Global Maritime Forum, announced at the UN Climate Action Summit in September 2019. Since then, more than 100 organizations and companies from across the maritime, fuels and infrastructure value chains have committed to a vision of decarbonized shipping through getting commercially viable zero-emission vehicles into operation by 2030, along with the associated scalable infrastructure. The coalition is breaking barriers across industries, solving greater issues in global collaboration across multiple sectors to clean up the air and have a positive impact on earth, ocean and humans.

The platform's Automotive and Autonomous Industry team worked with Chinese stakeholders in several areas, including collaborating with one of its Partners to initiate a dialogue series on advancing high occupancy and shared mobility models. It also produced a series of articles on China's automotive industry and the sharing of best practices during the COVID-19 lockdown. Many Chinese companies and institutions joined the Automotive and Autonomous Industry Action Group (one of the platform's three Action Groups) to share insights on identifying effective government stimuli, boosting consumer confidence and addressing shifting preferences in mobility. The platform also hosted the China Automotive Media Briefing session, which brought stakeholders together to address key challenges in the automotive industry.

In the context of COVID-19, the platform's Aerospace Industry team focused on how drone technology supported the response to COVID-19 in China, the United States and the African continent. It published research on China's deployment of drones, hosted a webinar with the World Bank and African ministers on their use of drones in the response, and collaborated with the US Federal Aviation Administration to bring together key stakeholders working on relevant use cases.

The lockdown also saw the launch of the COVID Action Platform's New Mobility COVID-19 Task Force, a multistakeholder partnership between three existing Forum groups, the Global Future Council on Mobility, the Global New Mobility Coalition and the Inclusivity Quotient Project. Based on input from its 200 members, the task force focused on re-establishing transit/shared rides usage, accelerating multimodality and redesigning infrastructure to ensure a more resilient, inclusive and sustainable urban mobility systems reset in the wake of the pandemic.



Interior of the Coast P-1 Shuttle, a bidirectional, self-driving vehicle designed by Coast Autonomous to operate in pedestrian areas or low-speed mixed traffic, during a demonstration for the media in Times Square, New York, 17 July 2018. Reuters/Mike Segar



Testimonial

Allen Blue

Co-Founder and Vice-President, Products, LinkedIn, USA

Over the past year, our engagement with the Forum has become deeper and more diverse, spanning a broad spectrum of topics and involving more teams and executives at LinkedIn. The Forum has become one of our key global partners.

We work together to better understand important themes relating to the future of work, skills and the latest economic trends. The COVID-19 pandemic has and will continue to accelerate many of the trends we touched on, including the changing world of skills, the role of automation, the need for commitment to diversity and equity in our economy, and the rise of online learning.

Our collaboration with the Centre for the New Economy and Society spans a wide area of work. It includes the development of new metrics to better understand trends in the labour market, joint thought leadership on key societal topics, such as the future of work and gender equity, and our involvement in communities such as the Stewardship Board, the Skills Consortium and the Chief Economist Community.

Through our joint research, we have identified frontier jobs and skills of the future. We have also added a gender lens to this research to understand how women are positioned for the future of work. Sharing this work in the Forum's flagship reports, such as the *Global Gender Gap Report*, and through the Forum's on- and offline platforms helps us to raise awareness of these gaps with decision-makers globally. Through our engagement in on-the-ground projects with the Forum, for example through the Closing the Skills Gap Accelerator model, we work on turning these insights into action. We are also happy to lend our support and expertise to UpLink, the Forum's accelerator focused on achieving the UN Sustainable Development Goals.

We are very excited about the Forum's Reskilling Revolution Platform and its commitment to reskill 1 billion people globally by 2030. The current situation has further accelerated the transformation of the labour market, which makes this commitment more urgent than ever. Online learning will play a large part in fulfilling this commitment, which is why I am very excited to be a founding partner of the Forum's Skills Consortium.

I, along with other executives at LinkedIn, consider the Forum's events and communities a unique opportunity to share our work, learn from others and jointly work on new ideas and projects. The week at the Annual Meeting is one of the highlights of the year. I always leave the Swiss mountains reminded how many are committed to collaboration and making change.

In the current situation, the Forum plays a critical role. It's going to take collaboration and commitment from every part of the workforce, government, intergovernmental and non-profit organizations and business to re-evaluate and work towards a new, fair and equitable normal. LinkedIn looks forward to playing a part in that.

14

Shaping the Future of the New Economy and Society

The Platform for Shaping the Future of the New Economy and Society integrates the world's business, government and civil society leaders and leading experts committed to building prosperous and inclusive economies and societies that create opportunity for all.

After years of growing inequality, concerns about the technological displacement of jobs and rising societal discord across advanced, emerging and developing economies, the combined health and economic shocks of 2020 have put economies in freefall, disrupted labour markets and fully revealed the inadequacies of our social contracts.

Societies across the globe are searching for ways to preserve the best of the economic systems of the past while building a new future that is more equal, inclusive and cohesive. There has never been a better time to mobilize human capability, technology, innovative policy and market forces in the service of this new vision. This moment provides a unique opportunity to reimagine new socio-economic systems, to exercise bold and visionary leadership and to proactively shape a “new normal” that expands opportunity for all.

The platform strategy for 2019-2020 already encompassed a focus on growth and competitiveness, on education and skills, on work and social mobility, and on diversity and inclusion. As the pandemic and its consequences unfolded, the Forum worked closely with Partners and constituents to realign activities and set new priorities. As of June 2020, the platform focused on using this unique moment – The Great Reset – to build back better in the following four areas:

- Economic growth, revival and transformation
- Work, jobs and social mobility
- Education, skills and learning
- Diversity, equity and inclusion

The fundamental building blocks of this work lie in the platform communities of purpose and action, engaging Partners and constituents on shaping the “new normal”. These include several new strategy and action focused communities, each of which worked rapidly together to exchange views on the crisis, share best practices and act in collaboration to stabilize economic and social systems:



Justine Cassell, Associate Dean of Technology, Strategy and Impact at the School of Computer Science, Carnegie Mellon University, USA, speaking in a session on algorithmic bias at the World Economic Forum Annual Meeting 2019. Copyright: World Economic Forum/Jakob Polacsek



Ensuring people in Domino Park, Brooklyn, New York, keep a safe distance during the COVID-19 outbreak in May 2020. Reuters/Andrew Kelly

- Chief Diversity and Inclusion Officers Community
- Chief Economists Community
- Chief Human Resource Officers Community
- Chief Learning Officers Community
- Economic Action Group
- Social Action Group

In addition, the platform hosted three expert gatherings over the past year: the Global Future Council on the New Economic Agenda, the Global Future Council on the New Education and Work Agenda and the Global Future Council on the New Equality and Inclusion Agenda. The platform also established and hosted Global Learning Networks for Country and Industry Accelerators to hasten progress in closing the skills and employment gap, gender gap, and competitiveness and innovation gaps in this new context.

In 2019-2020, the platform also developed several key benchmarking and insight tools to support evidence-based decision-making. These include *The Global Competitiveness Report 2019* (the 40th year of this series), the *Global Gender Gap Report 2020* and the *Global Social Mobility Index 2020*, which presciently laid out an agenda for building appropriate social safety nets and deploying fiscal policy to support more inclusive economies.

The Forum's Global Risks Initiative also joined the platform in 2020. Following up on the annual *Global Risks Report 2020*, the initiative produced the *COVID-19 Risk Outlook* in May 2020, mapping the emerging and interconnected risks of the next 18 months. The initiative is also building a Chief Risks Officers Community that will integrate leading executives from business and government to map emerging risks and best practices to develop resilience and mitigation strategies.

As the pandemic hit the global economy and its workforces, the Forum's Partners and constituents reacted, adapted and worked together rapidly, learning from the best and supporting those in the deepest crisis through the platform. Such collective action was critical to securing livelihoods and ensuring dignity for all.

The current socio-economic context is far different from just six months ago. The platform quickly adapted and revised its strategy, combining previous strengths in systems change over longer time frames with the ability to design short-term responses to support workers, learners and employers. Three examples of the platform's work over the last year follow. They should have an enduring impact as people everywhere emerge from this crisis.

Mobilizing a reskilling revolution

Launched at the Annual Meeting 2020, the Reskilling Revolution initiative aims to provide better jobs, education and skills to 1 billion people by 2030, and offers a space for business, government and civil society to collaborate and build a fairer, more inclusive world.

Among Forum-driven activities, the initiative hosted five major areas of work. The Closing the Skills Gap Accelerator model was adopted by 10 countries to create national public-private collaborations to address skills inequalities. The Preparing for the Future of Work Industry Accelerators rapidly redeployed workers at risk of displacement due to technology adoption and, more recently, to the COVID-19 pandemic. The Promise of Platform Work initiative promoted good standards for the online “gig economy” and the growing cohort of contingent workers. The Skills Consortium brought together the world’s leading online learning and training providers to align on common taxonomies, accreditation and scaling approaches to reach learners and workers with general and specific learning options that can support rapid reskilling and upskilling. The Education 4.0 initiative created new content and delivery mechanisms fit for the 21st century. This work was complemented by insight tools that shed light on the emerging world of skills. Finally, most importantly, the Reskilling Revolution initiative supported a range of global coalitions and initiatives in collaboration with key Partners and Members, including UNICEF, the International Labour Organization and such global governments as France, the UAE and the United States, as well as a range of Lighthouse projects led by business partners, including Adecco, Coursera, Manpower, PwC, Salesforce and many others.

Over 250 businesses, 20 governments and international organizations and a range of academic experts were involved in the Reskilling Revolution. It is expected to affect 250 million people through Forum-led initiatives, while 600 million people will be impacted through partner-led coalitions and 150 million people will be affected through company-led programmes.

Shaping the economic recovery and transformations

The changes already witnessed in response to COVID-19 prove that a reset of our economic foundations is possible.

Initiatives in this area applied three approaches: i) to build back better, a new north star to guide economic growth is needed. The Dashboard for the New Economy aims for alignment on metrics that go beyond GDP to include productivity, social and environmental criteria; ii) to shape national economic recoveries and new growth agendas, the work on competitiveness and closing the innovation gap supported countries in designing new policies and frameworks. During 2019-2020, Closing the Innovation Gap Accelerators were established in three countries to ensure the gains from new ideas spread widely; iii) as demonstrated by the response to the pandemic, to rethink the tools of economic policy and adopt new approaches to fiscal policy and public spending, a range of new community-driven research was initiated to make insights from pilots available in time for the World Economic Forum Annual Meeting 2021 under the theme of *The Great Reset*.

Over 50 academic experts and institutions, 50 businesses and 15 governments and international organizations remain involved in shaping the economic recovery and transformation to achieve inclusive,



Elementary students separated by plastic dividers in a classroom after the COVID-19 outbreak in Solok, Indonesia, July 2020. Reuters/Antara Foto

resilient and sustainable economies. These activities, many initiated in response to the crisis, are expected to significantly influence the economic recovery in the years to come.

Promoting diversity, equity and inclusion

The COVID-19 pandemic is accelerating the blurring of the lines between people, workplaces and technology brought on by the Fourth Industrial Revolution, leading to one of the greatest workplace transformations of our time. The pandemic has affected individuals along existing fissures of societal inequalities – for example, affecting low-wage workers, minorities and women with greater force. The recovery provides a remarkable opportunity to build back better and hardwire diversity, equity and inclusion in our renewed economies and societies.

A new opportunity exists to embed gender equality, racial justice, LGBTQI+ inclusion and disability inclusion in the new economy and the workplace set to emerge from the COVID-19 crisis. During 2019-2020, the platform spearheaded a series of Forum-led initiatives to create more equal and fair societies. The Closing the Gender Gap Accelerators worked in 10 countries to bring and retain more women in the economy, doubling their efforts to manage this transformation in the midst of the pandemic-induced economic crisis. The Hardwiring Gender Parity in the Future of Work framework supported companies in committing to gender parity in recruitment and rewards for the top-five fastest growing job roles by 2022. The Partnership for Global LGBTI Equality tackled discrimination in the workplace and The Valuable 500 initiative accelerated

disability inclusion in professional settings, integrating nearly 300 companies and organizations. The Diversity, Equity and Inclusion 4.0 Toolkit helped companies to embed equality and social justice in the workplace of the future.

Over 500 businesses, 20 governments and a range of academic institutions continued their involvement in the work on diversity, equity, inclusion and social justice. Combined, these activities are expected to create direct and indirect change for millions of workers across the Forum's Member companies and to influence systemic change to incorporate a more inclusive and equitable approach across economies.



Saadia Zahidi
Managing Director



Constituents at the Inaugural Meeting of the Global Fourth Industrial Revolution Councils 2019. Copyright: World Economic Forum/Stephen Porter



Testimonial

Elizabeth Rossiello

Chief Executive Officer and Founder, AZA Finance, Senegal

Every year as we become more involved with the World Economic Forum, we better understand how the Forum amplifies a myriad of voices. Global complexity is not an easy thing to manoeuvre, but it's important that so many different stakeholders have a seat at the table. As the CEO of a growth company, it has been amazing to engage with executives of much larger corporates at a strategic level. Not only can I contribute my experience navigating emerging technologies and agile teams, but I can also learn how to effect change at a much larger scale for organizations with more dependencies. By being part of steering committees and creating standards, we are helping inform the world at large, and leading the way with different frameworks and ways of thinking.

Furthermore, we appreciate the Forum's commitment to diversity. Despite the power players at the table, gender has been less of an obstacle for me within the Forum, and many steps are taken to ensure that my voice is included. This is an exemplary model for how other stakeholders can interact with more diverse voices and increase their comfort with diversity, sometimes for the first time at this level.

In all global catastrophes, whether pandemics or climate change, frontier markets are not only disproportionately affected but also less equipped to handle these situations. In The Great Reset, it's more important than ever to have voices from frontier markets, deeply incorporating both their concerns and ideas in the global solutions. Younger, entrepreneurial voices are the future and have a tangible opportunity to really make a difference now. Without the status quo recognizing this, nothing will change. The Forum gives agency for impact and offers a platform to collaborate to realize such impact. For example, with weakened Western economies, African countries have needed to fill in their own supply dependencies, so there is a real opportunity for intra-African trade to grow and flourish. The Great Reset will not be a true reset until equity and inclusiveness are core values of this new beginning.

15

Shaping the Future of Technology Governance: Artificial Intelligence and Machine Learning

AI is a key driver of the Fourth Industrial Revolution. It holds the promise of solving some of society's most pressing issues, but also presents challenges such as inscrutable "black box" algorithms, unethical use of data and potential job displacement. As rapid advances in machine learning (ML) increase the scale of AI's deployment, multistakeholder collaboration is required to ensure accountability, transparency, privacy and impartiality. The Platform for Shaping the Future of Technology Governance: Artificial Intelligence and Machine Learning brings players from the public and private sectors together to design and pilot policy frameworks that accelerate the benefits and mitigate the risks of AI and ML. Project areas include co-creating ways of empowering children to use AI as well as protecting them from their use of this intelligence, governing AI by operationalizing ethical principles and ensuring ethical guidelines on high-risk uses of AI.

The private sector is poised to spend more than \$52 billion in the next three years on cutting-edge AI, but a global survey of directors showed that the level of knowledge of the technology was very low. This year, using its global network of Affiliate Centres, the Centre for the Fourth Industrial Revolution created a globally scalable AI Board Toolkit for companies. So far, it has been used by senior executives of hundreds of companies, enabling them to better understand AI and to consider how it affects their businesses and the ethical implications of using the technology.

Meanwhile, the platform also worked with the UK Government on a set of guidelines around purchasing AI for governmental purposes. AI holds the promise of helping governments provide better services for their citizens. However, it is also susceptible to ethical challenges related to transparency, comprehensibility and bias. In collaboration with partners, the platform developed a comprehensive approach to providing clarity for governments thinking of buying or designing AI, so they can address the negativities of AI and use the financial power of procurement to drive the development of trusted AI by would-be suppliers. This Procurement in a Box project is the first such tool in the world. It was developed in consultation with 15 governments and nearly 200 members of business, civil society and academia. The Governments of the UAE and Bahrain have already tested the guidelines.

In adapting to COVID-19, the platform focused particularly on two leapfrog projects to ensure impact: Generation AI and Chatbots RESET. Roundtables and webinars were hosted to address the need for chatbots in healthcare, both during and after the pandemic. In addition, work was conducted to examine the impact of AI-enabled devices on children as they use them during COVID-19, contributing to ongoing study in this area.



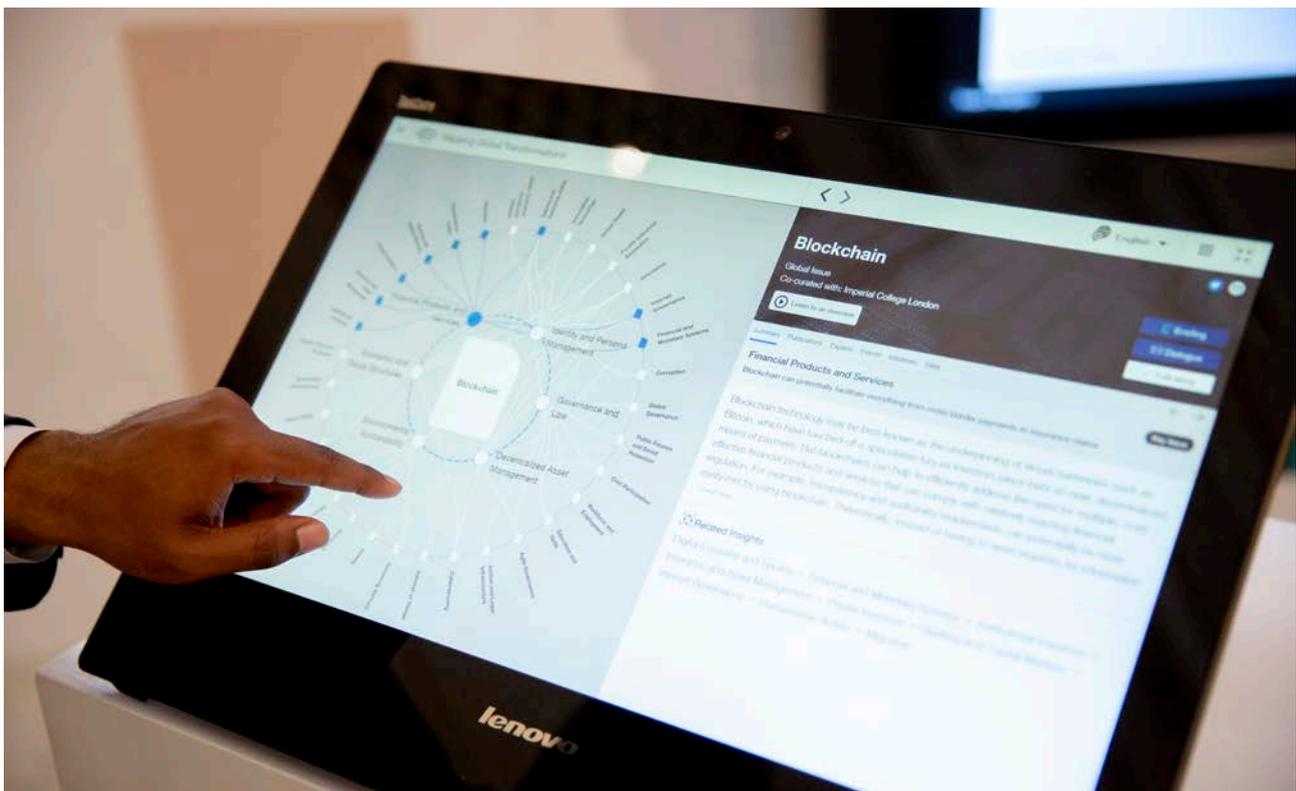
Kay Firth-Butterfield, Head of Artificial Intelligence and Machine Learning at the World Economic Forum, speaking at a session on advanced technologies at the World Economic Forum Annual Meeting 2018. Copyright: World Economic Forum/Ciaran McCrickard

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Shaping the Future of Technology Governance: Blockchain and Digital Assets

Ensuring equity, transparency and trust in the governance of blockchain and helping digital assets reach their full potential is the *raison d'être* of this platform. Blockchain is set to become a powerful tool in transactions that minimize friction, reduce corruption, increase trust and empower users. While still nascent, digital assets have emerged as gateways to new wealth creation in markets and sectors ranging from energy and shipping to media. Blockchain has the potential to transform entire systems, but it also faces challenges, including security threats, interoperability obstacles and centralization of power. A systematic and inclusive approach can ensure that everyone – from the most marginalized members of society to the most powerful – benefits from its transformative potential.

In 2019-2020, the Platform for Shaping the Future of Technology Governance: Blockchain and Digital Assets led the way in creating a first-of-its kind, comprehensive guide for responsible blockchain implementation. The Blockchain Deployment Toolkit is an interactive, end-to-end, scalable guide that drew on lessons from seven white papers, over 40 use cases and more than 50 countries to help organizations embed best practice and avoid costly mistakes. Prior to publication, it was piloted by the Abu Dhabi Digital Authority and Saudi Aramco, and in workshops with SMEs around the world. Since its launch, it has been recognized by a range of stakeholders from international organizations to development banks as a “gold standard” for informing their approach to deploying blockchain.



At the World Economic Forum on the Middle East and North Africa 2019. Copyright: World Economic Forum/Faruk Pinjo



Taking notes during the World Economic Forum Annual Meeting 2020. Copyright: World Economic Forum/Ciaran McCrickard

The platform also had a hand in drafting a Blockchain Bill of Rights. The Presidio Principles: Foundational Values for a Decentralized Future are the first set of ethical standards for the blockchain ecosystem. They establish 16 principles as a global baseline for building blockchain applications that preserve and protect user rights, and enhance security, accountability and transparency for people worldwide. The principles provide a clear, action-oriented framework for responsible progress as the technology begins to scale, and were designed with global input, ranging from workshops to an open comment period on GitHub. Almost 100 entities – representing technology providers, think tanks, professional services, international organizations and governments – committed to using the principles in their processes, representing unique alignment across the blockchain ecosystem.

What's more, the platform took a leading role on crafting groundbreaking global guidance for the issuance of digital currencies. Its Central Bank Digital Currency Policy-Maker Toolkit was released to help central banks evaluate whether digital fiat currency is the right fit for their economy, and to guide them through design and deployment if they decided to pursue it. The toolkit, which consolidates global research and lessons from central bank pilots, is the first to provide a concise summary of the issues for policy-makers considering central bank digital currency. It builds on a year's convenings of a community of more than 45 central banks and international organizations,

and to date has been used by more than 10 central banks across the world to analyse the opportunities and challenges in digital currency. The project also led to the launch of the Global Consortium for Digital Currency Governance, which is a broader, multistakeholder effort to create governance frameworks for digital currencies.

COVID-19 put the spotlight on longstanding challenges within global systems, including supply chains, financial and monetary systems and government processes. As players step up their responses to the pandemic in these areas, many are looking for a silver bullet – and for blockchain to fill this void. Work this year included ensuring that these groups have the tools they need to evaluate potential blockchain-based solutions in an efficient and responsible manner – embedding rigorous research, a risk-aware approach and lessons learned from past deployments.

In addition to accelerating the launch of the Blockchain Deployment Toolkit, a network was created under the broader COVID Action Platform to help organizations exploring blockchain for supply-chain purposes to connect with resources and each other, so they can use the technology in an inclusive and interoperable manner.

17

Shaping the Future of Technology Governance: Data Policy

Data fuels the Fourth Industrial Revolution. More data is being generated than ever before, with the global volume predicted to double between 2018 and 2022. But although an unprecedented amount of data flows across borders and devices, the regulatory environment for data localization remains fractured. Much of the data needed to tackle the world's most pressing challenges lies siloed in both public and private sources, with regulatory, commercial and social risks preventing it being shared, even for social good. The Platform for Shaping the Future of Technology Governance: Data Policy focuses on advancing progressive and trustworthy data policies to fuel innovation and accelerate responsible sharing. It aims to maximize data use to benefit society, while protecting users from risk.

This year, the platform created a first-of-its-kind roadmap to empower governments to enhance their data economies and boost trustworthiness in the international system. The world is increasingly interconnected. Data must be able to move seamlessly across borders to realize the potential of technologies such as AI and IoT – even more so given the impact of

COVID-19, as governments seek economic recovery. However, laws and policies that act as barriers to international data-sharing are on the rise, threatening to reverse progress, slow technological innovation and limit positive societal impact. Established with a community of globally diverse industry experts, the roadmap of country-level policy changes is designed to harness the benefits of cross-border data-sharing.

Over the course of the year, the platform also raised recognition that the benefits unlocked from data can help to address some of the largest challenges that society faces. The work performed, whether changing the conversation on cross-border data flows, reframing models for consent mechanisms or pushing forward a new narrative on global data governance, has helped governments, companies and civil society actors to prepare for a global transformation in the way society interacts with data.



At the World Economic Forum Annual Meeting 2020. Copyright: World Economic Forum/Ciaran McCrickard

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Shaping the Future of Technology Governance: IoT, Robotics and Smart Cities

Today, connected devices outnumber people worldwide. Known as the internet of things (IoT), this network of technologies comprises everything from smart buildings that manage energy usage to connected vehicles that help avoid potential collisions. By 2025, the number of IoT devices is projected to exceed 40 billion, fuelled by technological advances and the plummeting costs of computing, storage and connectivity.

As IoT technologies spread to all aspects of daily life – and even become embedded in the human body – questions about data ownership, accuracy and privacy are amplified, while vulnerability to cyberattacks are unprecedented.

The Platform for Shaping the Future of Technology Governance: IoT, Robotics and Smart Cities works with key players to accelerate the impact of IoT technologies, build trust in consumer IoT, unlock the shared value of IoT data, enable an inclusive roll-out of 5G connectivity and promote the responsible adoption of smart city technologies.

This year, the platform worked to accelerate social mobility in emerging markets through the IoT. SMEs make up 90% of all companies and 70% of all jobs globally. Unfortunately, the Fourth Industrial Revolution is leaving many of these businesses behind, which is exacerbating economic inequality, stifling social mobility and dragging down industrial productivity. In Brazil, the platform partnered with the Ministry of the Economy and the state of São Paulo to bring the benefits of industrial IoT to more people and enterprises, spurring job creation, boosting social mobility and enabling a more competitive industrial sector. Working with public- and

private-sector partners, it developed a framework of 11 policy tools to help lower barriers and encourage the adoption of industrial IoT among SMEs. This framework is being piloted with 130 Brazilian SMEs, with another 2,000 set to join by 2021. The Forum's Centre for the Fourth Industrial Revolution Network also worked with industry leaders and policy-makers around the world to adapt the findings from Brazil to other contexts.

The platform also focused on empowering cities to be resilient, sustainable and liveable through smart technology. Cities are the global engines of production and innovation, driving 80% of global GDP and serving as hubs for the development of Fourth Industrial Revolution technology. Yet they have also become the epicentre of global crises, from the COVID-19 pandemic to climate change. Smart technologies promise agility, resilience and sustainability in the face of crises, but no global framework exists to help cities adopt and use these technologies in a responsible and ethical way.

Led by the Forum, the G20 Global Smart Cities Alliance on Technology Governance is defining and implementing new global policy norms to ensure that every city can use smart technology in a responsible and ethical way. More than 200,000 cities and local governments are represented by the Alliance and its partners. It convenes cities, the business community and institutional partners from around the world to develop and scale practical policy solutions focused on equity, inclusion, social impact, sustainability, security, resilience and transparency. The aim is for this work to be introduced in at least 20 cities in the first year, and expanded to 200 cities in the second year and to more than 1,000 cities in the third year.

Meanwhile, work was also undertaken to protect lives and livelihoods with wearable devices. COVID-19 posed a number of unanswered questions. How do we track the virus? How can we protect workers without jeopardizing business operations? Recent research demonstrated that wearable devices like smart watches and fitness trackers can spot symptoms associated with the virus – for instance, a change in temperature or an increased heart rate. Sharing this data, however, puts the privacy of the device owner at risk. In collaboration with Partners, the platform began developing guiding principles for data-sharing across technologies and public health applications, designing and launching proof-of-concept pilots in diverse communities, and establishing a long-term coalition that governs how consumer wearables are used in future public health. This work formed part of the COVID Action Platform, a partnership between the Forum and the WHO.

The ability of governments, businesses and societies to adapt quickly to changing conditions is no longer just a strategic advantage: it is essential for sustained progress and harm reduction. In the new, unpredictable post-COVID world, IoT provides the real-time awareness needed to adapt and thrive. The platform works with leading decision-makers and experts from diverse industries, regions and sectors to collectively shape a future world that is healthy, resilient and equitable using IoT. Together with its Partners, the Forum is committed to taking on the greatest opportunities and challenges this crisis brings – bridging the digital divide, managing epidemics, stopping climate change and building trust.



Henny Admoni, Assistant Professor at Robotics Institute, Carnegie Mellon University, USA, speaking at a session on human-robot interaction at the World Economic Forum Annual Meeting 2020. Copyright: World Economic Forum/Mattias Nutt

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Shaping the Future of Trade and Global Economic Interdependence

The Platform for Shaping the Future of Trade and Global Economic Interdependence works to support collaborative action on international trade and investment for recovery, growth and sustainable development. It aims to facilitate cooperation in a trade landscape where businesses and governments face significant uncertainty, with the COVID-19 pandemic adding a massive jolt to global markets already strained by trade tensions. It focuses on trade shocks, tensions and governance; digital trade; industrial policy, tax and competition; investment and trade facilitation to poorer nations; and sustainability in value chains.

As the COVID-19 pandemic swept the world, the problems accumulated in the field of international trade. Governments had limited visibility of international trade and supply chain challenges as shortages threatened the COVID-19 healthcare response. Emergency export restrictions might have exacerbated the situation. Limits on worker movement posed a risk to food supply. Stimulus response needed careful design to avoid negative spillovers.

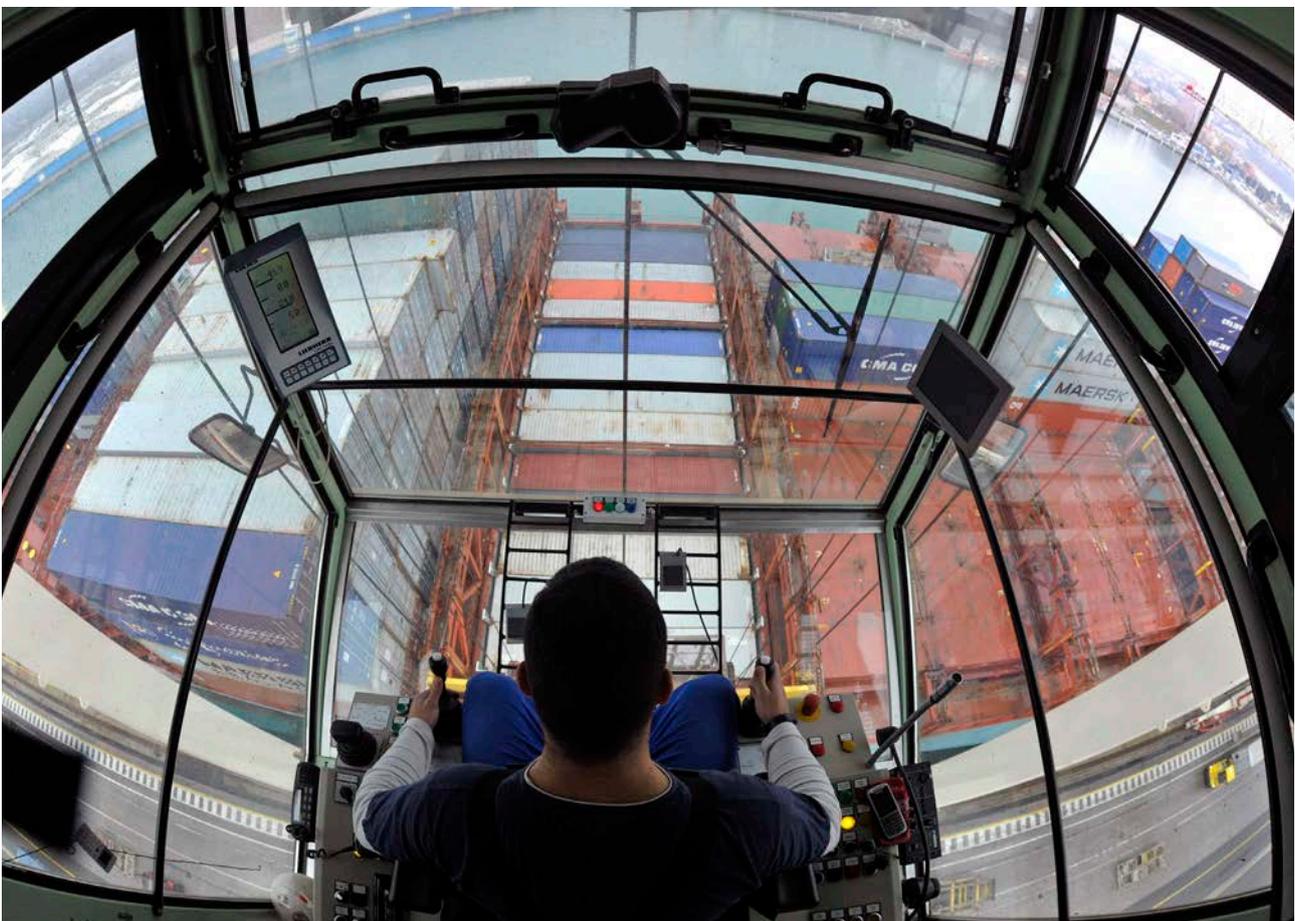
The platform helped lead the trade sector's role in the fightback by feeding business recommendations from experienced players into the G20 Trade and Investment working group. Its virtual conventions brought more than 200 senior business stakeholders with deep trade knowledge together to pool their recommendations on the COVID-19 response, offering a clearer picture of the risks and solutions. Business leaders convened with WTO ambassadors to offer advice and discuss policy dilemmas. Initial recommendations and insights were shared rapidly with the working group, while in-depth work on resilient reform continues.

Prior to COVID-19, the platform had taken a prominent role in driving forward sustainable investment at the Annual Meeting 2020. Even before the pandemic wrought its economic havoc, a \$2.5 trillion funding gap for achieving the UN SDGs needed to be filled. Now, due to the virus, foreign direct investment (FDI) flows are expected to fall 40%, starving economies of capital along with knowledge and technology. An increase in the quantity and quality of FDI is key to maintaining crucial momentum on the SDGs.

To address this, at the 50th World Economic Forum Annual Meeting, ministers representing 99 economies launched negotiations on a new investment facilitation agreement. This could see a crucial boost to investment flows for sustainable development. The Forum continued to identify key measures to maximize the agreement's impact, by launching practical projects focused on sustainable investment in Cambodia, Ghana, Kenya and India; showcasing findings at the regional level to deepen impact; and convening key actors at the global level through an investment consultative group, which allows stakeholders to provide input into the WTO process.

In Colombia over the past year, meanwhile, the platform performed work to simplify the trade of essential goods. The Forum is one of the drivers of the Global Alliance for Trade Facilitation – a public-private partnership for trade-led growth. The alliance built partnerships between the government and business, supporting them to introduce a risk-management system to streamline border inspections. Prior to this work, the country's National Food and Drug Surveillance Institute (INVIMA) physically inspected 100% of food and beverages arriving at the country's borders. Physical inspections are often useful, but they are time-consuming and costly for the government and businesses trading in perishable products. Now, low-risk shipments of essential goods can be cleared by INVIMA in three hours rather than in up to two days. With 30% fewer physical inspections at the border, trade is faster and more cost-effective, saving importers \$8.8 million in 18 months.

As the impact of COVID-19 continued to grow, various countries threatened or enacted trade restrictions. Trade barriers, such as export restrictions on medical supplies or food, made the pandemic response harder, while the 30-40% slump in trade and investment flows has endangered millions of livelihoods. After providing a platform for business and government to discuss emergency supply-chain response, the community shifted to focus on resilient recovery. This includes making sure that an economic stimulus does not create beggar-thy-neighbour spillovers, and building real resilience instead of protectionism, enabling cross-border digital services to flourish and ensuring future trade is inclusive and sustainable.



A crane operator unloading containers from a ship at Port of Koper, Slovenia, January 2014. Reuters/Srdjan Zivulovic



"The Global Energy Challenge" session at the World Economic Forum Annual Meeting 2020. Copyright: World Economic Forum/Walter Duerst

Regional and Geopolitical Activities



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Africa

The economic outlook for Africa was positive in the third quarter of 2019, with almost half of the 40 fastest-growing emerging and developing countries in the world based on the continent. By January 2020, Sub-Saharan African economies were projected to outperform global growth over the course of the year, this despite the economic challenges facing the two largest economies, South Africa and Nigeria. The coronavirus crisis changed the situation dramatically, with the region now facing the first recession in 25 years.

In addition to striking the right balance between saving lives and saving livelihoods, many countries must tackle a debt management challenge that further constrains their ability to respond and restore economic resilience. The dual shock of COVID-19 on the demand side and the recent oil price crash on the supply side triggered an acute dollar shortage in energy exporting economies, particularly in countries such as Nigeria and Angola. This dollar shortage was also exacerbated by a drop in remittances to the continent (causing an acceleration towards cashless and contactless financial service offerings). Nonetheless, the operationalization of the African Continental Free Trade Area in 2020 is expected to accelerate the recovery and mitigate the pandemic's worst effects.

In September 2019, the World Economic Forum on Africa was held in Cape Town, South Africa under the theme of *Shaping Inclusive Growth and Shared Futures in the Fourth Industrial Revolution*. Among the 1,000 participants were the presidents of Botswana, Ethiopia, Namibia, Seychelles, South Africa, Uganda and Zimbabwe, as well as the prime minister of Eswatini and the deputy secretary-general of the United Nations.

As reported in the Forum white paper "The Sub-Saharan Africa Risks Landscape" published in September, executives ranked unemployment and underemployment as the top risk for doing business in the region. To address this job creation challenge, members of the Africa Regional Business Council, including Alibaba Group, AT Kearney, Export Trading Group and Zenith Bank, launched an initiative to scale millions of SMEs and start-ups by 2025. Building on the "Africa E-Commerce Agenda" eight-step action plan published by the Forum and International Trade Centre, several governments began setting up national multistakeholder task forces to improve their entrepreneurial ecosystems.



At the World Economic Forum on the Middle East and North Africa 2019. Copyright: World Economic Forum/Faruk Pinjo

In October 2019, the Forum's Global Plastic Action Partnership inaugurated the first African alliance with the Government of Ghana and national stakeholders in Accra. Co-chaired by Nestlé, the partnership aims to combine public- and private-sector resources to tackle plastic pollution and unmanaged waste.

Key government leaders from Africa at the Annual Meeting 2020 included the presidents of Botswana, the Democratic Republic of the Congo, Ghana and Senegal, as well as the deputy prime minister of Ethiopia. At the meeting, the Forum and Government of Rwanda opened the Centre for the Fourth Industrial Revolution Rwanda focusing on AI. This marked the second Affiliate Centre in Africa, with one in South Africa focusing on IoT and blockchain. In February, in collaboration with the Forum and World Bank, the Rwandan Government hosted the 2020 African Drone Forum that convened over 60 regulators from 25 African nations to build frameworks that can turn into viable business opportunities and create a self-sustaining drone industry valued at an estimated \$40 billion.

The Forum established a new community of regional stakeholders called the Regional Action Group for Africa. It is comprised of 30 CEOs/chairpersons, several ministers and leaders from regional and international organizations, civil society and academia. With the community, the Forum developed a robust framework to accelerate the region's emergency response to the COVID-19 crisis, and began thinking about how to rebuild economies and restore resilience post-COVID. For example, in April, the Forum launched the COVID Action for Food Systems in Africa in collaboration with the African Union Development Agency (AUDA-NEPAD) in an unprecedented effort to mobilize an urgent response to the unfolding food crisis. In June, Yara International, a Strategic Partner of the Forum, committed \$25 million to support 250,000 smallholder farmers to provide food for more than 1 million people in seven countries in Eastern and Southern Africa.

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Asia-Pacific

Comprising the 10 member nations of ASEAN, the Korean Peninsula, Australasia and the Pacific, the Asia-Pacific region represents 10% of the global population and 9% of global GDP. Prior to the COVID-19 pandemic, the region maintained a positive growth trajectory, and ASEAN significantly increased its share of global GDP growth in 2019.

The COVID-19 pandemic affected the region earlier than the rest of the world, testing its resilience. Innovative and coordinated measures allowed large parts of the region, including the Republic of Korea and Viet Nam, to successfully flatten the infection curve, but significant challenges remain on the road to recovery.

The Forum focused on supporting ASEAN – the fastest growing digital economy in the world – in its efforts to harness the impact of the Fourth Industrial Revolution. The Digital ASEAN initiative continued to advance work streams on pan-ASEAN data policy, digital skills, e-payments and cybersecurity.

At a country level, the Forum supported Singapore's recently launched National Artificial Intelligence Strategy through a government partnership at the Centre for the Fourth Industrial Revolution. The initiative seeks to intensify the use of AI technologies in transport and logistics, smart cities and estates, healthcare, education, and safety and security to achieve greater productivity and generate growth. In Malaysia, an agreement with the Malaysia Digital Economy Corporation paved the way to co-design and pilot policy principles and regulatory frameworks associated with drone technology. In Thailand, the Forum committed to supporting the government's Thailand 4.0 initiative and Eastern Economic Corridor Development Plan through the Closing the Innovation Gap Accelerator, an accelerator model that generates local insight and develops needs-based action plans. In Viet Nam, the Forum concluded its comprehensive three-year country partnership in January 2020, conducting extensive research, workshops and policy development activities that led to a report with policy recommendations for the government.

At the Annual Meeting 2020, leaders from ASEAN, the Republic of Korea, Australasia and Mongolia, including the prime minister of Singapore, the deputy prime minister of Viet Nam and six Indonesian cabinet ministers, discussed ways to sustain Asia-Pacific's growth and human development amid challenges related to environmental degradation, deepening inequality, weak infrastructure investment and new geopolitical tensions. In addition, Indonesia committed to hosting the World Economic Forum on ASEAN and the Indo-Pacific in Jakarta, and Viet Nam announced the establishment of an Affiliate Centre for the Fourth Industrial Revolution in Ha Noi.

The pandemic forced a fundamental shift in the way the Forum works as an organization and engages with constituents. Besides adjusting its preparations for physical gatherings, the Asia-Pacific team reassessed certain relationships and ongoing conversations in the region, refocusing on the essence of the Forum – to curate a purpose-driven community of cross-sectoral leaders.

The new Regional Action Group for Asia-Pacific contributed to the region's collective recovery and its enhanced role in a more diversified and resilient global supply chain, building on the spirit and Joint Statements made in the ASEAN+3 Leaders Special Summit on COVID-19. The Regional Action Group's role is to convene Forum Members to define crucial topics on which to work together, such as enhancing the coordination of economic stimulus plans, leveraging technology and making sure that stakeholder capitalism remains central to regional recovery efforts.



The session on stakeholder capitalism in Asia at the World Economic Forum Annual Meeting 2020. Copyright: World Economic Forum/Manuel Lopez

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China

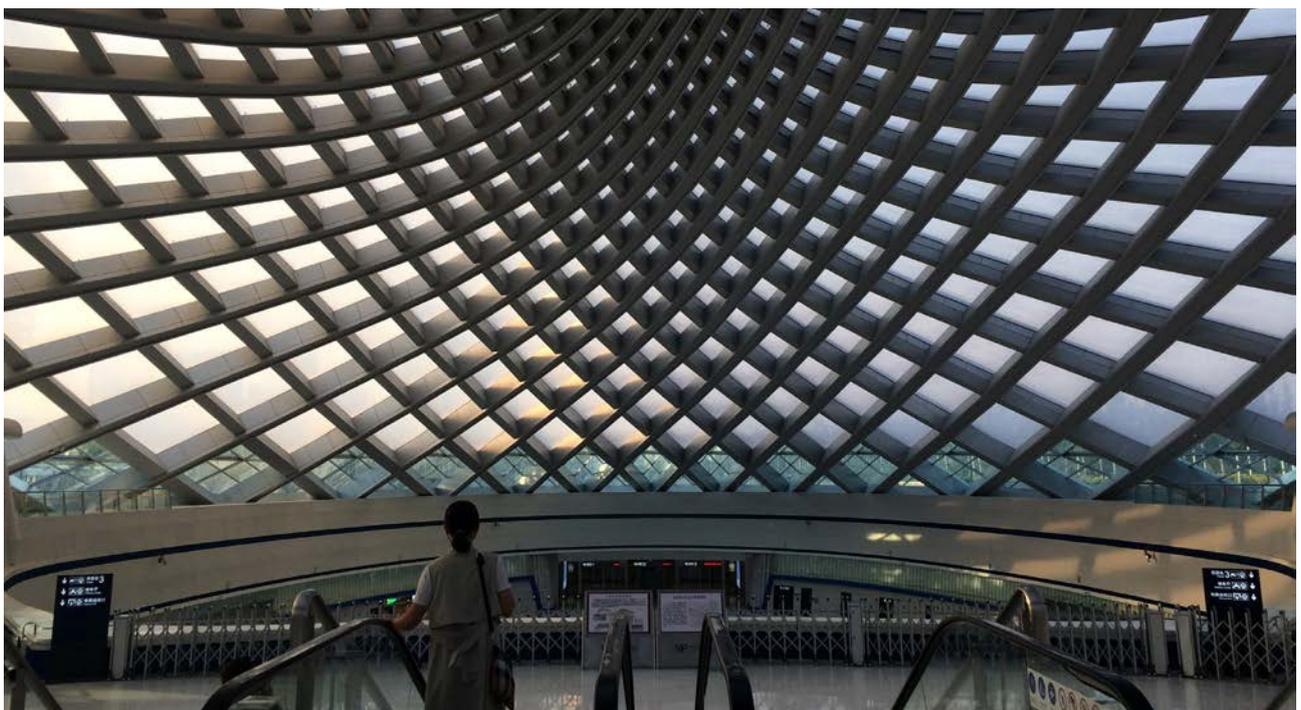
While China faced a protracted period of slower economic growth in 2019, it remained the engine of growth in Asia, representing 19% of global GDP (at purchasing power parity), and the largest trading partner of ASEAN and the Republic of Korea, as well as the second largest trading partner of Japan.

The World Economic Forum Beijing Representative Office continued to engage China at the highest levels, welcoming Vice-Premier Han Zheng to the Annual Meeting 2020 and working with an increasing number of both private and state-owned companies on key industry and global initiatives. During the past year, the Forum greeted new Partners from leading companies in the mobility, energy, IT, financial services and consumer industries.

To enhance understanding and dialogue between the Forum's global constituents and China, the Forum held a number of workshops and dialogues, including one co-hosted with China Customs for multinational corporations on the latest revisions to the customs

law, and one co-hosted with the National Development and Reform Commission (NDRC) on the Revision of Catalogue of Industries for Encouraging Foreign Investment (2019 version). In the latter, nearly 200 Chinese and international companies exchanged views with NDRC on the so-called negative lists. The Forum's Chief Representative contributed to several conferences and forums, such as the State Counsellors' Forum on National Affairs, the China Development Forum, the Development Research Center of the State Council Sustainable Development Forum, the Understanding China Conference in Guangzhou, Beijing's 2019 Autumn Conference of Global Trade in Services Vision Committee, and the High Level Dialogue of the China International Import Expo.

During 2019-2020, the Forum increased its platform work in China. In late 2019, the Platform for Shaping the Future of Mobility worked with the Beijing Municipal Government and multiple other stakeholders to pilot a project in Beijing for the future of mobility. It also worked with the Chinese Ministry of Transport and contributed



Yujiapu railway station, Tianjin, China, 17 May 2016. Reuters/Sue-Lin Wong

to an event hosted by the ministry on an initiative to increase information on global supply chains. To share China's experience of fighting COVID in the mobility sector, the China Office also worked with international public and private stakeholders to facilitate a series of roundtables, dialogues and media briefings.

The Platform for Shaping the Future of Technology Governance: IoT, Robotics and Smart Cities continued to foster regional collaboration through a working group comprised of 15 key stakeholders from government, business and academia in China and Asia. It collaborated with the NDRC's China Center for Urban Development on a yearly report on the interconnectivity of cities in the Belt and Road Initiative, the first of which will be published in 2021.

The Forum's Future of Financial Services in China and Beyond initiative is a response to Premier Li Keqiang's announcement at the Annual Meeting of the New Champions 2019 that China is accelerating the relaxation of financial-sector ownership limits. A group of Chinese leaders from the global asset management industry, regulatory and supervisory agencies and academic institutions explored how stakeholders can shape the development of a Chinese asset management industry that advances growth and meets the retirement and investment needs of individuals. The group published an initial report highlighting the importance of deepening China's integration into the global financial system.

The Precision Medicine Programme team in China held two events during the year. The 2nd Precision Medicine and Policy Summit in November 2019, convened in collaboration with Tsinghua University, welcomed 189 participants from government, academia and industry. In April, the Forum co-hosted a virtual meeting on "China's Experience in COVID-19 Prevention and Treatment" with the Health Human Resources Development Center of the National Health Commission of the People's Republic of China. The meeting served as a platform for medical representatives around the globe to communicate directly with Chinese experts.

The Forum maintained close relations with major academic institutes, including the Chinese Academy of Medical Sciences & Peking Union Medical College and Tsinghua University, and multiple enterprises, such as BGI Genomics, Novo Nordisk China and Takeda China.

The COVID-19 crisis forced transformations in the workplace and the way the Forum works with constituents, affecting new technology configurations and programme design, among other operations. But, above all, the changes include a new mindset. Despite all, stakeholders continued to be engaged virtually through the Regional Action Group for China, an invitation-only, peer-to-peer community comprised of leading executives and CEOs of China's top companies who are dedicated to working for the common effort of shaping China's contribution to the post-COVID world in a positive way.

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Europe and Eurasia

A new term for the European parliament began in the summer of 2019, along with new leadership for European institutions. Elected by 28 European Union member states (including the United Kingdom before its departure from the Union), the new parliament has established a clear set of policy priorities: advancing the European Green Deal and the digital agenda, while moving forward on Brexit.

In 2019, Aker Group and the Forum announced the establishment of the Centre for the Fourth Industrial Revolution Norway, dedicated to harnessing advances in technology to preserve oceans and improve the environmental footprint of ocean industries. In addition, a Centre for the Fourth Industrial Revolution Turkey, focusing on topics such as IoT and AI, was established at the Annual Meeting 2020.

The Forum continued its commitment to serving as a platform for fostering partnership. In November 2019, as part of the Western Balkans Strategic Dialogue, 26 heads of state and government leaders were convened to discuss strengthening growth, competitiveness and digital preparedness in the Fourth Industrial Revolution. In collaboration with the Regional Cooperation Council, the Forum initiated its Competitiveness and Innovation Accelerator for the Western Balkans to support the region in improving its competitiveness and long-term growth. Since 2018, the Forum's Strategic Dialogue on Europe-Africa has been convening leaders from both continents to discuss a new global architecture for cooperation, the strengthening of intercontinental trade and investment, and partnerships for technology exchange.

The outbreak of the COVID-19 pandemic hit Europe hard, while stoking fears about the future of the European project and the eurozone, largely fuelled by a deeper debt crisis. The coming year will be pivotal for the European Union as member countries inject extraordinary stimulus funds into their economies as they negotiate a seven-year budget for the bloc. At the same time, Europe continues to look outward, showing global leadership on numerous issues, including on climate change through the UK-Italy joint chairmanship of COP26, and through its efforts to find a COVID-19 vaccine. In May 2020, the Forum partnered with the European Commission's "pledging conference" that exceeded its goal of raising €7.5 billion for research into a COVID-19 vaccine and treatments.

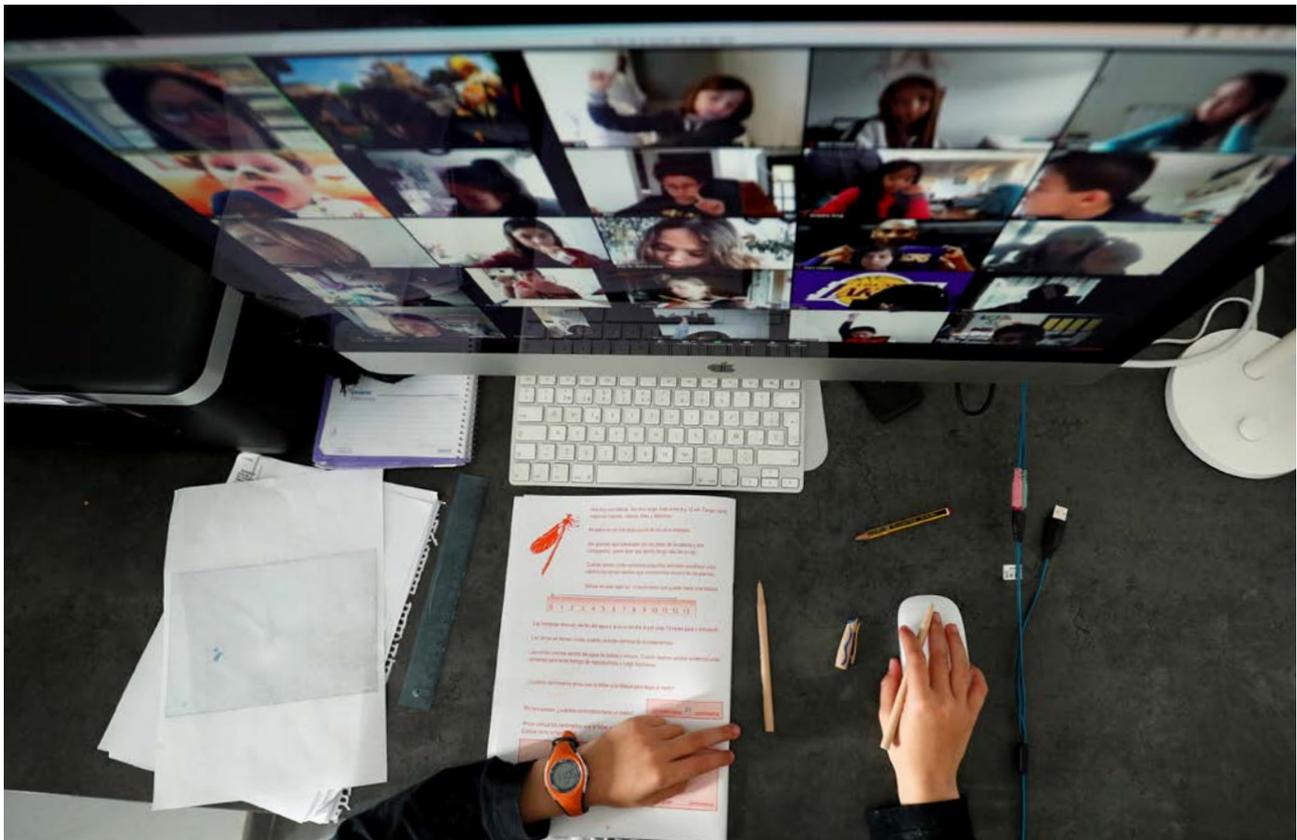
With its strategic location at the heart of global supply chains, Eurasia entered 2020 with cautious optimism, but the dual shock of collapsed oil prices and the economic implications of COVID-19 called into question the economic advances of the past decade and magnified the imperative to diversify economies and foster economic inclusion. At the Annual Meeting 2020, leaders from government and business discussed the role the Forum could play in the development of the region. This dialogue helped establish the New Vision for Eurasia Strategic Initiative, which will contribute to developing a framework for strengthening economic resilience and competitiveness, shaping agile governance and fostering social development.

Building on the EU's ambitions for a carbon-free world, at the Sustainable Development Impact Summit 2019, the Forum launched the CEO Action Group for the European Green Deal to support the transition towards green and sustainable economies and societies. On the digital agenda, the Forum's Digital Europe initiative continued work with SAP on measures to attract more women to careers in entrepreneurship. In partnership with KPMG, the initiative hosted a series of workshops on the importance of properly funding growth-stage companies that have a climate mission, which resulted in the publication of the report *Bridging the Gap in European Scale-up Funding*.

In collaboration with the Forum, HRH the Prince of Wales launched the Sustainable Markets Initiative to promote inclusive, sustainable and profitable markets. In June 2020, the Forum and HRH launched The Great Reset initiative, with support from the Sustainable Markets Initiative.

To be a crucial platform for public-private cooperation, this year the Forum also launched the Regional Action Group for Europe and Eurasia, bringing together over 70 leaders from the public and private sectors, along with key experts to craft principles for the economic recovery through a cross-regional and public-private

framework. The dialogue identified the “twin transition” of the green and digital agendas as core elements of the recovery, with Europe being uniquely positioned to lead global efforts in these areas. Members highlighted the need for close coordination in dealing with the global crisis and the importance of global solidarity and a multilateral approach, and expressed the need to build resilience in supply chains while also urging caution towards jeopardizing the efforts that have gone into building economic ties.



An online class in El Masnou, Spain, during the COVID-19 pandemic, April 2020. Reuters/Albert Gea

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India and South Asia

South Asia has emerged as the fastest growing region in the world, demonstrating resilience and establishing itself as an engine of global economic growth. But the spread of COVID-19 recast the region's economic outlook. Growth estimates are expected to fall to between 1.8 and 2.8% in 2020, down from the 6.3% projected six months ago. Consumer and investor sentiments have deteriorated and inflows of remittances are being disrupted. South Asia continues to experience severe consequences on tourism, an industry critical to the economies of Maldives, Sri Lanka, Nepal and Bhutan. The economic impact is exacerbated by enduring challenges, including food insecurity and societal inequity.

In response to the COVID-19 pandemic, swift policy action, including early lockdowns, effective contact tracing and innovative technological solutions, demonstrated initial areas of success. However, response and recovery efforts were hampered by limited public resources for stimulus packages, high population density, inadequate healthcare capacities, misinformation and disinformation, and inconsistent and inequitable access to digital infrastructure and social services. But with a potential reconfiguration of global supply chains due to the pandemic, South Asia could emerge as an option for global companies looking to use multi-sourcing as a means to increase resilience. The crisis could also present an opportunity for South Asia to strengthen frameworks for regional cooperation and resilience.

The 50th anniversary of the Forum also marked 35 years of engagement with India. The deepening collaboration between the Forum and the Government of India culminated in October with the India Economic Summit 2019, held in partnership with the Ministry of Commerce and Industry and the Confederation of Indian Industry. The Forum's ongoing work in the region reflects critical developmental priorities, in particular those relating to agriculture, skills and technology.

In response to the imperative of enhancing the employability and future readiness of workforces in the region, the Forum launched Closing the Skills Gap Accelerators in India and Pakistan. Steered by leaders from the government, business and education sectors, the Accelerators finalized their National Action Plans that set skill-development priorities. The India Accelerator's National Action Plan focuses on promoting apprenticeships, developing financial vehicles such as skills bonds and learning accounts, and creating a dynamic national labour market information system. Launched by the prime minister, the Accelerator in Pakistan is comprised of eight working panels that focus on reskilling and upskilling requirements in six priority sectors.



Employees of Motherson Sumi Systems working on a car wiring assembly line in Noida, India, April 2016. Reuters/Anindito Mukherjee

The Forum collaborated with India's Ministry of Agriculture and Farmers' Welfare to create a multistakeholder Agricultural Value System Platform to strengthen agricultural value chains and promote the efficiency and sustainability of food production. This platform builds off the Forum's New Vision for Agriculture initiative that mobilized value-chain partnerships in the region.

The Forum also worked with India to use technology to deliver transportation and medical solutions. The Moving India Initiative, a collaboration between the Forum and Government of Punjab in India, facilitates shared electric mobility options. Moreover, the Forum partnered with the Government of Telangana in India on the Medicine from the Sky initiative to develop performance-based regulations and governance frameworks to use drones to deliver life-saving medical supplies and vaccines, particularly to rural communities.

The new Regional Action Group for South Asia serves as a platform for regional leaders and stakeholders to advance action-oriented discussions on critical regional priorities. The insights and initiatives that emerged from this high-level community underscore the importance of regional cooperation. The group, inaugurated by the prime minister of Bangladesh, convenes regularly to address shared priorities, such as solving supply-chain disruptions and capitalizing on emerging technologies. The group initiated three intraregional multistakeholder working groups: one on supply chain continuity in India with lessons for the rest of the region; one on strategies for public-private partnerships in South Asia to address the deceleration in remittances; and one on diversifying regional economies focused on the Maldives, where tourism accounts for one-third of GDP.

25

Japan

Japan has long been a strong advocate of multilateralism and international cooperation, and this posture has continued since it passed the baton of the G20 presidency in December and since the start of the COVID-19 crisis. As the coronavirus spread in Japan, the government did not enforce a lockdown but asked people to stay home and avoid the “three Cs” – closed spaces, crowded spaces and close-contact settings. Though the number of infections reached 17,000 by June, with 900 deaths, these figures were far below projections – particularly for a country with an ageing population. On the economic front, Japan’s economy officially slipped into recession, contracting in the first quarter of 2020 by an annualized rate of 3.4%. Looking ahead, the government and business sectors committed to focusing on sustainability, inclusivity and international cooperation. As the world’s third largest economy, the shape and speed of Japan’s recovery will be of global importance.

This past year, the World Economic Forum’s office in Japan continued to expand its work to strengthen public-private cooperation, particularly on the issues of sustainable economies at the national and global levels and on policy questions raised by the Fourth Industrial Revolution.

Japan’s former deputy vice-minister of finance served as a co-chair of the Platform for Accelerating the Circular Economy, launched by the Forum in 2017, which continued to increase circular economy action across global industries. Representation from the Ministry of the Environment on the Forum’s Global Battery Alliance continued to be key to the work of establishing a circular battery value chain. And, in July 2019, a workshop was hosted in Japan following publication of the Forum white paper “Embracing the New Age of Materiality: Harnessing the Pace of Change in ESG”, which offers a framework to better identify issues, such as environmental concerns, that are material for business and investment considerations.



Presentation at an IdeasLab at the World Economic Forum Annual Meeting



Capturing insights during a session

On the issues of new technology, the Centre for the Fourth Industrial Revolution Japan helped to establish the G20 Global Smart Cities Alliance on Technology Governance and, in March 2020, the centre published a framework for the responsible use of facial recognition technology.

The Global Future Council on Japan contributed guidance on these issues, but also convened leaders from business and government, as well as from artistic and religious communities, to explore broader areas of opportunity for the country at a time when demographic, technological and geopolitical forces bring immense changes to the country.

The Forum launched the Regional Action Group for Japan, with the active participation of CEOs from some of Japan's largest companies and with input from ministers and experts from leading institutions. A key focus of the first discussions was the principle of *sanpō yoshi* or “three-way satisfaction” between the seller, buyer and society – a concept in strong alignment with stakeholder capitalism. Members of the 25-member Regional Action Group expressed a desire for continued momentum on the commitments made in the early meetings.

26

Latin America

Some Latin American countries experienced protests in late 2019, expressing citizens' dissatisfaction with economic and social conditions. Polarization and fragmentation within countries and across the region made the quest for broader policy answers to these socio-economic issues more challenging. It is within this context and alongside issues related to the environment and climate change that the COVID-19 pandemic hit Latin America.

Although projections vary by country, the International Monetary Fund estimates negative growth of -5.2% in 2020. Specifically, the price of oil and other non-agricultural commodities and the volatility of national currencies are primary sources of concern in the region, together with estimated unprecedented unemployment rates and levels of poverty. Though extraordinary response measures are needed, governments have less capacity to react due to tight balance sheets, in comparison to the crisis in 2008. As a result, external support and multilateral cooperation will be crucial, particularly in the form of public-private collaboration, long-term investment schemes and private-to-private collaboration initiatives.

Over the course of the year, the Forum actively supported the region's forward-looking priorities, particularly inclusive economic growth, sustainability and technological advances.

In September, Chilean President Sebastián Piñera co-chaired the Forum's Sustainable Development Impact Summit 2019, and at the meeting Colombian President Iván Duque championed international efforts to protect the Amazon. The president of Costa Rica served as Co-Chair of the Forum's Champions for Nature community, part of the Nature Action Agenda, which is committed to a nature-positive global economy and halting biodiversity loss by 2030. In addition, the Forum's Tropical Forest Alliance supported zero-deforestation commodity agreements in Colombia and deployed activities in Peru and the state of Mato Grosso in Brazil.

At the Annual Meeting 2020, business leaders engaged with presidents and government delegations from 10 Latin American countries, including the then newly inaugurated Government of Argentina. Mexico's secretary of the economy and Brazil's minister of the economy were central to economic dialogues during the meeting, and delegations from Costa Rica and Colombia led discussions on climate stewardship and sustainability. At a critical time in Venezuela's history, Juan Guaidó, President of the National Assembly of Venezuela, who is recognized by more than 50 countries as acting President of Venezuela, also took part. President Lenín Moreno of Ecuador and President Duque of Colombia called for international multistakeholder efforts to address the Venezuelan migration and refugee crisis.



Juan Guaidó, President of the National Assembly of Venezuela, at the World Economic Forum Annual Meeting 2020.

The Forum further developed the regional network of gender parity initiatives in partnership with the Inter-American Development Bank to narrow economic gender gaps in six countries. What's more, the Forum's SCALE 360 initiative, affiliated with the Platform for Accelerating the Circular Economy, was launched in Chile in collaboration with the business trade association Sociedad de Fomento Fabril (SOFOFA) that aims to support bottom-up innovation and entrepreneurship to accelerate the circular economy.

In response to the particular challenges caused by the COVID-19 crisis in the region, the Forum established the Regional Action Group for Latin America. This group of more than 75 CEOs, government leaders, heads of regional organizations, members of civil society, Global Shapers, academics and experts partnered to drive public-private cooperation in response to the coronavirus and to aftershocks in the economic, industrial, geopolitical and societal spheres. The group worked to identify ways to become more resilient and to foster enhanced collaboration to advance innovation, inclusiveness and sustainability in Latin America.

27

The Middle East and North Africa

Two diverging forces shaped the Middle East and North Africa towards the end of 2019. The first was the culmination of the reform momentum that had been building in several countries, expressed through the greater opening of economies and the continued adoption of the digital economy. The second was an escalation in geopolitical tensions and renewed social unrest in some countries. The year also saw Saudi Arabia assume the G20 presidency – the first time an Arab country has held the position.

Following the outbreak of COVID-19, most countries in the region moved quickly to contain the virus with widespread lockdowns. Gulf Cooperation Council countries announced economic stimulus packages worth more than \$120 billion. This spending, coupled with the collapse in oil prices, strained fiscal budgets; the region is projected to lose 7.6% of its GDP as a result of the crisis. Changed consumer behaviour and supply chain disruptions also took a toll on the banking, retail, energy, logistics and construction sectors. In their recovery plans, companies re-examined their workforces and value chains, and adjusted analytical capabilities that inform operations and decision-making.

The Middle East and North Africa team supported the region in addressing systemic, strategic issues, including promoting innovation, strengthening economies and diversifying and preparing the workforce – all vital for shaping a more resilient future.

Two Fourth Industrial Revolution Affiliate Centres were introduced: one in Saudi Arabia and one in Israel. These centres will enhance the region's efforts in the area of technology governance, building on the work of the Centre for the Fourth Industrial Revolution UAE, which designed a national policy framework for personal data and procurement guidelines for AI.

The Closing the Skills Gap Accelerators in the UAE and Oman facilitated collaboration between governments, businesses and the education sector to equip the workforce with the future job skills needed. The Closing the Gender Gap Accelerator in Egypt helped to prepare women for the post-COVID-19 workplace and to support women's advancement in leadership positions, close gender gaps in remuneration and investment, and increase female participation in the labour force.



Renewing ties at a World Economic Forum event

Regarding the economy, the Forum facilitated consultations between Saudi Arabia's G20 Secretariat and stakeholders in the Middle East and East Asia to provide input and ideas to inform the G20 agenda.

In November 2019, the Forum and the UAE Government launched SCALE 360 to encourage innovations that advance the circular economy. In addition, at the Annual Meeting 2020, the Forum unveiled the New Vision for Economic Integration initiative, a collaboration with CEOs, ministers and experts that promotes public-private cooperation to reduce trade barriers in the region, particularly those related to the digital economy.

The Forum's work in the region led to increased engagement with leading businesses in Egypt, Kuwait and Israel, among others. It welcomed sovereign wealth fund investment companies like Mubadala, cybersecurity companies like Check Point and the Saudi Information Technology Company, and the Islamic Development Bank into the Partners community.

The Regional Action Group for the Middle East and North Africa was launched in April 2020 in response to the unprecedented crisis. This group of over 50 CEOs and key executives, 15 ministers and several experts continues to convene regularly in virtual meetings to address response and recovery efforts. It works under the guiding framework of stakeholder capitalism, with a focus on four key themes for the region: i) accelerating inclusive economics and societies, ii) shaping a new vision for economic integration; iii) harnessing the Fourth Industrial Revolution; and iv) promoting environmental stewardship. In this context, the group publicly endorsed and committed to a shared vision for stakeholder capitalism, a set of principles to inform recovery efforts by its members, in a rare show of alignment in a fragmented region.



Klaus Schwab, Founder and Executive Chairman of the World Economic Forum, and Donald J. Trump, President of the United States of America, at the World Economic Forum Annual Meeting 2020. Copyright: World Economic Forum/Benedikt von Loebell

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North America

The 2019-2020 period in North America was dominated by elections. In Canada, Prime Minister Justin Trudeau was returned to power in October 2019, albeit with a minority government that is more inwardly focused. In the United States, the year was dominated by the start of a protracted campaign for the 2020 presidential election, but also included the growing COVID-19 crisis, and widespread demonstrations against police brutality and racism. The impact of these events is just starting to be understood.

The Forum continued its engagement with senior North American public officials, bringing public figures and influential voices into Forum platforms, projects and communities, resulting in over 85 direct touchpoints between senior government officials and hundreds of CEOs. US President Donald Trump delivered opening remarks at the Annual Meeting 2020, his second appearance in Davos, where he was joined by a delegation of nine cabinet members and senior officials, most of whom participated throughout the week in dialogues on reskilling, mobility and the global economy. Canada was represented at the Annual Meeting 2020 by Deputy Prime Minister Chrystia Freeland and three cabinet ministers, each leading conversations on such regional priorities as trade, sustainable economic growth and the digital economy.

Collaboration continued year-round, with Canadian Minister of Foreign Affairs François-Philippe Champagne assuming a leadership role in the Forum's Global Action Group, and other senior US and Canadian leaders anchoring work on the Forum's Platforms for Shaping the Future of Mobility, of Consumption and of Advanced Manufacturing and Production. Subnational figures participated in Forum initiatives throughout the year, including the governors of California, Michigan, Texas and Washington, and the mayors of Austin, Calgary, New York, Pittsburgh and San Francisco.

With COVID-19 affecting a large number of industries and with an economic contraction under way in the region, the focus pivoted to facilitating a series of high-level conversations between the Forum's Industry Action Groups and some of the most prominent cabinet secretaries and agency heads in the United States and Canada. US Treasury Secretary Steven Mnuchin and Canadian Deputy Prime Minister Chrystia Freeland each presented their country's response to the crisis on the Weekly High-Level Virtual Meeting, while US government leadership engaged directly with CEOs to address urgent COVID-driven issues related to urban infrastructure, transportation and healthcare, among others.

29

International Organizations and Informal Gathering of Global Leaders

The year 2020 began with the international community's renewed energy and focus on climate change and the UN Decade of Action. With shifting priorities due to the spread of COVID-19, the Forum engaged in the global response through new initiatives, such as the launch of the COVID Action Platform with the WHO and the integration of key international organizations in Regional Action Groups. Yet momentum was also sustained on various global issues, for example through the Virtual Ocean Dialogues. Kristalina Georgieva, Managing Director of the International Monetary Fund, joined The Great Reset launch, calling for a "greener, smarter, fairer world".

Throughout 2019-2020, the Forum continued to deepen its collaboration with the United Nations, multilateral development banks and other key international institutions. The Forum concluded the Strategic Partnership Framework with the United Nations and an institutional agreement with the OECD. At the Sustainable Development Impact Summit 2019 in September, new public-private initiatives were formed to accelerate the SDGs, while the annual International Organizations Consultation Meeting in October focused on exchanging best practices when building effective coalitions for joint impact.

More than 35 heads of international organizations participated in the Annual Meeting 2020, demonstrating the integral collaboration between the international organization community and the Forum over the past five decades. The Informal Gathering of World Economic Leaders (IGWEL) programme, comprising seven sessions, brought together high-level leaders to address some of the most critical issues facing the world. During his special address, UN Secretary-General António Guterres spoke about four "huge challenges" facing the world today: climate change, the mistrust of leaders, increased geopolitical tension and the dark side of the technological revolution, underlining the need for inclusive multilateralism.

On the humanitarian agenda, an expanded High-Level Group on Humanitarian Investing, which assembles investors and companies with humanitarian and development actors, advanced efforts through several industry tracks to support new investments that build resilience in fragile contexts, even more relevant in the COVID-19 context for a more sustainable recovery. It published the white paper "Humanitarian Investing – Mobilizing Capital to Overcome Fragility", and launched the Humanitarian Investing Opportunity Platform to help build an ecosystem of investable opportunities.



Kristalina Georgieva, Managing Director of the International Monetary Fund, and Laurence D. Fink, Chairman and Chief Executive Officer of BlackRock, USA, leading a discussion

Our Foundations



François Bonnici, Head of the Schwab Foundation for Social Entrepreneurship, making a presentation at the World Economic Forum Annual Meeting 2020. Copyright: World Economic Forum/Boris Baldinger

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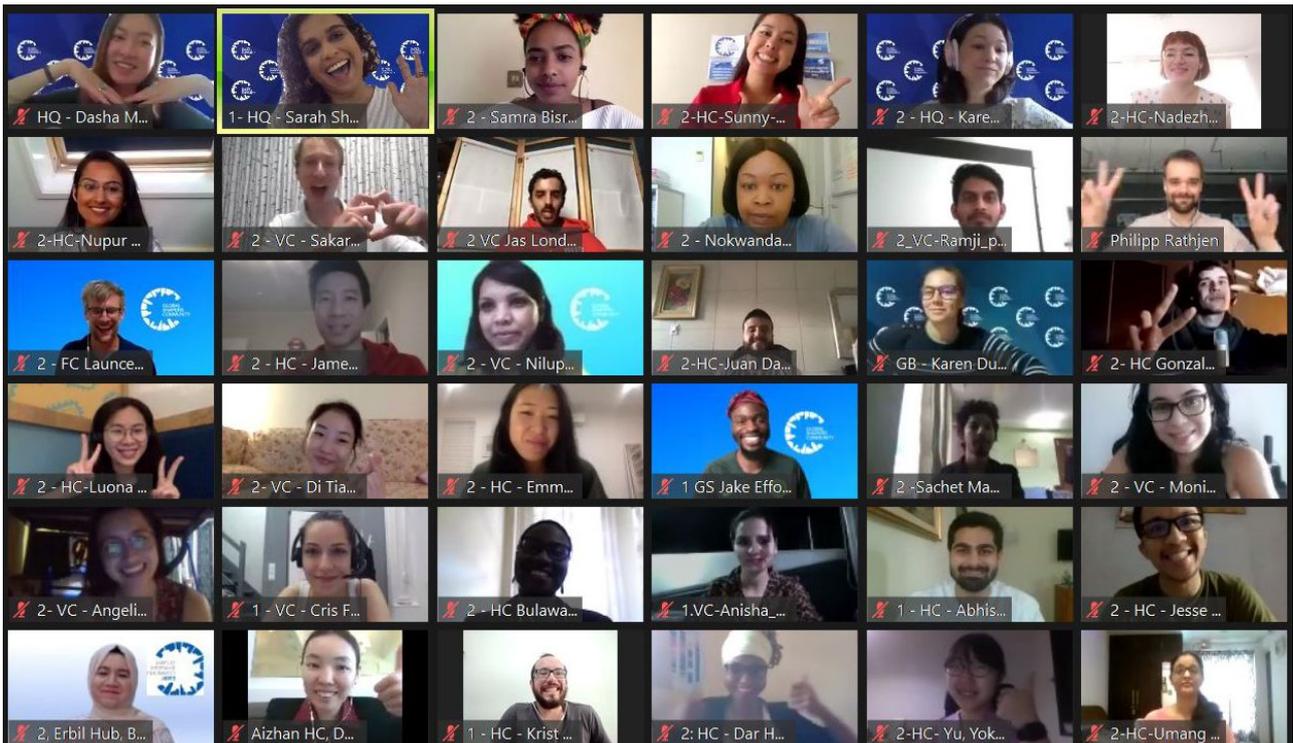
Community of Global Shapers

The mission of the Global Shapers Community is to empower leaders and strengthen communities. The Community exists to empower young leaders and reinforce global solidarity. By investing in young people and the skills and tools they need, it enables its members to create positive change in their communities and the world, through the projects they develop and implement.

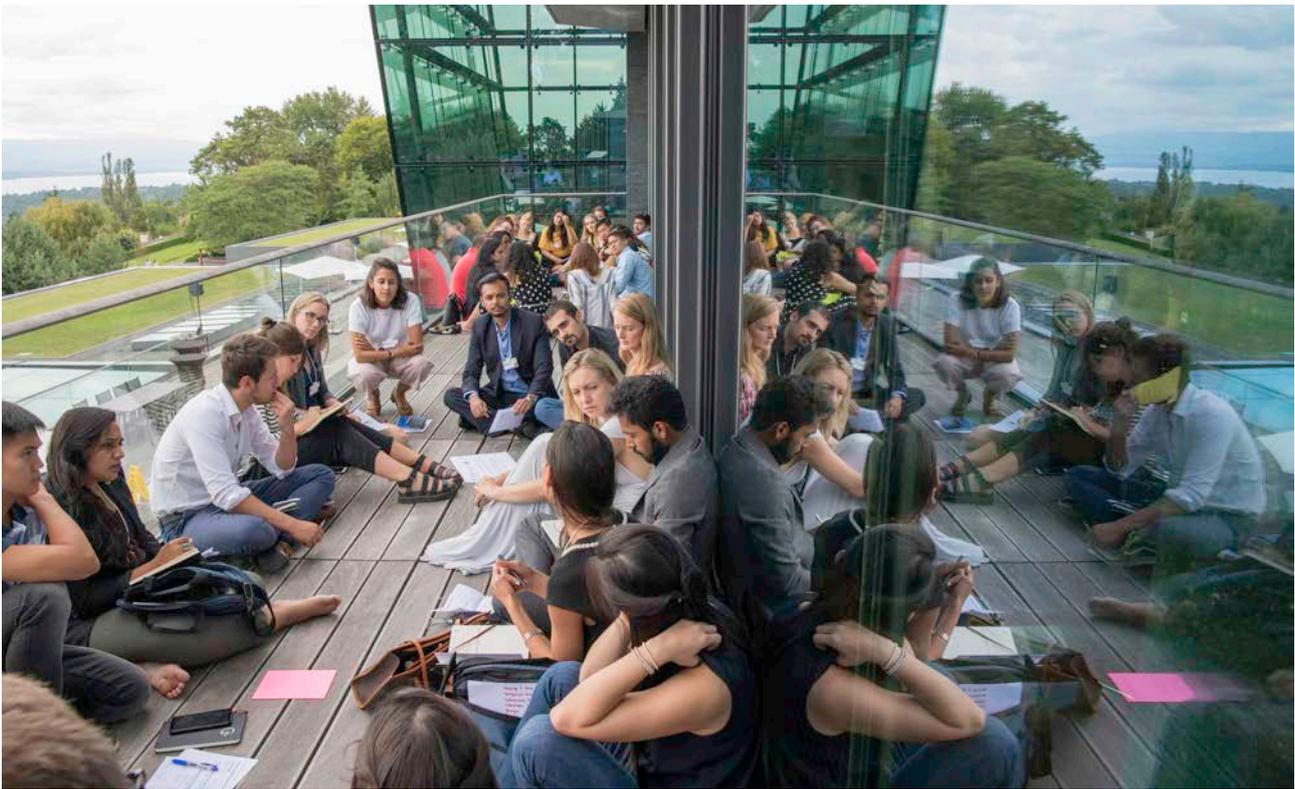
The Global Shapers Community is a network of more than 11,000 young people operating in 420 city-based Hubs in 150 countries. Global Shapers are from all walks of life and often represent vulnerable populations. They create initiatives that address their community's needs. Projects are wide-ranging and designed to enhance and shape collective action. The Shapers have been active in delivering hundreds of projects in three impact areas: climate and the environment, equity and inclusion, and education and employment.

The dramatic spread of COVID-19 has disrupted lives, livelihoods and communities worldwide and, while coordinated action by business and government is required to address the pandemic, its effects are, and will continue to be, felt most drastically at the local level. During the pandemic, the Global Shapers Community launched more than 130 projects in response.

In Milan, Global Shapers initiated a project to boost ICU capacity for patients with severe symptoms. The Madrid Hub used 3D printers to create face shields and made respiratory filters from snorkelling masks. The Rome Hub turned its attention to supporting local businesses through a voucher scheme that effectively bought their services in advance, providing them with an income while they were closed. Shapers in Faisalabad even turned their skills to producing hand sanitizer using a formula provided by the WHO to help address local shortages.



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Global Shapers at World Economic Forum headquarters in Geneva, Switzerland

In other areas, the Shapers focused on improving diversity in the digital sector (Kigali and Montreal), sought to develop awareness about mental health (Ho Chi Minh City), and launched a free delivery service (Los Angeles) to support those who need help sourcing medical supplies and groceries. Climate remains a key concern for the Community and, in Abuja, the Hub planted 5,000 trees in one month with the help of community and government partners.

To maximize the Community's impact, the following priorities drove the team's work:

- **Developing the Community:** This Community's greatest strength is its reach. Together, members spread trusted information and catalyse action locally and globally, especially during crises. Work continues to identify new Founding Curators, with the aim of reaching 500 Hubs by the end of 2021.
- **Deepening digital engagement:** TopLink, the Forum's digital platform, is used to mobilize members and connect on projects. As the Forum continues to push for developments to deepen engagement on the platform, it has started to offer members new tools, including the Accenture Academy, Social Enterprise Institute and Givitas virtual platforms.
- **Decentralizing leadership:** As the network grows and the challenges become more complex, the Shapers must transition from the current model of community management to a new, more open and collaborative model of distributed leadership. Efforts like the Advisory Council, steering committees, curators, impact officers and community champions put key support functions and solution-building directly in the hands of members – an important step for the Community's future.
- **Strengthening virtual interactions:** The Community continues to provide its members with inspiring virtual content by hosting conversations on timeless issues such as leadership, collaboration and social change.

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Forum of Young Global Leaders

The Forum of Young Global Leaders (YGLs), founded by Klaus Schwab, is a dynamic global community of 1,400 exceptional young people from diverse backgrounds with the vision, courage and influence to drive positive change. Representing more than 100 nationalities, Young Global Leaders are united by the belief that the urgent problems of today present an opportunity to forge a better future across sectors, generations and borders.

This year's class of 114 members included a decorated Olympian and World Cup winner, the youngest prime minister of Finland, a pioneering digital journalist in Africa, an advocate of social justice and reform in Nepal and a human rights lawyer fighting for an inclusive society in Ethiopia and beyond.

The Forum of Young Global Leaders continued its dedication to fostering responsible leadership paradigms. Throughout the global COVID-19 pandemic, numerous YGLs helped to work on solutions and connect relevant resources around the globe. For instance, YGL Paul Meyer, CEO of the Commons

Project, USA, worked with Reuben Abraham, CEO and Senior Fellow at IDFC Institute, India, and Jennifer Zhu Scott, Principal at Radian, Hong Kong SAR, and others to launch COVIDcheck, a free app that allows individuals to assess their level of risk for COVID-19. Operation Masks, led by YGL Brian Wong, Vice-President of Global Initiatives at Alibaba Group, China, was established to assist hospitals and governments in obtaining personal protective equipment using an end-to-end supply chain.

YGLs are committed to improving social inclusion and equality. Members of the community returned to the Kakuma (Kenya) refugee camp to exchange their organizational experiences with the camp's residents and the Turkana host community. They launched an entrepreneurship and mentoring module in partnership with UNHCR, the Aliko Dangote Foundation and Oxford University's Refugee Studies Centre, delivered with the technical support of YGL Marieme Jamme, Founder and CEO of iamtheCODE, United Kingdom, to develop new ways for displaced people to enter the global economy, despite significant barriers.





YGL members continued to mobilize to protect the planet. They partnered with the National Geographic Society and conservation partners worldwide to support the Global Campaign for Nature, which aims to protect 30% of the planet by 2030 and is working to help secure commitments from key countries. Nearly 50 YGLs, in more than seven countries, helped to champion this 30% target and advance national and business action.

YGLs also partnered with Population Services International, rolling out facilities to change waste management practices throughout India, removing bottlenecks and creating a scalable public-private financing model for waste management.

The Forum of Young Global Leaders, together with the Global Shapers Community, launched a study at the Annual Meeting 2020 entitled *Responsible Leadership for a Sustainable and Equitable World*, in partnership with Accenture. More than 1,800 young leaders surveyed for the report placed the greatest emphasis on stakeholder inclusion, reflecting their conviction that social and environmental progress should be a non-negotiable component of any business model.

The YGL community remained committed to providing its members with opportunities to develop in multiple ways. To restore faith in public institutions and encourage evidence-based leadership in the public sector, the YGL community partnered with Apolitical Academy and conducted its first public leadership training in October. Meanwhile, the first YGL Executive Education module with Nanyang Technological University on the theme of *Smart Cities* took place in November, providing YGLs with the knowledge and tools to improve urban development through a future-oriented policy-making perspective.

The community also continued to serve as a platform for young leaders from diverse backgrounds to exchange and learn from one another. More than 200 YGLs from 64 countries participated in the Young Global Leaders Annual Summit in Dalian, People's Republic of China. Under the theme of *Human-Centred Leadership for Globalization 4.0*, the summit provided space for YGLs to reflect on the leadership required for the next era of globalization and to mobilize their individual and organizations' influence to effect positive change.



Testimonial

Patrice Motsepe

Founder and Executive Chairman,
African Rainbow Minerals, South Africa

Entrepreneurship was my first passion. My grandfather was an entrepreneur, my father was an entrepreneur, my mother used to run the family businesses. When I was a child, I used to work in my father's convenience store, restaurant and other businesses during school holidays.

South Africa and the world have changed dramatically since then but some things have not changed significantly.

We still need to build a more inclusive economic system that provides access to individual and communal upliftment and development and growth opportunities, and gives hope to the poor and marginalized of a brighter future. In Africa, it's critically important that those of us who are in business build partnerships with governments, rural and urban communities, employees and other stakeholders to create jobs, provide quality education and improve the living conditions and standards of living of the poor and unemployed. We also have a duty to work together and transition to a green economy.

The World Economic Forum is a valued and strategic partner in this multistakeholder approach. In the past year for example, our group of companies were involved in various Forum initiatives, such as the sharing of best practice in the mining industry to address some of the Sustainable Development Goals, the transition to clean energy through the Electricity Industry Action Group, the exploration of opportunities created by the Fourth Industrial Revolution in financial services, agriculture and other industries, and the development of universal reporting metrics for ESG factors.

While existing global businesses can be a powerful driving force for positive change, we also need to inspire and create opportunities for the next generation of entrepreneurs, scientists, technologists, educators and environmental and nature conservationists.

The Motsepe Foundation has been privileged to partner with the Schwab Foundation, which for many years has been doing outstanding work to showcase and support models of social innovation in the world and in particular in Africa. In 2019, we welcomed over 30 social entrepreneurs to an Africa Impact Expedition in Cape Town, to nurture the knowledge and connections needed to scale up their work.

At the time, it would have been hard to imagine South Africa's bustling cities going into lockdown – but that is what happened in March. The novel coronavirus represents an unprecedented health and economic crisis. As we consider The Great Reset, the global commitment to multistakeholder partnerships is central to finding inclusive and sustainable solutions to improving the state of the world. The role of the World Economic Forum is unique in this regard.

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Schwab Foundation for Social Entrepreneurship

The Schwab Foundation for Social Entrepreneurship, a sister organization of the World Economic Forum chaired by Hilde Schwab, includes a community of the world's leading social innovators tackling global challenges and improving the state of the world. The Foundation's goal is to highlight and expand leading models of social innovation by bringing together:

- **Social Entrepreneurs:** leaders who innovatively address a social or environmental problem, with a focus on low-income, marginalized or vulnerable populations
- **Corporate Social Intrapreneurs:** leaders within multinational or regional companies who drive the development of new products, initiatives, services or business models that address societal and environmental challenges
- **Public Social Intrapreneurs:** government leaders who harness the power of social innovation to create public good through policy, regulation or public initiatives
- **Social Innovation Thought Leaders:** recognized experts and champions who are shaping and contributing to the evolution of the field.

This fiscal year, the Schwab Foundation expanded its remit to recognize and support an ecosystem of pioneers who share a common purpose: to accelerate progress towards the SDGs and collectively move the field of social innovation forward. The Schwab Foundation now recognizes the entire ecosystem of change-makers: Public Social Intrapreneurs, Corporate Social Intrapreneurs and Social Innovation Thought Leaders, in addition to its established Social Entrepreneur category.

At the World Economic Forum Annual Meeting, the Schwab Foundation launched its 2020 Impact Report, *Two Decades of Impact*, which showcases the 20 years of efforts on the part of its social entrepreneur community. The community has affected the lives of more than 622 million people in 190 countries over the last five years by:

- Distributing \$6.7 billion in loans or value of products and services to improve livelihoods
- Mitigating more than 192 million tonnes of CO₂
- Improving education for more than 226 million children and youth



A worker amid the solar modules of the Naini solar power plant in Uttar Pradesh, India, March 2012. Reuters/Jitendra Prakash



- Improving energy access for 100 million people
- Driving social inclusion for more than 25 million people who are homeless, have disabilities or have refugee status

The Schwab Foundation team brings innovative and diverse leaders to the Forum's global community. Social innovators work with communities that are often marginalized, vulnerable and forgotten so it is of utmost importance to bring these leaders and their messages to high-level World Economic Forum meetings.

For the first time, the entire opening plenary of the Sustainable Development Impact Summit 2019 was graced by social innovators who provided innovative solutions to achieving the SDGs. At the Annual Meeting 2020, Schwab Foundation awardee Phillip Atiba Goff, Co-Founder and President of the Center for Policing Equity, USA, presented a Betazone talk on tackling racial bias.

The Schwab Foundation also united more than 50 leading global organizations to launch the COVID Response Alliance for Social Entrepreneurs. This alliance, which includes representatives of public, private and international organizations, NGOs and civil society, pooled knowledge, financial resources, and technological and legal support for social entrepreneurs on the front lines of COVID-19. It also advocated for social entrepreneurs as they advance innovative models of change for a more inclusive, equitable and sustainable world. Collectively, the alliance members support more than 15,000 social entrepreneurs who are helping 1.5 billion people cumulatively in over 190 countries, including excluded, marginalized and vulnerable groups, many of whom have been disproportionately affected by the pandemic.



Testimonial

Jeroo Billimoria

Founder, One Family Foundation, Netherlands

Having been part of the World Economic Forum and the Schwab Foundation community for over 20 years, what I feel most grateful for is the Forum's heartfelt connection to the social entrepreneur community.

After three successful enterprises, Childline India, Child Helpline International and One Family Foundation, I am proud to have launched Catalyst 2030, a project of the One Family Foundation, at the Annual Meeting 2020 in January. Catalyst 2030 is a global movement of social change innovators (including several Schwab Foundation for Social Entrepreneurship members), collaborating in the urgent moment to achieve the Sustainable Development Goals.

Catalyst 2030, in partnership with the Schwab Foundation and several members in the social innovation ecosystem, launched Embracing Complexity: Towards a Shared Understanding of Funding Systems Change, which is the first-ever global effort to bring together the voices of those seeking to fund systems change with those who are delivering it on the ground.

The events of the past year, from pandemic to protests, have shown how urgently we need to scale up the compassion and the solutions mindset that are central to the field of social entrepreneurship.

The support of global organizations is crucial here. The Schwab Foundation has played an active role in co-creating the Catalysing Change campaign, the goal of which is to share the expertise from over 5,000 social entrepreneurs in providing scalable solutions and policy recommendations to the world's leaders to fix the world's urgent issues, especially for the world's

most vulnerable populations. Knowing that we have the Schwab Foundation and the World Economic Forum's support on our mission to improve the state of the world is the much-needed wind beneath the sails.

In response to this year's coronavirus crisis, Catalyst 2030 joined the COVID Response Alliance for Social Entrepreneurs to provide holistic support to social entrepreneurs as they combat COVID-19. The report, *Getting from crisis to systems change: Advice for leaders in the time of COVID*, includes positive ideas and recommendations to recover sustainably from the pandemic.

We are grateful that the Schwab Foundation and the World Economic Forum give us the platform to demonstrate that the ingenuity, grit and passion of social entrepreneurs can solve the world's greatest crisis and create a just and equitable world for us all.

Our Core Functions



The entrance of World Economic Forum headquarters, Geneva, Switzerland

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Testimonial

Brian Moynihan

Chairman and Chief Executive Officer,
Bank of America, USA

This past year offered vivid affirmation that the principles of stakeholder capitalism endure because they best serve our shared objectives of progress, opportunity, equality and prosperity. At the World Economic Forum Annual Meeting 2020 in Davos-Klosters, we marked the 50th anniversary since Klaus Schwab and the Forum brought that framework to life. Our gathering in January was a chance to shine a light on the progress made through the hundreds of Lighthouse projects that demonstrate the countless ways stakeholder capitalism is addressing important societal priorities. These projects also illuminate our path forward to sustain that progress and build on it.

Of course, we met at the Annual Meeting just as we learned of the coronavirus outbreak that has since defined much of our activities. Early in the pandemic, I joined Klaus Schwab and my colleagues from the International Business Council, Feike Sybesma and Jim Hagemann Snabe, to reaffirm our belief that business will lead through the health and attendant economic challenges by maintaining a disciplined approach to stakeholder engagement. In our March memo “Stakeholder Principles in the COVID Era”, we acknowledged the impact the emergency was already having on employees, our clients and suppliers, and in the market and communities we serve. As “stewards of resilience”, we committed to embody stakeholder capitalism in all we do, including in the many ways that business is partnering with government to complement public action with our resources, capabilities and the know-how of our teams. We made this commitment while reaffirming to shareholders that we will continue to drive long-term and sustained value.

To that end, this past year we continued our important work within the International Business Community, together with accounting firms Deloitte, EY, KPMG and PwC, to develop a framework to provide all stakeholders, including shareholders, a consistent method to evaluate the progress companies are making against society’s priorities as established in the Sustainable Development Goals. Our focus on how we look after our employees, on environmental sustainability, governance and equal opportunity as well as prosperity serves us well as a proper framework to establish long-term value and, certainly, to help ensure the resilience companies need to manage through every cycle as the current crisis has shown.

Also at the Annual Meeting this year, HRH the Prince of Wales launched the Sustainable Markets Initiative, which I am pleased to co-chair. Among other priorities, we will work with industry roundtables to accelerate paths to more sustainable markets by 2030. The work of this initiative has been aligned to The Great Reset dialogue that Klaus Schwab and Prince Charles initiated in June 2020, as we consider our work to recover from the pandemic and address the economic priorities that the pandemic has intensified. Again, the primacy of stakeholder capitalism as the only way forward is reflected in this work.

This was a consequential year for our shared approach to prosperity and opportunity. We have a strong foundation on which to build our future as we emerge from the current crisis and reset our focus on a sustainable future.

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Engaging Global Stakeholders

In 2019-2020, the World Economic Forum engaged its stakeholders to work together in community meetings that were essential for delivering the achievements highlighted in this report.

However, the concept of community and the notion of meetings changed significantly in a matter of weeks as a result of the coronavirus pandemic. The year began with the Annual Meeting 2020 in Davos-Klosters, which was convened for the 50th time, under the theme of *Stakeholders for a Cohesive and Sustainable World*. It was not only the most widely covered event in social and news media in the Forum's history but it also had the highest number of official sessions available to the public online. The Annual Meeting was also distinct in its development of digital technology, such as TopLink, the Forum's digital interaction platform, which provided continuously updated contextual intelligence through the Transformation Maps, developed with our Global Future Councils. This enabled the Forum to adapt quickly to unparalleled challenges that emerged from the pandemic from March onwards.

Prior to the Annual Meeting, the Forum had organized over 200 meetings for its specialized working groups and task forces that took place at its offices in Geneva, Beijing, New York, San Francisco and Tokyo. Foremost among them was the third Sustainable Development Impact Summit, which was held in September during the UN General Assembly in New York, to advance action and increase innovation on collaborations for sustainable development and climate change, and the Annual Meeting of Global Future Councils, which was held in November in Dubai for experts to collaborate more effectively to improve the systems that collectively shape our future.

With the arrival of the global pandemic after the Annual Meeting, the Forum quickly mobilized its leadership communities, including Industry Action Groups and Regional Action Groups. TopLink rapidly became the central point of interaction between the Forum and its Partners, and between the Partners themselves. TopLink hosted over 500 virtual meetings from March to June, and also served as the repository for the projects



and initiatives that were launched in response to the COVID-19 crisis. The Industry Strategy Meeting, which was planned to be held in Geneva at the Forum in March, was redesigned entirely as a virtual event with a week's notice and brought together over 250 industry strategy officers from around the world.

As the International Organization for Public-Private Cooperation, the Forum continued to evolve into a platform where existing as well as new stakeholders can leverage its convening power, community engagement and platform capabilities to support global, regional and national initiatives that generate positive impact for all stakeholders.

One of the exciting new opportunities to emerge in this regard was the Virtual Ocean Dialogues that took place in early June by the Friends of Ocean Action and the World Economic Forum. The virtual event filled a "gap" in the global agenda left by the postponed UN Ocean Conference that was to be held in Lisbon but was postponed due to the pandemic. The co-hosts of the UN conference, President Uhuru Kenyatta of Kenya, Prime Minister António Santos da Costa of Portugal and the UN Secretary-General's Special Envoy for the Ocean Peter Thomson, asked the World Economic Forum Friends of Ocean Action Community to hold a "virtual" ocean dialogue instead, and the first-ever completely virtual ocean event was organized with less than a month's notice.



Lee Howell

Managing Director





Testimonial

Sharan Burrow

General Secretary, International Trade Union Confederation (ITUC), Belgium

Over the 20 years of labour leaders' engagement with the World Economic Forum, it has become a more inclusive institution that represents the commitment of Professor Klaus Schwab to a multistakeholder approach. Many business leaders have come to accept and advocate the need for a new sustainable business model that respects human rights and fosters inclusion, and the Forum has played an important role in that.

The Forum has evolved thematically and geographically, including through the Global Agenda Councils, the Centre for the New Economy and Society, the Centre for the Fourth Industrial Revolution in San Francisco and regional hubs and meetings.

The focus on the future of production has made it even more relevant to trade unions. Indeed the Forum's internal expertise and its reach into specific fields, such as technology, skills, climate, advanced manufacturing, climate stewardship, the circular economy and many others, have provided unions with access to information, networks and partnerships that help us fulfil our mandate for working people. Having twice had the possibility to act as Co-Chair of the Annual Meeting in Davos-Klosters has brought home to me the competence and dedication of the Forum's staff, and the sheer volume of work done, not only for that annual event, but on an ongoing basis.

Of the many areas of Forum activity that we value highly, *The Global Risks Report* is a centrepiece. That report began warning of the risk of global pandemics as far back as 2007 and 2008, and the risk category of infectious disease has featured prominently since then. Tragically, too many governments did not heed those warnings. Climate, the impacts of technology, armed conflict, inequality and other components of the converging crises the world faces today have all featured heavily in the risk analysis as well. Fortunately, the Forum doesn't stop at highlighting problems – our engagement in work-streams in all these areas and many more brings great value for our work.

As we look to the immediate and longer-term future, the recovery from the first mass wave of SARS-CoV-2 infections and the terrible human and economic costs must be a recovery that is inclusive and builds resilience into the world. We entered this pandemic as a fractured world with the social contract in tatters – with massive levels of precarity and income inequality and other areas of convergent crises that have been well documented by the Forum. With the pandemic predicted to destroy 300 million jobs and 1.7 billion informal sector livelihoods, it is critical that leaders focus on jobs and incomes, and gender and the racial discrimination endemic across the world that is now finally getting the attention it requires. The Great Reset initiative holds much promise for these vital issues to be tackled along with the other converging crises we face.

In launching The Great Reset, Klaus Schwab focused on the need for a new social contract. That is exactly what is required to build vital hope. We look forward to working with the Forum to help make it happen.

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Our Multistakeholder Communities

Civil Society

The World Economic Forum's Civil Society community consists of representatives from over 1,400 civil society organizations, including NGO, labour and religious leaders, heads of social movements and activists, who work with government and business leaders to find and advocate solutions to global challenges. Civil society is essential to framing and advancing public good and social justice. The Forum's integration of civil society in all its activities reflects its commitment to human-centred, positive social change that can strengthen the effectiveness and coherence of global governance.

This year, in response to the COVID-19 crisis, the Forum launched the COVID Social Sector Mobilization Platform, bringing together leading organizations and actors from civil society, social innovators and the philanthropic community to respond to the immediate global COVID-19 crisis, while shaping medium-term global policy and action during the recovery. Similarly, civil society-led initiatives like the Hour of Pride project, which brings together business and non-profit leaders

to promote their commitment to LGBTQI+ inclusion during the COVID-19 crisis, and the Resetting Africa for Resilient Future project, which aims to shape ethics and values-based leadership on the continent, brought a community-oriented approach to the Forum's COVID Action Platform.

In its second year, the Partnering with Civil Society in the Fourth Industrial Revolution initiative continued to drive stakeholder responsibility for social justice in the Fourth Industrial Revolution. Co-led by Forum Partners, the initiative is the Forum's platform for technology and social justice, and its Champions for Technology and Social Justice community works to build and accelerate multistakeholder coalitions, strategic intelligence and prototypes for collective action to drive the adoption of participatory and inclusive approaches to technology governance, digital infrastructure and digital capacity-building.





Social distancing on a subway platform in Nice, France, May 2020. Reuters/Eric Gaillard

Additionally, the Global Future Council on Human Rights and the Fourth Industrial Revolution gathered world experts in technology and human rights to provide strategic intelligence and foresight into the potential of novel technologies on individuals' human rights and frameworks, and to identify recommendations in intervention areas and opportunities to influence the development and applications of these technologies for better human rights outcomes.

Community of Chairpersons

At the World Economic Forum Annual Meeting 2020, the Community of Chairpersons discussed stakeholder capitalism and long-term value creation for all stakeholders. In this context, in conjunction with the work undertaken by the Forum's International Business Council, this group moved forward the role of boards in advancing a common set of metrics for measuring long-time value creation – also commonly referred to as ESG metrics.

Through an in-depth discussion about escalating trade wars and changing global geopolitics, these chairpersons of global companies engaged with policy-makers from Asia, Europe and the United States, as well as technology disruptors leading on synthetic biology, blockchain and quantum computing on the technical, economic and ethical implications of these

emerging technologies and their future business applications.

Broadly, the Community of Chairpersons continued to collectively explore the theme of advancing the responsible corporate governance vision and practices in a more volatile, multi-conceptual and post-COVID-19 context.

Although their annual retreat was rescheduled because of COVID-19, the chairs continued to shape their organizations' response to the pandemic through virtual calls on such issues as a change in mindset towards dividends and buy-backs during lockdown; the implications for the future of workforces; and the future of executive compensation while balancing the economic recovery through sustainable investment.

Community of Philanthropic Organizations

The Community of Philanthropic Organizations comprises representatives from more than 20 of the world's leading entities in the philanthropic arena. Philanthropy at the Forum plays an important role in catalysing the systemic change required to address global challenges, from supporting the delivery of the SDGs to enabling emergency efforts such as the COVID-19 response. Community members and Partner foundations bring their expertise and thought

leadership to Forum communities and initiatives, and further their institutional impact by providing resources that support numerous platform activities.

In 2019-2020, the Community considered the role of the philanthropic sector in catalysing systemic change. It also explored innovative and flexible models for funding positive impact at scale through close collaboration with the private, public and plural sectors.

Cultural Leaders

The World Economic Forum network of Cultural Leaders includes artists, curators, historians, philosophers, educators, indigenous leaders, sports personalities, cultural influencers and cultural institutions. Cultural Leaders are united in their desire to create social change around the big issues of our time, from climate change to inclusion. They use the Forum platform to develop new partnerships and launch campaigns and narratives that promote positive change.

In collaboration with 2020 Crystal Awardee and artist Lynette Wallworth and the Ford Foundation, the Forum established the New Narratives Lab, a year-long fellowship programme to support the leadership journey of exceptional artists from under-represented communities and enable the emergence of more diverse and inclusive narratives. Fellows Rena Effendi (photographer for National Geographic, based in Turkey), Thando Hopa (diversity advocate and international model from South Africa) and Wanuri Kahiu (filmmaker from Kenya) were provided with resources and unique access to the Forum's ecosystem and participated in the Annual Meeting as Cultural Leaders. They work closely with world-class mentors, including musician Angelique Kidjo, photographer Platon and choreographer Jin Xing – and are engaged in a virtual leadership curriculum with access to experts and world leaders.

The COVID-19 pandemic decimated the cultural sector. In response, the Forum launched the Arts & Culture Global Solidarity Network, bringing together artists and cultural institutions from around the world to share lessons learned for navigating the crisis and offer new ideas to promote international solidarity and a sustainable cultural sector across national borders and creative fields. During monthly virtual Town Halls, members of the network – who range in diversity

from the Smithsonian Institution to the Arts Council of Mongolia, and from artists to funding bodies – examined issues ranging from how to rebuild a sector that is more inclusive and accessible to what can be done now that could not be done before the pandemic.

Family Business Community

This year the Family Business Community continued to focus on challenges linked to agility, responsibility and family through a series of high-level webinars.

At the Annual Meeting 2020, the Community joined forces with the Community of Chairpersons and the International Business Council to discuss stakeholder capitalism and long-term value creation for all stakeholders.

Reflecting its long-term outlook and intergenerational mindset, the Family Business Community aims to be the family business stakeholder role model. With the advent of the COVID-19 pandemic, its members debated how best to develop business, family and personal resilience to help them navigate times of uncertainty.

During the year, the Community held a number of in-depth discussions. In the Family Business Stakeholder Dialogue Series, members of the Community highlighted stakeholder principles for family businesses, and learned coping and responding mechanisms from world-leading families and experts, providing them with tools and action plans to prepare for the post-pandemic world.

The Family Business Regional Dialogue Series brought together family business owners from different regions to develop ideas and share best practices on topics like business agility, resilience and family dynamics. In addition, the Next and Now Generation Dialogue offered support to talented and experienced young family business owners and executives in their efforts to lead in a fast-changing world, and contributed to global exchanges, building an unparalleled network of peers, leaders and influencers.



Marin Alsop, Music Director of the Baltimore Symphony, USA, in action



Testimonial

Suzanne Fortier

Principal and Vice-Chancellor,
McGill University, Canada

Universities have the privilege and responsibility of providing environments that help individuals prepare for an active role in society and shape the future. Universities must also ensure that students are not only job-ready, but future-ready as well – no small challenge given the rapid pace of the current Fourth Industrial Revolution, the present global crisis brought about by COVID-19 and the existential threat of climate change.

Perhaps most importantly, universities also offer us the opportunity to better understand our past, to ask difficult questions about our present, and to think about the future we want to build. As a global community, we have a crucial role to play in addressing the systemic racism that has driven a global wave of protests this year. We need holistic approaches to remedy inequality and eradicate prejudice.

The world is facing a series of urgent, grave, complex and interconnected challenges, and the best way to address these issues is through collaboration. In the last year, I was honoured to lead the Global University Leaders Forum. This network brings together thought leaders in academia to share new ideas and to consider the role of higher education and research in this rapidly changing global environment.

In April, as the effects of the pandemic were unfolding around the world, we launched a series of virtual University Leaders Dialogues. This series of peer conversations helped university presidents within the World Economic Forum's network grapple with the latest developments in the spread of COVID-19 and the attendant disruption, with a view towards fostering long-term resilience.

Resilience means not only human cooperation, but also technological advancement. Indeed, the two go hand in hand. Getting the optimal results from the Fourth Industrial Revolution means exploring how the impressive array of technologies that are part of the digital age can be used to support human progress. My own university is on the front lines, with two faculty members contributing to projects at the Forum's Centre for the Fourth Industrial Revolution exploring IoT and the application of AI in human resources.

The Forum has just commemorated 50 years, and McGill will celebrate its 200th year anniversary in 2021. As we draw on the experience of our pasts and look ahead to the future, there have been few moments when our shared values of collaboration, creativity and public-spirited innovation have been more vital.



Nagla Rizk, Professor of Economics at the American University in Cairo, Egypt, speaking during a session on globalization at the World Economic Forum on the Middle East and North Africa 2019. Copyright: World Economic Forum/Jakob Polacek

Global University Leaders Forum

The Global University Leaders Forum (GULF) consists of presidents of the world's leading research universities who are committed to contributing knowledge and solutions to improve the state of the world. Over the past year, they focused on the future of higher education and the role universities play in society.

The COVID-19 pandemic gave their interactions newfound impetus, shifting their focus to adapting and addressing disruption in higher education to ensure universities contribute in a meaningful way to society.

The presidents adopted regular peer exchanges on topics of institutional and societal resilience. They quickly mobilized on themes of critical importance for navigating the pandemic and its resulting disruption, including sharing best practices to traverse the short-

term challenges as well as developing long-term strategies. These included inter-university partnerships for the new normal, future-proofing higher education, shaping public policy more effectively and promoting a common scientific agenda.

In addition to the presidents' engagement, experts from the universities provided intellectual stewardship by participating in such Forum communities as the Expert Network, Young Scientists and Global Future Councils; collaborating on content for Forum programmes, Transformation Maps and flagship reports; and becoming involved in policy pilots run by the Centre for the Fourth Industrial Revolution.



Testimonial

Hiroaki Nakanishi

Executive Chairman, Hitachi, Japan

The most important recommendation for corporate principles made in the past year has been multistakeholder capitalism, an idea that gained momentum as a solution to the urgent environmental and social challenges facing our world. The Forum's Annual Meeting 2020, with its theme of *Stakeholders for a Cohesive and Sustainable World*, was a significant milestone in the long history of this idea.

As the Japanese economy has traditionally fostered similar principles, viewing the role of the responsible company as embedded in the well-being of society as a whole, I have discussed these ideas with great agreement in my various interactions at the Forum. Technological advancement can send society in countless directions, with either positive or negative effects. It can widen divides in wealth, education and healthcare, or it can narrow them. It is up to us to choose in which direction we want to go, and what kind of society we want to build. We need to work with all stakeholders to co-create a brighter future for all.

It is in this spirit that Hitachi has been a Strategic Partner of the Forum since 2014, and a Founding Partner of the Centre for the Fourth Industrial Revolution since 2018. Our engagement includes working with the energy technology and IT industries, as well as embracing the Forum's platform approach to everything from advanced manufacturing to IoT. In a personal capacity, I have been involved as a member of the International Business Council (IBC), a Centre for the Fourth Industrial Revolution Global Advisory Board Member, a Governor of Energy Technology, a Steward of Energy and Materials and of New Value Creation, and a member of the Regional Action Group for Japan.

The Forum is about much more than its Annual Meeting in Davos-Klosters: through these various working groups, we are able to make connections, share insights and forge progress throughout the year. Looking back at 2019-2020, one particular highlight was establishing rules for cross-border data flows launched under Japan's G20 presidency as Data Free Flow with Trust (DFFT). Without the free flow of data, there can be no flourishing global economy. Having discussed two important issues, DFFT and governance innovation, we made significant steps. Looking ahead, as we support Japan's role in hosting the Forum's inaugural Global Technology Governance Summit (GTGS) in 2021, we see an important opportunity to ensure that we weigh the risks and benefits of the Fourth Industrial Revolution's innovations.

As we move forward, we would also like to collectively work on overcoming COVID-19 by further strengthening international collaboration. It is time for more cooperation between countries and stakeholders, as The Great Reset offers an unparalleled opportunity to work together to create a fairer and more sustainable world.

International Business Council

The International Business Council (IBC) is a cross-industry, cross-regional group of leading CEOs that facilitates in-depth peer exchanges on global issues. It brings to the fore the role of business – and with it stakeholder capitalism – in society.

In January 2020, a compendium of leading initiatives undertaken by IBC member companies was launched. These Lighthouse projects highlight more than 160 multistakeholder endeavours that touch on sustainability, and showcase the advances that the stakeholder concept has made over a number of years. The report described the ways in which stakeholders are making tangible progress to address the pressing societal, economic, environmental, technology, regional and industry challenges of our time.

CEOs increasingly see ESG principles and the SDGs as important to long-term business value creation. Recognizing the need to attract the significant amounts of capital needed to advance initiatives, such as those mentioned above, IBC members mandated the Forum in mid-2019 to develop a common set of metrics for measuring long-term value creation. It is envisaged that IBC members will adopt this common set of ESG metrics during their annual reporting in the near future. Common ESG metrics are designed to help investors and other stakeholders contribute significantly more capital to finance large-scale efforts. The Forum and

accounting firms Deloitte, EY, KPMG and PwC aim to finalize a draft proposal of these metrics, entitled “Towards Common Metrics and Consistent Reporting of Sustainable Value Creation”, in conjunction with a campaign to rally company adoption.

Making a commitment to help tackle the urgent issue of climate change is in line with the stakeholder imperative. During the reporting period, IBC members were invited to set a target to achieve net-zero greenhouse gas emissions by 2050 or sooner as well as to support two important initiatives: 1t.org, to provide government and business backing to the Trillion Trees Campaign, which hopes to plant, restore or conserve 1 trillion trees by 2050; and the Reskilling Revolution agenda, to provide better jobs, education and skills to 1 billion people in the next 10 years.

The need for capitalism that works for all stakeholders has never been more important than in the post-COVID world. In this context, the IBC has an ever-greater role to play globally. To this end, the IBC continued to mobilize critical peer-to-peer leadership needed for change through its interactions with the Community of Chairpersons, Family Business Community, Industry Governors and Alliance of CEO Climate Leaders of the World Economic Forum.



Jennifer Lyn Morone, Chief Executive Officer of RadicalXChange Foundation, USA, in the "Rethinking Capitalism" session at the World Economic Forum Annual Meeting of the New Champions 2019. Copyright: World Economic Forum/Ciaran McCrickard



International Media Council

The International Media Council (IMC), which gathers the world's leading editors-in-chief and media thought leaders, moved to a virtual format when the COVID-19 pandemic began. It met online every two weeks, allowing editors, reporters, public health experts and special guests to interact and give each other status updates from around the world. It proved to be a crucial outlet for many journalists locked down at home, giving them a window onto the world. Following its interactions, the IMC also launched the COVID Action Platform for Media, where media committed to providing need-to-know news about COVID-19 free of charge and can syndicate coronavirus stories with other media.

The IMC also continued its work on press freedom as part of its support for the One Free Press coalition. At its last virtual meeting of the 2019-2020 term, it welcomed Maria Ressa, Founder and CEO of Rappler in the Philippines, who was recently convicted in her home country for “cyber-libel”.

Partnering Against Corruption Initiative

The world has seen that the global health emergency created by COVID-19 has exacerbated the risks of corruption, particularly in settings where institutions and oversight are weak. In response, the Partnering Against Corruption Initiative (PACI) community created a collective general map of top [compliance risks](#) and mitigation strategies during times of emergency. Given the increased exposure of public and private procurement, a document resulting from the in-depth dialogue series on compliance during crises entitled “Key Risks in Emergency Procurement” looked at challenges in the procurement cycle. As a member of the B20 and the UN Global Compact Action Platform

on SDG 16 (to promote just, peaceful and inclusive societies), PACI also played a key role in addressing the structural challenges that the pandemic created.

The PACI community strengthened collaboration with the Global Future Council on Transparency and Anti-Corruption. It endorsed the business integrity framework the Council produced and explored avenues to turn it into tangible actions. Multiple efforts are already in place, ranging from sectoral initiatives to multistakeholder action, to improve beneficial ownership transparency. An important component of the actionable agenda rests on using the technological tools at hand to accelerate and increase the fight against corruption.

Technology Pioneers

A global community of companies developing new technologies and innovations, the Technology Pioneers inform and influence decision-making by contributing new ideas and perspectives that address long-term global concerns. These firms are shaping the future by advancing such technologies as AI, IoT, robotics and blockchain, as well as biotechnology.

A total of 44 Technology Pioneers participated in the Annual Meeting of the New Champions 2019 held in Dalian. They contributed ideas on leveraging technology to tackle pressing issues, focusing on ways for technology leaders to achieve sustainable and responsible leadership in a new era of globalization. A workshop for Technology Pioneers was held in New York in October 2019, with more than 80 participants sharing insights on innovation and entrepreneurship. The discussions during the two-day event focused on three areas: overcoming start-up hurdles, promoting collaboration and innovation, and using technology for good. Thirty Technology Pioneers participated in the

Annual Meeting 2020, contributing ideas on the role of technology leaders in creating a more sustainable and cohesive world in the age of Fourth Industrial Revolution.

The new cohort of 2020 Technology Pioneers announced in June 2020 unveiled 100 innovative companies representing a wide range of industries, including agtech, smart cities, cleantech, supply chain, advanced manufacturing, cybersecurity, autonomous vehicles, drones and many more. Its members come from all over the world. During a two-year term, they will share their insights by collaborating closely with the World Economic Forum's platforms.

This year's cohort selection also marked the 20th anniversary of the Technology Pioneer community. Many past members went on to become household names, including Airbnb, Google, Kickstarter, Mozilla, Palantir Technologies, Spotify, TransferWise, Twitter and Wikimedia.

Young Scientists

The Young Scientist community brings together extraordinary researchers, aged 40 and under, from assorted academic disciplines and geographies, with a demonstrated record of research excellence. These individuals commit to helping leaders from the public and private sectors better engage with science and, in doing so, help young researchers become stronger ambassadors for science.

Inspired by the theme of the Annual Meeting of the New Champions 2019 – *Leadership 4.0: Succeeding in a New Era of Globalization* – the Young Scientist

community organized co-partnered events on leadership in science. In January 2020, a “Leadership and Responsibility in Science” panel and webinar was led by ETH Zurich and, in March, a strategic workshop on the “Future of Global Science Leadership” was hosted by the journal *Nature*. These events explored and consolidated key themes for consideration for future workshops, webinars and media articles.

The COVID-19 pandemic highlighted the vital role that science plays in society and in solving global challenges. The Young Scientist community thus produced instructive content for the Forum's Agenda blog and scientific journals.

Open Forum

The Open Forum is the Forum's public-facing event that takes place alongside the Annual Meeting and brings together leading personalities from business, government, academia and civil society, as well as young people. The panellists discuss and interact with the Swiss public on critical and, at times, controversial subjects, opening a window onto some of the world's most challenging debates.

At the Annual Meeting 2020, the Open Forum came of age with a focus on youth. Now in its 18th year, the meeting raised awareness and offered the opportunity to exchange views about the danger of digitalization for youth, the impact of our current economic system creating a disposable society and modern slavery, the challenges of LGBTI youth, the integration of people with disabilities into society and how artists such as will.i.am can inspire youth activism.



The Open Forum at the World Economic Forum Annual Meeting 2020



Testimonial

Martine Ferland

Chief Executive Officer, Mercer, USA

An encouraging outcome of the COVID-19 crisis has been the increase in collaboration between companies, as organizations have been quick to combine their efforts on everything from finding a vaccine or cure, to finding alternatives to layoffs. The opportunity to do things differently in business and in society reveal to us how far we can travel when we move together – across industries, across public and private sectors, and among individuals. In this respect, the World Economic Forum has been vital for companies that seek a safe haven for open and honest C-level discussions as we face global challenges.

Over the past months, the pandemic has had an impact on Mercer's future-of-work initiative with the Forum, underscoring its unique position, incredible reach and the difference we can make by collaborating. Our partnership with the Forum on its Preparing for the Future of Work project had to pivot rapidly towards one of the biggest needs of our time, the redeployment of talent into critical services, while demonstrating the preparedness and agility of our teams. Together, the Mercer–Forum team adapted the original redeployment strategy and captured learnings from several one-to-one industry conversations with Forum Partners. The insights gathered supported organizations with information and guidance to facilitate the redeployment process in these unprecedented times.

As I look ahead, I'm honoured to have joined the World Economic Forum in advancing equality and inclusion. With the COVID-19 crisis shedding more light on racial and gender disparities and vulnerabilities, this important work looks at what will shape the equality and inclusion

agenda, what strategies should be deployed globally and how the Forum can make an impact. The crisis can be a catalyst for us to hardwire equality and inclusion into organizations and societies, and ultimately enhance peoples' lives.

I also welcome the role we can play in addressing wealth inequality, job inequity and the intersection of race, gender and prosperity. The global pandemic has brought these realities into focus and put them at the top of organizations' agenda for action. I look forward to working with the Forum on what we, as businesses, can do to speed up progress. It is this Forum's remarkable ability to convene a diversity of people and talent – to think through challenges and set goals for real change – that will distinguish the role we play in shaping brighter futures for our people, our businesses and our society.

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Business Engagement



**Jeremy
Jurgens**

Managing Director



**Sarita
Nayyar**

Managing Director, Chief
Operating Officer, USA

The effectiveness of the World Economic Forum as the International Organization for Public-Private Cooperation is built on the engagement of its Partners.

To deliver against the ambitious goal of improving the state of the world, the Forum's Business Engagement convenes the most relevant global companies to address challenges from climate change and the future of work to industry transformation.

During 2019-2020, which coincided with the 50th anniversary of the Annual Meeting, the Forum's platforms achieved significant impact. The Platform for Shaping the Future of Advanced Manufacturing and Production, which brings together the most advanced factories in the world for a cross-company learning journey, welcomed 18 new factories to its Global Lighthouse Network. They serve as guides to other companies in applying such cutting-edge technologies as AI, big data analytics and 3D printing.





An employee of Brazilian health equipment start-up Hi Technologies testing for COVID-19, March 2020. Reuters/Rodolfo Buhner

The Platform for Shaping the Future of Energy and Materials continued to help industry leaders better understand the impact of blockchain technology. Seven leading global mining and metals companies collaborated to design and deploy solutions that accelerate the responsible sourcing and sustainability of raw minerals and materials.

The Forum also contributed to the sustainability agenda. One highlight was the formation of the CEO Action Group for the European Green Deal. Leaders from the European Commission use this high-level platform to work with CEOs to mobilize business and invest €1 trillion in lowering emissions with the aim of making the EU carbon neutral by 2050.

At the same time, the long-standing Member community was reinvigorated with new, digitally driven engagement opportunities and the launches of the New Champions and the Global Innovators communities. As part of that larger group, the Forum's Technology Pioneers celebrated their 20th anniversary and announced a new cohort of 100 companies that are using innovations to protect the climate, improve healthcare and build a better future.

The Forum's Strategic Intelligence platform reached more decision-makers than ever before. Through its new premium version, users gain access to crucial information on business transformation and the

interconnection of global challenges. This year it also helped to facilitate important exchanges and exposed business leaders to the Forum's academic and expert community, further strengthening its multistakeholder approach.

The COVID-19 pandemic and its imminent threat to lives and livelihoods drove business strategy and focus in early 2020. With the rapid introduction of the COVID Action Platform mid-March, the Forum brought together 1,700 companies to collaborate and coordinate efforts to fight the pandemic and mitigate its impact. This engagement beyond its existing partner base demonstrates the potential of the platform for further growth.

The Forum continues to play a major role in fighting the virus and stimulating the recovery. By adapting to the necessity of virtual collaboration, the Forum introduced Industry Action Groups as well as Regional Action Groups to allow business leaders – in collaboration with public-sector leaders – to monitor, understand and lead in this new world of COVID-19.

With The Great Reset initiative, the Forum is set to tackle the larger challenges to global society, laid bare by a global crisis that is far from over and requires renewed focus and engagement from the Forum and its Partners.

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Public Engagement



Adrian Monck

Managing Director

In few years in recent history has public engagement been more vital, or more vexed.

From a bitter backlash against the environmental and social inequities of shareholder capitalism to the COVID-19 pandemic, the events of 2019-2020 underscored the role trusted communication must play in creating positive change.

The Forum's world-leading digital and media presence hit new highs in this tumultuous year that marked the 50th anniversary. The Forum established itself as an enlightened voice on the future of capitalism, a valuable platform for its Partners and a multiple award-winning digital publisher.

The Annual Meeting 2020 in Davos-Klosters was the most widely covered in Forum history. It was mentioned over half a million times in the world's media, with website traffic surpassing 2 million and a redesigned events page driving a 60% increase in minutes spent on our site. Blogs written by our Strategic Partners alone were read by over 100,000 people.

Young people by definition have the biggest stake in the future, and the Forum reconfigured its social media machine to engage their attention. The inaugural TikTok campaign, which explored the vital topic of diversity, garnered 4 billion views – a record for any peer organization on that platform. Invited YouTubers from India to Brazil presented their take on the meeting. Overall, social media videos attracted 87 million views. In global media, *The New York Times*, the BBC and Deutsche Welle were among thousands of media companies to cover the teenage change-makers in the Annual Meeting programme.

The Forum's 25 million social media followers

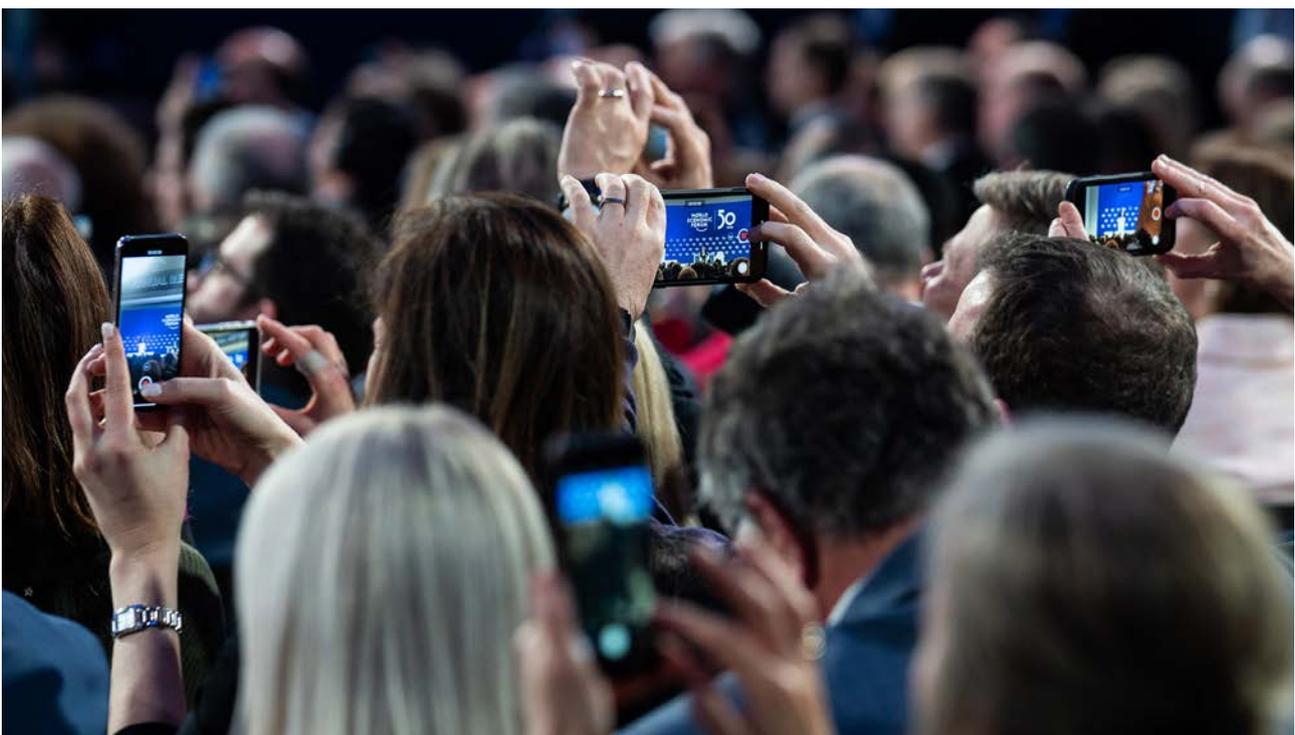
English	Followers (million)	Other languages	Followers (million)
Facebook	8.3	Facebook Spanish	2.4
Twitter (@WEF, @davos)	4.4	Instagram Spanish	1.4
Instagram	3.1	Facebook French	0.6
LinkedIn	2.7	Weibo (Chinese)	0.2
TikTok	0.8	WeChat (Chinese)	0.1
YouTube	0.5		
Weekly newsletters	0.5		
Totals	20.3		4.7

For all the positive youthful energy at the Annual Meeting, dark signs warned of what lay ahead. On 22 January, the Forum held an issue briefing with the CEO of the Coalition for Epidemic Preparedness Innovations to warn the world about the novel coronavirus spreading in Wuhan. In the difficult months following the meeting, the Forum threw its weight behind the WHO's public health messages, livestreaming and blogging its briefings. The Forum's own website traffic jumped to over 1 million views per day due to being rated a trusted publisher amid the conflicting noise of the crisis. Innovations included a microsite to cover the work of the Forum's COVID Action Platform, global media briefings with the WHO on Africa and Asia, and a new podcast, *World vs Virus*, which was recommended by Apple within weeks of its launch.

This was one of a number of accolades for our multimedia content. The Forum won a prestigious Webby Award – seen as the Oscars of the internet – for its short film “Sponge Cities”, a collaboration with WWF and Silverback Films, which beat competition from the BBC. The video is part of a series showcasing positive solutions for the planet, which also picked up two tve Global Sustainability Film Awards.

The broader challenges in creating a more sustainable world have not gone away, despite the urgency of the pandemic. The Forum increased media coverage of work on the environment, technology and global risks in G20 countries to over 420,000 mentions, while successfully supporting the new solutions platform UpLink, as well as the Virtual Ocean Dialogues. To raise the profile of the valuable contribution that the Forum's own staff make on global issues, a Forum Voices blog channel was launched, publishing over 200 articles. And as regards The Great Reset initiative launch, the Forum generated 1,800 media mentions and placed Klaus Schwab's op-ed in 10 top-tier publications. A new podcast launched on the initiative showcases regular insights from Partners and experts.

This past year was one of many challenges and few gatekeepers in how people access information. The Forum opened the door to the public, a vital stakeholder in its ongoing efforts to build a better future.



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Strategic Intelligence



Jeremy Jurgens

Managing Director

The global reach and impact of the Forum's strategic intelligence capabilities significantly expanded over 2019-2020, reaching a community of more than 350,000 professionals across sectors and geographies. This included more than 18,000 executives from Partner companies around the world as well as a wide range of other business executives, government officials and experts from international organizations and academia. Strategic intelligence blends expert and machine intelligence to transform the ability of Forum constituents to anticipate, monitor and shape drivers of transformation across global, regional and industry systems.

Widespread uncertainty over the impact, evolution and consequences of the COVID-19 crisis led to a further increase in access and adoption of strategic intelligence, with monthly active users surging in March and April 2020. Experts highlighted how leading organizations in such complex and uncertain environments required new approaches and tools and referred to strategic intelligence as an essential asset. As the systems change specialist Seth Reynolds noted this April: "The World Economic Forum has developed dynamic, interactive maps [...] to aid system-informed decision-making. If we accept the principle of interconnectedness, then this practice should become integral to our decision-making in complex systems."

Over the course of 2019-2020, the Forum worked with several Partners to apply strategic intelligence as an asset in structuring internal strategy conversations, including in supporting large-scale participatory scenario and strategy explorations within large firms. Work was also carried out with international organization partners to use strategic intelligence in



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People and Culture



**Alois
Zwinggi**

Managing Director

Since the Forum's modest beginnings in 1971, its people have always been at the heart of what it does, helping to shape the organization into the International Organization for Public-Private Cooperation that it is today.

While the Forum has grown steadily since its inception, the pace of growth in staffing accelerated significantly in the past two decades. In 2000, the Forum counted 126 staff in total, 13 of whom were temporary employees, with no Fellows (talent seconded from our Partner companies, governments and affiliated organizations). Twenty years later, the Forum has 860 staff members, 92 of whom are temporary employees, and 92 Fellows in six locations: Beijing, Geneva, Mumbai, New York, San Francisco and Tokyo.

Our people develop a growth mindset and design a career experience that are tailored to their own skills, abilities and development aspirations.

Over the past year, the team focused on the following priorities:

Digital workplace transformation

The Forum implemented a new Human Capital Management system, which combines all HR systems on one intelligent platform and connects seamlessly with other Forum systems, including the new intranet solution, WeLink.

Diversity and inclusion

Following an external audit, the Forum in Geneva was recertified for gender equal salary for the tenth consecutive year, ensuring that the Forum leads by example in this critical area. The World Economic Forum LLC was audited for the first time and successfully received the certification as well.



World Economic Forum headquarters in Geneva, Switzerland

Digital transformation in the workplace

Under the umbrella of the Forum's digital workplace project, the digital transformation of core operations is focused on two areas: the WeLink intranet and a Human Capital Management solution. These aim to modernize the way the Forum works. Rather than depending on separate technology tools, which vary from team to team, the project is driving a unified digital transformation throughout the Forum's workforce and global locations.

In March, the Forum launched an intranet called WeLink that serves as a dynamic virtual headquarters. WeLink is a hub for people to interact, share information and gain knowledge. It also allows better collaboration on work deliverables as well as areas of mutual interest.

In April, the Forum initiated a cloud Human Capital Management solution, bringing a modern and mobile human resources (HR) and talent management experience to the workforce. This project provides staff members with better access to information and tasks, and empowers them to develop their careers, check in with their teams and visualize information and people insights. Future phases will connect learning, recruitment and internal mobility.

While Forum employees represent more than 80 nationalities, recent global developments made clear the need, as in many other organizations, to work on ensuring that all staff members can bring their whole selves to work. The Forum is committed to change and began this journey by holding listening sessions to learn from employees' lived experience and insights in an attempt to improve diversity, equity, inclusion and opportunity within the organization.

Critical for an inclusive workplace is the provision of safe spaces for employees to share experiences, support each other and provide feedback on potential issues, needs and policies. Four employee resource groups continued to be active at the Forum: LeanIn (women), OUTForum+ Allies (LGBTQI+), Disability Inclusion, and Black Forum Collective (Black employees).

Adaptation to the new normal

The COVID-19 crisis compelled all Forum offices earlier this year to work remotely, and the implementation of a digital workplace could not have come a moment too soon, enabling employees to have first-class collaboration tools that allowed business to proceed as usual, virtually. Forum employees and managers were equipped with best practices on working from home, including building trust through clear and

frequent communication and agreeing on outcomes and deadlines without prescribing specific working hours. While some offices reopened with reduced occupancy and new health and safety guidelines, employees could choose when they came to the office and agreed on working arrangements with their managers.

With the transition of many physical events to virtual sessions, as well as efforts to consolidate the headcount while the global situation remained in flux, came the need to be even more agile in the deployment of staff where most needed. In accord with business requirements, the People and Culture team succeeded in placing staff either permanently or temporarily in teams with pressing resource needs and continued to prioritize internal talent for all open positions.

An inclusive talent platform

The Forum's talent is its greatest asset and, in the past half-century, the organization has relied on its employees as well as on exceptional people from several organizations that have delivered on particular objectives. Examples include:

- A world-class public relations company that helps to deliver major events including the Annual Meeting
- A boutique IT firm that offers infrastructure solutions and support at our offices and events
- A global leader in digital security that provides access management and contactless badge solutions at offices and events
- Fellows from Partner organizations who bring rich, diverse experiences and perspectives to help accelerate progress and impact
- Consultants ranging from editors to designers to SQL developers and HR support who are indispensable to daily operations.



A meeting at World Economic Forum headquarters in Geneva, Switzerland

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Technology and Digital Engagement



Olivier Schwab

Managing Director

Since the onset of the World Wide Web and the ubiquity of the internet in the 1990s, the Forum has sought to be at the forefront of digital engagement to enable its communities to interact not just during but also in between meetings. Today this manifests through TopLink, the Forum’s collaboration and meeting management platform accessible to all Partners and constituents, and through the Strategic Intelligence Platform, which includes the Transformation Maps.

TopLink is now the central point of interaction between the Forum and its Partners, and between the Partners themselves. In addition to best-in-class event navigation, TopLink serves as the repository for the various projects and initiatives driven by the business and other communities. Last year, event-related page views reached 5.6 million, while community- and platform-related views reached 1.6 million.

Notable developments this past year included enabling affiliated sessions developed by Forum Partners, which gave participants access to the whole meeting environment relevant to them. This allowed Annual Meeting participants, for example, to seamlessly navigate between Forum-organized sessions and sessions independently organized by Partners and tied to the themes of the meeting. Another development

was connecting every meeting session to projects and platforms that are relevant to the themes being discussed. This allowed for a smooth flow between the ongoing, action-oriented work of Forum communities and the related touchpoints during summits and meetings. As regards the platforms and communities, the Forum fully implemented the platform and project discovery environment, creating a “marketplace” for Partners to collaborate and form self-driven communities on key issues in their industries.

The advent of the COVID-19 crisis in the second half of the fiscal year put particular emphasis on virtual collaboration. In March, the Forum launched the COVID Action Platform, the first virtual and global public-private interaction platform to help businesses and governments address the imperatives of the unfolding crisis. Shifting the Forum’s meetings in the second half of the year to community interactions online, the Forum integrated state-of-the-art videoconferencing capabilities to provide participants with a secure and trusted environment to interact and connect. The Forum continued to develop and improve the TopLink experience on both web and mobile applications, integrating digital tools and providing the highest level of personalization for Partners and constituents.



Testimonial

Rania Al-Mashat

Minister of International Cooperation of Egypt

My involvement with the World Economic Forum started when I was nominated as a Young Global Leader in 2014, while Sub-Governor for Monetary Policy at the Central Bank of Egypt. The Forum provides a unique platform for exchange between young potential leaders from all over the world who advocate for change and reform in different disciplines.

My engagement with the Forum continued through the various positions I held afterwards: Advisor to the Chief Economist of the International Monetary Fund, Egypt's Minister of Tourism and, most recently, Egypt's Minister of International Cooperation. I've written blogs, participated in sessions, moderated panels and joined various stewardship boards. This reflects how diverse and multidisciplinary the Forum is as a platform.

Forum activities are shaped by a unique institutional culture founded on the stakeholder theory. This has been most evident during various global and regional summits as well as during the Annual Meetings in Davos-Klosters. The most relevant and contemporary global topics shaping the political economy of policy-making are highlighted, debated and discussed in an open exchange between public, private and civil society stakeholders.

The Forum emphasizes the inclusion of the foremost political, business, cultural and other leaders of society to shape global, regional and industry agendas. Being selected to co-chair the Stewardship Board of the Middle East and North Africa (MENA), I helped to push forward an agenda of change in the region with the various stakeholders to particularly highlight the importance of public-private partnerships. This was further developed into a Regional Action Group focused on suggesting The Great Reset agenda for MENA.

The World Economic Forum has pushed forward important themes that shape the socio-economic global agenda. I've partnered with the Forum to advance both the national and global gender agenda in Egypt by launching the Closing the Gender Gap Accelerator initiative. Egypt is the first country to do this in the Middle East and Africa, an important game changer.

I also joined the Equality and Inclusion Stewardship Board, which has been particularly important post COVID given the socio-economic repercussions on certain groups in countries, particularly the most vulnerable. It is through these Boards that the institution carefully blends and balances the best of many kinds of organizations, from both the public and private sectors, international organizations and academic institutions to shape a policy agenda and push for positive change.

The Forum took the leadership in highlighting the opportunities as well as challenges that surround the Fourth Industrial Revolution. It's due to the Forum's efforts that various stakeholders have internalized the debate within their operational work processes. I'm very honoured to have recently joined the Global Consortium for Digital Currency Governance, a topic of utmost importance given the focus on digitization and the evolving geopolitics around the global monetary and financial system.

The coming years will be difficult, as the deep economic crisis caused by COVID-19 exacerbates all these challenges – and underscores the opportunity to do things differently, particularly expediting reforms and change. As we navigate these uncertain waters, the spirit of multistakeholder cooperation, particularly between the public and private sectors, fostered by the Forum will be essential to building bridges and reshaping the future.



Inside World Economic Forum headquarters in Geneva, Switzerland

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Finance and Operations



Julien Gattoni

Managing Director,
Chief Financial Officer

The World Economic Forum Finance and Operations team is responsible for finance, financial control, procurement, general services and hospitality, delivering cost-effective and client-focused infrastructure for all Forum locations. The team is conscious that Members and Partners entrust financial resources to the Forum, which must ensure financial management best practice and discipline.

This has been a special year for the teams. The COVID-19 pandemic stretched all support functions, highlighting a new level of flexibility and adaptability in a fluid context. In no time, finance operations had to be performed remotely, prompting the digitalization of many processes that had previously largely taken place in the office.

The pandemic and its short- and anticipated long-term effects gave spend analysis and control a new meaning. The Procurement and Finance teams responded by creating a simple but effective way of adjusting global spend to this new normal.

The General Services and Hospitality teams swiftly found solutions to make the back-to-the-office plan as safe as possible in all locations. Work continues to adapt workspaces to the “new normal” in the future of work, one in which physical as well as digital interaction must occur seamlessly.

The Audio-Video team rapidly rolled out a new videoconferencing solution, which enabled not only internal but also external interaction during the pandemic. Working closely with the Media and Event teams, they were instrumental in deploying a new virtual interaction capability throughout the Forum's communities.

Also during this fiscal year, in late 2019, the Forum finalized the construction of the new entrance at the Swiss headquarters in Cologne, enhancing the safety of visitors and employees. This work significantly improved pedestrian and traffic flow and security.

Efforts continued during the period to renovate Villa Mundi (formerly Villa Maier). The property, adjacent to the Forum, was initially an ambassador's residence. It was designed in 1957 by Georges Brera, a well-known Swiss architect, and is classified as a landmark building in Geneva. As a result, its renovation is subject to scrutiny by the Cantonal Office for the protection of historical buildings and monuments.

Additionally, in partnership with the Media team, the Finance and Operations team undertook a year-long project to digitize the Forum's video archives, which date back to the founding of the Forum. The project aims to ensure the protection and conservation of precious digital assets and, with it, the Forum's history.

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Sustainability

Reflecting its mission to improve the state of the world, the World Economic Forum is committed to incorporating sustainability into all its activities, from global events to business practices.

As part of its sustainability programme, outlined in the 2019 report *Sustainability Strategy 2021*, the Forum continued to address a significant range of sustainability issues relevant to its operations. Underlining these sustainability efforts, the Annual Meeting 2020 in Davos-Klosters achieved ambitious sustainability goals in the fields of climate action, energy management, sustainable catering and waste reduction.

For the third consecutive year, the Forum successfully underwent auditing for the ISO20121 certification, demonstrating its continued efforts at the Annual Meeting. For its global regional events, the Forum planned and implemented efficient sustainability action plans, consistently focusing on the respective local sustainability challenge.

During the year when coming together became more challenging, it was vital to remain connected. The COVID-19 pandemic cast a shadow over the large events the Forum organizes, but the organization reacted swiftly and discovered both new means and opportunities for community interaction. Hosting large-scale events created a very specific sustainability challenge; in-person attendance produces the largest share of greenhouse gas emissions, alongside the effects of creating, animating and disassembling an event space. Moving forward, the design of future meetings will be a blend of physical and virtual interaction, which not only benefits human health, but also supports planetary health.

In line with The Great Reset, the Forum is placing utmost importance on pursuing a more equitable and sustainable means of doing business while ensuring that global stakeholders remain connected and able to engage.



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Our Global Presence



World Economic Forum Annual Meeting 2020. Copyright: World Economic Forum/Boris Baldinger

Switzerland

World Economic Forum Headquarters

The World Economic Forum is a global organization proudly headquartered in Geneva, Switzerland.

An agreement between the Swiss Federal Department of Foreign Affairs and the World Economic Forum on deepening their strategic collaboration was signed at the Annual Meeting 2020 in Davos-Klosters. The agreement builds on the close partnership between the Swiss Confederation and the World Economic Forum

that has existed since the Forum's founding. It supports the Headquarter Agreement signed on 23 January 2015 by the Forum and Federal Council of Switzerland concerning the status of the organization in Switzerland.

With this Agreement, the Forum and the Federal Department of Foreign Affairs, in close coordination with the competent departments and agencies of the Federal Administration, agreed to deepen their collaboration in the areas of digital governance, responsible consumption and production, sustainable finance and fintech, and the changing nature of work.



Testimonial

Daniela Stoffel

State Secretary for International Finance of Switzerland

As Secretary of State for International Finance, attending the World Economic Forum on Africa in September 2019 in Cape Town allowed me to tap into a network of increasing importance to the Swiss financial market. The convening power of the Forum in Africa allowed for valuable insights and contributions in areas that Switzerland can not only profit from but can also substantially contribute to. These include mobilizing the national tax base or partnering with experienced financial market actors to fund sustainable infrastructure projects. I therefore also took part in the “Delivering the Promise of Megaprojects” panel where I was able to emphasize how vital the quality of investments is for sustainable development.

As a member of the delegation of Finance Minister Ueli Maurer in Davos over the last few years, the immense value of the many bilateral exchanges with our counterparts comes to mind. Without fault, you run into everybody you could possibly want to speak to (and more) just over a cup of coffee in the Central Lounge of the Congress Centre or in the new House of Switzerland, which acts as a good communication platform. The Forum Annual Meeting also marks the beginning of the international financial calendar every year.

I was also planning to attend the Global Technology Governance Summit in San Francisco this April until it was postponed due to the pandemic. I count on this event as a tailor-made opportunity to discuss emerging technologies in finance with industry leaders and government officials.

The Annual Meeting in Davos-Klosters is an economic and sociopolitical gathering known around the world. In addition to the evenly spread out meetings at the G20 and the International Monetary Fund over the year, it allows you to take the temperature on certain topics and to form a clear idea of the topical trends. For a small and open country like Switzerland, these contacts are priceless. Moreover, the fact that cameras from all over the world are on the Annual Meeting for a week helps to strengthen Switzerland's image as a country open to forward-looking discourse.

The Forum is a unique platform to experiment not only with evolving formats but also evolving topics in the global discussion. In my opinion, rebuilding trust (in democracies and decision-making processes, in markets, in cooperation) will be essential in the post-pandemic world. I look forward to hearing fresh voices thanks to the way the Forum is reaching out as part of this initiative. It is also a great opportunity to promote new technologies and involve great numbers of stakeholders from around the globe.

USA

World Economic Forum LLC

The World Economic Forum New York office was established in 2006 to engage businesses in shaping global, regional and industry agendas. Headed by Sarita Nayyar, Managing Director and Chief Operating Officer of World Economic Forum LLC, the office continued to manage relationships with Forum Members and Partners who strongly support the Forum's mission to drive relevant and sustainable change for business and society. Together they identified, discussed and addressed their sector's critical issues through industry-specific initiatives, and actively contributed to the World Economic Forum Annual Meeting in Davos-Klosters, and to other Forum events throughout the year.

The New York office focused on key industry sectors, including consumer packaged goods, financial services, investors, technology, media, digital communications and mobility. The office continued to develop relationships with governments in North America and

to facilitate their engagement in the Forum's work. In September, the office hosted the annual Sustainable Development Impact Summit 2019 in New York.

The San Francisco office serves as the global base for the Centre for the Fourth Industrial Revolution Network. The Forum continued to establish this network as the foremost international institution recognized for its leadership role in the collaborative development, piloting and refinement of policy frameworks and governance protocols that more fully anticipate the risks and accelerate the social benefits of emerging technology.



World Economic Forum New York office



The Centre for the Fourth Industrial Revolution San Francisco

China

World Economic Forum Beijing Representative Office

The World Economic Forum has hosted events in China since 1981. In 2006, the Beijing Representative Office was established to provide a centre for Forum activities focusing on Global Growth Companies. The office has grown steadily, integrating Chinese leaders from government, business, academia and the New Champions community into Forum activities and platforms. Since the Forum Beijing Representative Office was opened, China's economy has grown rapidly, leading to an increasingly prosperous society.

Along with growth and prosperity, China continues to experience major challenges, such as rapid urbanization, pollution and the need to ensure greater social inclusion, among others. At the same time, opportunities expanded for Chinese enterprises to go global, upgrade manufacturing value chains and broaden innovation and entrepreneurship as the country becomes ever more integrated in the global economy. Again this year, the Forum Beijing Representative Office and China team continued to work with Chinese and international stakeholders to help address these challenges and opportunities.

Led by David Aikman, Chief Representative Officer, Greater China, the Forum's China team continued its next phase of growth, focusing on key industries such as health, energy, financial services and advanced manufacturing, as well as biodiversity, oceans and the new nature economy, all of which will shape the direction of China's rapidly changing global context.



World Economic Forum Beijing Representative Office

Japan

World Economic Forum Japan

First established in 2009, the World Economic Forum Japan office has been headed by Makiko Eda since April 2018. Based in Tokyo, it continues to support Forum activities across all areas, particularly relations with government, business and the public.

Japan is facing a series of social challenges, such as an ageing population. The World Economic Forum Japan accelerates progress in the country by engaging in and addressing relevant national topics. Reskilling and education, sustainability and advancing the ESG ecosystem will continue to be the focus of activity.

Along with such major pillars as sustainability and Society 5.0, Japan's societal transformation plan to help the country grow and excel, the Japan office supports the country's efforts to lead endeavours to tackle global challenges by engaging closely with the Japanese government, businesses, academia and media. It collaborates with constituents and is expanding the network to work on projects and communicating through newly launched digital platforms in Japanese.



World Economic Forum Japan



Testimonial

Paula Ingabire

Minister of Information Communication Technology and Innovation of Rwanda

The World Economic Forum is a great convener of strategic actors, with the ability to codify public-private engagement to accelerate positive benefit to society. Rwanda has enjoyed a strong, impactful and results-driven partnership with the Forum.

One of the most notable partnerships has been in the design of a performance-based regulation for drones. Piloted in partnership with Zipline to deliver blood to hospitals across the country, this policy innovation is saving lives and revolutionizing healthcare delivery across the world. This is exactly the type of innovation that the ministry that I lead is keen on piloting and scaling.

It brings me and the entire Government of Rwanda great joy that this pioneering policy has become a model for other countries, such as Ghana and the USA, in adopting the use of drone for medical delivery from blood products to personal protective equipment.

Our engagement with the Forum in the past year has significantly boosted the Government of Rwanda's efforts to accelerate sustainable and inclusive socio-economic development by leveraging advances in science and technology.

As part of these efforts, the Government of Rwanda seconded a fellow from Rwanda over a period of 18 months to work at the World Economic Forum Centre for the Fourth Industrial Revolution in San Francisco. The fellow worked on a project that piloted a Genomic Data Policy Framework for Rwanda.

Furthermore, in January 2020, the Government of Rwanda and the Forum signed an agreement during the Annual Meeting to establish an affiliate Centre for the Fourth Industrial Revolution in Rwanda. This centre is the newest addition to its global centre network of 13 countries across the world, and one of two in Africa.

Rwanda welcomes The Great Reset initiative. Like any other part of the world, COVID-19 has given us pause to reflect on where we are and recalibrate to the post-pandemic era. I believe that this provides us with an immense opportunity to seize the attention of governments, the private sector, civil society, academia and other influential actors to reshape the way we engage as a global community.

COVID-19 has acted as a great equalizer, in some ways, and it has demonstrated how deeply interconnected we are. We should indeed recognize the spectrum of inequality when we talk about creating a more equitable, inclusive, sustainable and resilient future.

I am strongly convinced that it is important to take a context-specific approach when designing The Great Reset. Whether it be Rwanda or Japan, we must understand the unique needs and opportunities of different parts of the world, and design interventions that are informed by their experience. Only by doing so will we empower our citizens, ensure inclusivity and empathetically deliver sustainable and transformative solutions that will outlive the effects of the current pandemic.



Murat Sönmez

Managing Director

Centre for the Fourth Industrial Revolution Network

The Centre for the Fourth Industrial Revolution is a hub for global multistakeholder cooperation to develop policy frameworks and advance collaborations that accelerate the benefits of science and technology. Emerging technologies inevitably have both merits and risks. The extent to which the former are maximized and the latter mitigated depends on the quality of governance protocols: policies, norms, standards and incentives that shape the development and deployment of technologies. Drawing on the Forum's global convening power, community creation and insight generation, the Centre for the Fourth Industrial Revolution in San Francisco aims to accelerate cross-sector cooperation for Fourth Industrial Revolution governance, developing human-oriented governance tools that can be adopted by policy-makers, legislators and regulators worldwide to address the opportunities and challenges related to emerging technologies

With Forum operated centres in China, India, Japan and the United States; and Affiliate Centres in Brazil, Colombia, Israel, Norway, Rwanda, Saudi Arabia, South Africa, Turkey and the UAE; and with government partnerships with Azerbaijan, Bahrain, Canada,

France, Finland, Kazakhstan, Korea, New Zealand, Singapore, the United Kingdom and Viet Nam in place, the Centre for the Fourth Industrial Revolution has already been recognized as an informal and agile global action platform shaping the governance of Fourth Industrial Revolution technologies. The COVID-19 crisis accelerated the demand for engagement both from the public and private sectors and the opening of additional Affiliate Centres in the coming year is anticipated.

This year, the Centre for the Fourth Industrial Revolution helped to forge a path for countries to share data in a flexible, trusted and inclusive manner while delivering economic value to the owners of data and allowing for taxation mechanisms at the moment of consumption. Currently, every jurisdiction regulates data in a different way, singularly indexed on privacy. This mosaic of rules creates friction at each step when collaborating and sharing across borders, as amplified during the COVID-19 crisis. It also creates an untenable burden for multinational companies to have to deal with numerous, and often incompatible, privacy laws with heavy penalties for non-compliance. It gets in the way of SMEs, including start-ups, to leverage the technologies of the Fourth Industrial Revolution, such as IoT, and AI and ML. To address the potential, the Forum established a framework called the Data for Common Purpose Initiative (DCPI), which focuses on reimagining governance and consent models, the economic valuation of data and the responsible use of data. In January 2020, Japan took the lead in shaping the DCPI framework with Authorized Public Purpose Access, an innovative framework focused on healthy living that calls for balancing the need for privacy along with public purpose use of data and economic value to stakeholders. This was complemented by

the publication in June 2020 of “Roadmap for Cross-Border Data Flows: Future-Proofing Readiness and Cooperation in the New Data Economy”, a white paper produced in collaboration with Bahrain and the UAE. Brazil, Colombia, Finland, India, Israel, Norway, Rwanda, Singapore and South Africa also actively worked on different pillars of the DCPI framework.

Ensuring that SMEs, the lifeline of economic activity, are equipped to harness the Fourth Industrial Revolution is critical for employment and the viability of supply chains. This year, the Accelerating the Impact of IoT Technologies: SMEs & Advanced Manufacturing project expanded to support over 2,000 manufacturing SMEs across Brazil by 2021. Colombia, Saudi Arabia, South Africa and Turkey are also active participants in this initiative.

COVID-19 laid bare the challenges related to the visibility of global supply chains. Blockchain has been touted as a platform upon which transparent and flexible supply chains could be built. It is complex and expensive to implement, however, hindering its adoption particularly by SMEs. In April 2020, the Forum launched the interactive Redesigning Trust: Blockchain Deployment Toolkit, designed in collaboration with 100 public- and private-sector institutions, which allows any size of organization using blockchain to assess and guide their plans across 14 dimensions.

Artificial intelligence and machine learning (AI/ML) have the potential to accelerate the formulation of solutions in diverse domains, such as agriculture, energy, environment, health and transportation. Any implementation of AI/ML needs to be trusted, transparent and inclusive, yet it is too early to regulate. With this reality in mind, the Forum's approach has been to govern AI/ML using “soft regulation”, which allows for flexibility while setting the direction of how businesses and governments can govern AI/ML. Work was undertaken this year on such initiatives as the AI Corporate Board Toolkit for the private sector; the AI Procurement in a Box project, in collaboration with the UK Government; the Framework for Responsible Limits on Facial Recognition, in collaboration with the Government of France; the Framework for Developing a National Artificial Intelligence Strategy, in collaboration with the Governments of Canada and Singapore; and the Reimagining Regulation for the Age of AI pilot project, with the Government of New Zealand. Given its potential, AI/ML is a key theme for all countries in the Centre for the Fourth Industrial Revolution Network.

Harnessing the new technologies of the Fourth Industrial Revolution represents major opportunities in the post COVID-19 world. Doing so, however, requires the rapid formulation and adoption of trusted, transparent and inclusive governance protocols so they benefit everyone and not just the few. With the Centre for the Fourth Industrial Revolution Network entering its fourth year of operation, the Forum is well positioned to help achieve this goal as the International Organization for Public-Private Cooperation.



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Governance and Leadership

Governance

Incorporated as a foundation in 1971, and headquartered in Geneva, Switzerland, the World Economic Forum is impartial and not-for-profit; it is tied to no political, partisan or national interests. It is under the supervision of the Department of the Interior of the Swiss Federal Government.

The Forum strives to model world-class corporate governance where values are as important as rules. Legitimacy, accountability, integrity, transparency and concerted action are the pillars of effective governance and the guiding principles of the Forum. By clearly articulating its principles, the Forum continues to reinforce and renew what makes it relevant and unique, and maintains its independence as it adheres to its mission to improve the state of the world.

The main governing bodies of the World Economic Forum are the:

- Board of Trustees
- Committees of the Board of Trustees:
 - Governing Board
 - Audit and Risk Committee
 - Impact Committee
- Managing Board, assisted by the Executive Committee

Board of Trustees

Recognizing that an organization is only as strong as its leadership, the Forum is guided by a Board of Trustees, consisting of exceptional individuals from business, politics, academia and civil society who act as guardians of its mission and values and oversee the Forum's work in promoting true global citizenship. In their work on the Board, members do not represent any personal or professional interests. To reflect the Board's multistakeholder status, its membership is divided equally between representatives of the business community and leaders from international organizations and civil society.

The Board determines and supervises the activities of the Forum and its governing bodies, including approving the annual accounts and strategic direction, and manages its statutes. Three committees facilitate the work of the Board of Trustees: the Governing Board, which fulfils strategic and governance functions; the Audit and Risk Committee, which oversees the Forum's accounts and budgets by remaining in close contact with the Forum's auditors, its Chief Financial Officer and the Head of Compliance and Institutional Affairs; and the Impact Committee, which helps shape the Forum's global initiatives on environmental and social issues.

As custodians of the Forum's brand, Board members oversee the Forum's operations and make recommendations to respond to the needs of all the Forum's stakeholders.

The Executive Chairman

The Executive Chairman presides over the Board of Trustees and the Governing Board. He is particularly responsible for the strategic, conceptual and leadership issues of the Forum, and represents the Forum at the highest level.

The Executive Chairman works in close collaboration with the President, who presides over the Managing Board, ensuring that all issues related to strategy, institutional development and governance are aligned and integrated into a unified approach.

Members of the World Economic Forum Board of Trustees (as of 30 June 2020)

Klaus Schwab*

Chairman of the Board of Trustees,
World Economic Forum

Peter Brabeck-Letmathe*

Vice-Chairman of the Board of Trustees, World Economic Forum, Chairman Emeritus, Nestlé SA, Switzerland

H.M. Queen Rania Al Abdullah

of the Hashemite Kingdom of Jordan

Mukesh Ambani

Chairman and Managing Director,
Reliance Industries, India

Marc R. Benioff ‡

Chairman and Chief Executive Officer,
Salesforce, USA

Mark Carney ‡

COP26 Finance Adviser to the Prime Minister
and UN Special Envoy for Climate, Department
for Business, Energy and Industrial Strategy,
United Kingdom

Laurence D. Fink

Chairman and Chief Executive Officer,
BlackRock, USA

Chrystia Freeland

Deputy Prime Minister and Minister for
Intergovernmental Affairs of Canada

Orit Gadiesh**

Chairman, Bain & Company, USA

Fabiola Gianotti ‡

Director-General, European Organization for Nuclear
Research (CERN), Geneva

Al Gore

Vice-President of the United States (1993-2001);
Chairman and Co-Founder, Generation Investment
Management LLP, USA

Herman Gref

Chairman of the Board and Chief Executive Officer,
Sberbank, Russia

Angel Gurría

Secretary-General, Organisation for Economic Co-
operation and Development (OECD), Paris

André S. Hoffmann* ‡

Non-Executive Vice-Chairman, Roche Holding Ltd,
Switzerland

Christine Lagarde

President, European Central Bank, Germany

Jack Ma

Alibaba Board of Directors, Alibaba Group,
People's Republic of China

Yo-Yo Ma

Cellist

Peter Maurer

President, International Committee of the Red Cross
(ICRC), Switzerland

Luis Alberto Moreno**

President, Inter-American Development Bank,
Washington DC

Patrice Motsepe

Founder and Executive Chairman,
African Rainbow Minerals, South Africa

L. Rafael Reif

President, Massachusetts Institute of Technology (MIT),
USA

David M. Rubenstein

Co-Founder and Co-Executive Chairman,
Carlyle Group, USA

Mark Schneider

Chief Executive Officer, Nestlé SA, Switzerland

Tharman Shanmugaratnam

Senior Minister and Coordinating Minister
for Social Policies of Singapore

Jim Hagemann Snabe* ‡

Chairman, Supervisory Board, Siemens AG, Germany;
Chairman, A.P. Møller-Maersk, Denmark

Feike Sybesma ‡**

Honorary Chairman, Royal DSM, Netherlands

Heizo Takenaka**

Minister of State for Economic and Fiscal
Policy of Japan (2002–2006)

Min Zhu*

President, National Institute of Financial Research,
People's Republic of China; Deputy Managing Director,
International Monetary Fund, Washington DC (2011–
2016)

* Member of the Governing Board

** Member of the Audit and Risk Committee

‡ Member of the Impact Committee

President and Managing Board

Members of the Managing Board are appointed by the Governing Board.

The President chairs and coordinates the Managing Board, which acts as the executive body of the Foundation. The Managing Board ensures that all activities undertaken by the Forum fulfil its mission, and acts as its representative to outside parties.

The Managing Board has a collective executive responsibility for the Foundation and reports to the Board of Trustees.

Members of the World Economic Forum Managing Board

Børge Brende
President

Julien Gattoni
Managing Director, Chief Financial Officer

Lee Howell
Managing Director

Jeremy Jurgens
Managing Director

Adrian Monck
Managing Director

Sarita Nayyar
Managing Director, Chief Operating Officer, USA

Richard Samans
Managing Director

Olivier Schwab
Managing Director

Murat Sönmez
Managing Director

Dominic Waughray
Managing Director

Saadia Zahidi
Managing Director

Alois Zwinggi
Managing Director

Executive Committee

The Executive Committee consists of the Forum's senior management team.

Members of the World Economic Forum Executive Committee

David Aikman
Chief Representative Officer, China

Marisol Argueta
Head of the Regional Agenda – Latin America

Daniela Barat
Head of Legal and Compliance

Emma Benameur
Head of the Global Leadership Institute

Arnaud Bernaert
Head of Shaping the Future of Health and Healthcare

Matthew Blake
Head of Shaping the Future of Financial and Monetary Systems

Roberto Bocca
Head of Shaping the Future of Energy and Materials

Sebastian Backup
Head of Programming, Global Programming Group

Sean de Cleene
Head of the Future of Food

Sean Doherty
Head of International Trade and Investment

Silvio Dulinsky
Head of Business Engagement – Latin America

Mirek Dusek
Deputy Head of the Centre for Geopolitical and Regional Affairs

John Dutton
Head of UpLink

Makiko Eda
Chief Representative Officer, Japan

Maha Eltobgy
Head of Shaping the Future of Investing

Kay Firth-Butterfield
Head of Artificial Intelligence and Machine Learning

Antonia Gawel
Head of Circular Economy and Innovation

Malte Godbersen
Head of Technology and Digital Services

Knut Haanaes
Dean of the Global Leadership Institute

Derek O'Halloran
Head of Shaping the Future of Digital Economy and New Value Creation

Kristin Hughes
Director of the Global Plastics Action Partnership

Zara Ingilizian
Head of Shaping the Future of Consumption

Philippe Isler
Director of the Global Alliance for Trade Facilitation

Elsie Kanza
Head of the Regional Agenda – Africa

Ramya Krishnaswamy

Head of Institutional Communities

Martina Larkin

Head of the Regional Agenda – Europe and Eurasia

Viraj Mehta

Head of the Regional Agenda – India and South Asia

Stephan Mergenthaler

Head of Strategic Intelligence

Jeff Merritt

Head of Internet of Things, Robotics and Smart Cities

Jim Riordan

Head of Direct Funding and Governance

Mel Rogers

Head of Strategic Affairs

Stephan Ruiz

Head of Group Controlling, Finance and Operations USA

Nicole Schwab

Co-Head of Nature-Based Solutions

Paul Smyke

Head of the Regional Agenda – North America

Mark Spelman

Head of Thought Leadership

Kirstine Stewart

Head of Shaping the Future of Media, Entertainment and Culture

Masao Takahashi

Head of Institutional Membership

Roberto Tinnirello

Head of Business Strategy and Services

Terri Toyota

Head of the Sustainable Markets Group

Stefano Trojani

Head of Security Affairs

Sheila Warren

Head of Blockchain and Data Policy

Christoph Wolff

Head of Shaping the Future of Mobility

Yann Zopf

Head of Media

Financial Statements



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Consolidated Financial Statements

Presentation

The World Economic Forum is an international organization integrating leaders from business, governments, academia and society at large into a global community committed to improving the state of the world.

To achieve its mission, the World Economic Forum acts as a catalyst for thought leadership and action mainly in the form of public-private partnerships.

For this purpose, the World Economic Forum identifies issues on the global, regional and industry agendas, seeks solutions and, wherever possible, creates partnerships for action.

The World Economic Forum always acts in the spirit of entrepreneurship in the global public interest, combining the forces of creative thinking, innovative initiatives and intellectual integrity with the will to advance peace and prosperity in the world.

In its activities, the World Economic Forum fully respects the essential role played by governments and international organizations as well as by their various affiliated institutions.

The World Economic Forum is a public interest, not-for-profit organization, is independent and does not pursue any political or ideological interests.

In its activities and in all circumstances, the World Economic Forum proves its independence and impartiality.

The World Economic Forum is based in Cologne/ Geneva, Switzerland. It has representative offices in Beijing (China) and Mumbai (India). It also has offices in New York (USA), San Francisco (USA) and Tokyo (Japan).

Significant accounting policies

Basis of preparation

The consolidated financial statements (hereafter also “the accounts” or “financial statements” or “annual consolidated accounts”) of the World Economic Forum (“the Forum”, “the Foundation”, “the organization”) are based on the global model of recommendations from Swiss GAAP FER (in compliance with the conceptual framework, core FER and other Swiss generally accepted accounting principles). They provide a true and fair view of the organization’s assets, financial position and results. The financial statements were prepared on a going concern.

The consolidated financial statements are presented according to the principles of historical cost in CHF. They also comply with article 83a of the Swiss Civil Code and the Foundation’s statutes.

The presentation and evaluation principles are the same as in previous fiscal years. No significant changes were made to the hypothesis or estimates used in the annual consolidated financial statements except some reclassifications, which are described below.

While the consolidated financial statements provide comparative information, some amounts in the comparative period were reclassified to improve the overall quality of the disclosed financial information. There was no impact on the result for the year or on the balance sheet total as at 30 June.

The main accounting rules used in the preparation of the World Economic Forum’s consolidated financial statements are described below.

Method of consolidation

The consolidated financial statements include the accounts of the World Economic Forum and of the entities that are controlled by the World Economic Forum as listed in the scope of consolidation. Control exists when the World Economic Forum is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its powers over the entity.

Entities included in the scope of consolidation

Name of the entity	Activity	Country	2020 Voting rights	2019 Voting rights
World Economic Forum LLC	Not-for-profit organization	United States of America	100	100
World Economic Forum Japan	Not-for-profit organization	Japan	100	100
Schwab Foundation for Social Entrepreneurship	Not-for-profit organization	Switzerland	0	0
Forum of Young Global Leaders	Not-for-profit organization	Switzerland	0	0
Global Shapers Community Foundation	Not-for-profit organization	Switzerland	0	0
World Arts Forum Foundation	Not-for-profit organization	Switzerland	0	0

The World Economic Forum fully consolidates entities in which it exercises exclusive control, either directly or indirectly.

The assets and liabilities of its controlled entities, together with the expenses and income, are included in full in the annual consolidated accounts.

Any minority interests in the net funds and the result appear separately in the consolidated balance sheet and the consolidated profit and loss. Under the unity principle, the minority interests are included in the funds.

Intercompany balances, expenses and income are eliminated upon consolidation.

The consolidated financial statements were prepared for the first time for the year ended 2017.

The World Economic Forum LLC has been consolidated for the period in which the World Economic Forum exercises its control, thus since 1 January 2017.

The World Economic Forum Japan has been registered and affiliated in 2019 by the World Economic Forum and thus is consolidated for the first time for the year ended 2019.

Change to the scope of consolidation

In fiscal year 2020, the “Swiss Foundations” (Global Shapers Community, Schwab Foundation for Social Entrepreneurship, World Arts Forum and the Forum of Young Global Leaders) have been included in the scope of consolidation.

Foreign currency

The elements included in the financial statements of the World Economic Forum are measured in the currency that best reflects the economic reality of the transaction. The accounts are presented in Swiss francs (CHF), which is the functional currency of the World Economic Forum.

Transactions in foreign currencies

Transactions in foreign currencies are converted to the functional currency at the opening rate of the current month and provided by the Swiss Administration for foreign currencies. At the closing date, balance sheet items (with the exception of the Funds) denominated in foreign currencies are revaluated to the functional currency at the average rate of the following month and provided by the Swiss Administration. The exchange losses and gains arising from the settlement of the transactions and from the re-evaluation in foreign currencies are posted to the profit and loss statement.

Conversion into Swiss francs

The consolidated accounts are prepared and presented in Swiss francs (CHF). The controlled entities express their financial statements in local currency. The individual items in the profit and loss statement as well as the cash flow statements of the foreign entities are converted into the functional currency at the average exchange rate for the year published by the Swiss Administration for foreign currencies. The balance sheet items (with the exception of the Funds) are converted into the functional currency at the balance sheets rate published by the Swiss Administration for foreign currencies. The conversion differences resulting from the translation of the balance sheet items have no effect on the profit and loss statements and are recognized in the Funds along with the translation differences on the profit and loss statement arising from the difference of the average and the year-end exchange rate.

Significant accounting judgements, estimates and assumptions

The preparation of the Forum's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities that would be affected in future periods.

i) Judgements

During the preparation of these financial statements, the management made the following judgement:

Consolidation of Swiss Foundations

After reviewing the existing contractual relationships between the World Economic Forum and the Swiss Foundations, the organization concluded it has control over the Swiss Foundations. As a result, these Foundations are part of the scope of consolidation.

Early cancellation of the cross-currency interest swap

The management decided to reverse the provision previously recorded as of 30 June 2019 with respect to the fair value of the cross-currency interest swap, as the likelihood of cancelling the derivative contract early is remote in view of the current perspective of the macroeconomic environment as of 30 June 2020.

ii) Estimates and assumptions

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The organization based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances that are beyond the control of the organization. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount. The fair value of the category "buildings" was determined by an expert based on available data from binding sales transactions conducted at arm's length for similar assets or on observable market prices minus the incremental costs of disposing of the asset.

Allowance for doubtful account

The organization computes its provision for allowance on doubtful accounts based on the ageing of its trade receivables. All trade receivables older than 180 days at the balance sheet date are fully provisioned along with some other outstanding invoices that represent a risk of non-recoverability. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances that are beyond the control of the World Economic Forum.

Intangible development costs

The Forum capitalizes costs for product development projects. The initial capitalization of costs is based on the management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, the management makes assumptions such as about the percentage of time spent by some on its employees on development activities that are eligible for capitalization or the expected future cash generation and benefits of the projects.

Cash and short-term cash deposits

This item represents assets in current accounts as well as short-term cash deposits. These transactions are recorded at the exchange rate prevailing at the time of the transaction. These items are revalued at the year-end at the closing rate.

Receivables

Receivables are recorded at the amount originally billed. A provision for bad debts is established on the basis of a review of the open items at the end of the period, when there is high probability that the amounts will not be recovered by the company. All trade receivables older than 180 days at the balance sheet date are fully provisioned, including any outstanding invoices where recoverability is not assured. Amounts that are definitively unrecoverable are written off.

Prepaid expenses/accrued revenues

This position includes the prepaid expenses relating to the following accounting period, as well as accrued revenue.

Investments securities

Securities are valued at the acquisition cost less impairment. Gains are recognized when securities are disposed of and are accounted under financial income.

Property, plant and equipment

Property, plant and equipment are recorded at historical cost, less accumulated depreciation.

The depreciation method is straight-line and based on the following useful lives, by category of assets:

Nature of the assets	Depreciation term (years)
Building, new construction	30
Real estate	10
Furniture & equipment	5
Leasehold improvements	the lowest between the useful life & the residual lease term
Intangible assets	5
IT software	5
IT hardware	3
Furniture & equip. (events)	3
Vehicles	3
Art objects	No depreciation
Land	No depreciation
Assets under construction	No depreciation

Expenses for repairs and maintenance are booked to the profit and loss statement under “expenses for equipment”. Expenses for major renovation are capitalized and amortized over the life of the element replaced, but never beyond the remaining useful life of the underlying asset. Costs of research for ongoing projects are not capitalized, but expensed when incurred.

The Foundation tests each asset at the balance sheet date and any impairment is recognized if necessary.

The tests are performed in a cyclic manner on the basis of 5 years for art objects, land and buildings.

Intangible assets

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset, also called "ICT", when the organization can demonstrate:

- The intangible asset is identifiable and controlled by the organization;
- The expenditure can be measured reliably during development;
- How the asset will generate future economic benefits over several years;
- The availability of resources to complete the asset.

Intangible assets are included at their historical value, reduced by depreciation. The depreciation method is straight-line and based on a standard useful life of generally 5 years. The amortization of the asset begins when development is complete and the asset is available for use. The carrying value of the intangible assets is tested for impairment annually.

Accrued liabilities

This item includes expenses payable relating to the current period, which will only be paid in the following period.

Provisions

A provision is booked when the Foundation has a probable obligation that is based on a past event and its amount and/or its due date is uncertain but can be estimated. This obligation gives rise to a liability.

Loans and derivatives

Loans from credit institutions are recognized at their nominal value. Debt issuance costs are amortized over the term of the debt. They are classified as current liabilities unless the settlement of the liability defers for at least 12 months after the reporting date.

The risk surrounding the fluctuation of foreign exchange rates and interest rates is hedged through the use of derivative financial instruments. Following the Swiss GAAP FER framework, the organization uses the off-balance sheet method, whereby the hedging instruments are disclosed in the notes without being recognized in the balance sheet. Financial derivatives become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates or

foreign exchange rates relative to their terms. The fair value of publicly traded derivatives, securities and investments is based on quoted market prices at the reporting date.

Revenue

Revenue is recognized when there is persuasive evidence that an arrangement exists, and risks and rewards are transferred. The amounts are posted to the statement of income, net of taxes.

Pension plan

The Foundation covers the costs relating to the professional pension of all its workers, as well as their assignees, under the legal prescription. The pension plan is covered by Swiss Law in accordance with World Economic Forum statutes.

The pension obligations and the plan assets are managed by a legally independent pension fund. The organization, the management and the financing of the pension plans are governed by law (LPP), together with the deed of foundation and the regulations applicable to pensions in force.

Transactions with related parties

According to Swiss GAAP RPC 15, the following Foundations are considered as related parties:

- Schwab Foundation for Social Entrepreneurship
- Forum of Young Global Leaders
- World Arts Forum Foundation
- Global Shapers Community Foundation
- World Economic Forum LLC
- World Economic Forum Japan
- World Economic Forum Centre for the Fourth Industrial Revolution Japan
- Members of the Board of Trustees
- Members of the Managing Board
- Members of the Executive Committee
- Members of the Audit Committee
- "Fonds de prévoyance en faveur du personnel du World Economic Forum"

Agreements were signed with some of these related parties, including the Schwab Foundation, Forum of Young Global Leaders, World Arts Forum and Global Shapers Community, stating that the World Economic Forum will cover their deficits, if any.

All other transactions between the parties are conducted at straight length.

Donations

Institutional donations:

- These are funds that are committed by a written donation agreement to the World Economic Forum and are recorded in full in the profit and loss statements as donations in the year that the commitment is made. All donations received where use is limited by restrictions, donor-imposed purposes or time restrictions have been classified as restricted funds and are recognized as income up to the level of expenses incurred on the project during the year under the “Restricted funds - Direct funding” category.
- Foreign currency exchange gains and losses realized between the date of the written donation agreement and the date of the actual receipt of cash and those unrealized at the date of the statement of the financial position are recorded in the profit and loss statement.

Individual donations:

- These are accounted for on a cash basis given their relative size and significance.

Risk management policy

Risk assessment

To satisfy the requirements of an internal control system, the World Economic Forum operates a continuous review of risk and control through various independent institutional review and governance organs, such as the Board of Trustees, Audit Committee and Statutory Audit under Swiss Law.

Internally, the World Economic Forum is governed by the Managing Board under the leadership of the President, Børge Brende.

Internal organs, such as the Engagement Leadership Team and the Project Review Board, safeguard the suitability and eligibility of Partners and Members and review project activities.

Management of exchange risk exposure

The Swiss franc is the functional currency of the Foundation. The World Economic Forum receives its revenue in Swiss francs and US dollars. Most expenses are in Swiss francs and a minority are in euros and US dollars. The exchange risk exposure is very low on the organization’s day-to-day activities, and generated gains and losses are posted in the profit and loss statement. Nevertheless, the exchange risk is high considering that the Forum borrowed the equivalent in US dollars of CHF 95 million. As a result, the organization entered into a cross-currency interest swap to hedge its exposure.

Management of liquidity risk

The Foundation is exposed to this risk in the event of default of certain counterparts or refinancing problems.

The liquidity is proactively supervised to ensure that the Foundation can cover its obligation at all times.

Management of interest rate risk

The Foundation has high exposure to interest rate fluctuations as it pays a floating interest rate on its two separate debts. Nevertheless, the organization entered into a cross-currency interest rate swap to hedge its exposure, leading it to pay a fixed rate.



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Report of the statutory auditor to the Board of Trustees of the World Economic Forum, Cologne

Report of the statutory auditor on the summary consolidated financial information

The accompanying summary consolidated financial information, which comprises total consolidated revenue, total consolidated expenses, total consolidated assets and total consolidated liabilities and funds as at 30 June 2020 for the year then ended are derived from the audited consolidated financial statements of the World Economic Forum for the year ended 30 June 2020. We expressed an unqualified audit opinion on those consolidated financial statements in our report dated 10 August 2020. Our audit report on those consolidated financial statements includes a paragraph "Other matters" stating that the consolidated financial statements of the World Economic Forum for the year ended 30 June 2019 were audited by another auditor whose report dated 13 August 2019, expressed an unqualified audit opinion on those consolidated financial statements. Furthermore, the paragraph "Other matters" also refers to the note 38 – "Events after the reporting period" of the consolidated financial statements for information purposes only. The paragraph "Other matters" included on those consolidated financial statements does not have any effects on the summary consolidated financial information. The summary consolidated financial information does not reflect the effects of events that occurred subsequent to the date of our report on those consolidated financial statements.

The summary consolidated financial information does not contain all the disclosures required by Swiss GAAP FER, the Swiss law, the foundation's deed and internal regulations. Reading the summary consolidated financial information, therefore, is not a substitute for reading the audited consolidated financial statements of the World Economic Forum.

Board of Trustees' responsibility

The Board of Trustees is responsible for the preparation of the summary consolidated financial information in accordance with the requirements of Swiss GAAP FER, the Swiss law, the foundation's deed and internal regulations on the basis described in the Annex of the summary consolidated financial information.

Auditor's responsibility

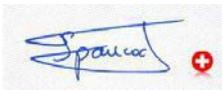
Our responsibility is to express an opinion on the summary consolidated financial information based on our procedures, which were conducted in accordance with Swiss Auditing Standard (SAS) 810, 'Engagements to Report on Summary Financial Statements'.



Opinion

In our opinion, the summary consolidated financial information derived from the audited consolidated financial statements of the World Economic Forum for the year ended 30 June 2020 is consistent, in all material respects, with the audited consolidated financial statements, prepared in accordance with Swiss GAAP FER, the Swiss law, the foundation's deed, internal regulations and on the basis described in the Annex of the summary consolidated financial information.

MAZARS SA



Franck Paucod
Licensed Audit Expert
(Auditor in Charge)



Daphné Naef
Licensed Audit Expert

Geneva, 10 August 2020



BERNE DELEMONT FRIBOURG GENEVE LAUSANNE NEUCHATEL SION ZURICH



Revenues and Costs, Balance Sheet 2015–2020

Consolidated*

Swiss Francs (000s)	30/06/2015	30/06/2016	30/06/2017	30/06/2018	30/06/2019	30/06/2020
Profit and Loss						
Total Revenue	205,758	228,343	280,022	326,740	344,708	367,004
Membership	32,019	34,876	30,817	31,620	27,294	22,350
Participation Fees	47,080	43,568	43,200	43,299	42,336	42,079
Partnership ¹	114,896	140,643	185,307	227,317	240,687	262,278
Other	11,763	9,256	20,698	24,503	34,390	40,297
Total Expenses	205,025	227,101	278,809	325,023	343,688	366,492
Staff ²	94,958	101,865	108,360	130,790	144,337	152,186
Office & Activity	110,067	125,236	170,449	194,233	199,351	214,306
Carried to Foundation Capital	733	1,241	1,213	1,717	1,020	512
Balance Sheet						
Total Assets	264,459	330,312	455,690	565,650	596,385	658,176
Current Assets	80,347	125,262	162,982	164,948	190,145	356,412
Cash & Equivalents	45,405	59,054	97,760	74,055	107,338	295,097
Receivables ³	34,942	66,208	65,222	90,894	82,808	61,315
Non-current Assets	184,112	205,050	292,708	400,702	406,240	301,764
Tangible and Intangible Assets ⁴	108,577	107,489	115,993	142,849	145,165	142,919
Financial Assets	75,535	97,561	176,715	257,853	261,075	158,845
Total Liabilities and Funds	264,459	330,312	455,690	565,650	596,385	658,176
Current Liabilities	94,886	146,561	185,514	194,863	200,790	177,645
Payables	11,775	10,250	13,278	12,149	7,083	6,635
Accrued Expenses and Deferred Income ⁵	83,111	136,311	172,236	182,715	193,708	171,010
Non-current Liabilities	-	-	-	50,000	50,000	95,000
Long-term Loan	-	-	-	50,000	50,000	95,000
Funds	169,573	183,751	270,176	320,787	345,595	385,531
Foundation Capital	30,102	30,834	32,075	33,603	34,410	38,536
Reserves and Restricted Funds	138,739	151,676	236,888	285,466	310,165	346,483
Surplus	733	1,241	1,213	1,717	1,020	512

¹ Partnership includes partnership and direct funding.

² Staff costs include salaries, social costs and other staff expenses.

³ Receivables: account receivables, prepaid expenses and other assets.

⁴ Tangible assets: land, property, equipment, IT hardware and software. Intangible assets: IT development.

⁵ Accrued expenses: provision for activity costs, provision for staff and other accruals. Deferred income: membership, partnership and registration income deferral.

* The consolidated figures include the entities World Economic Forum and World Economic Forum LLC as of 1 January 2017.

As of 1 July 2018, the consolidated financial statements also include World Economic Forum Japan, which was added to the scope of consolidation.

As of 1 July 2019, the consolidated financial statements also include the Swiss-related Foundations (Forum of Young Global Leaders, Schwab Foundation for Social Entrepreneurship, Global Shapers Community, World Arts Forum), which were added to the scope of consolidation.

As a result, the previous years' figures are not fully comparable.



WORLD ECONOMIC FORUM

COMMITTED TO
IMPROVING THE STATE
OF THE WORLD

The World Economic Forum,
committed to improving the state
of the world, is the International
Organization for Public-Private
Cooperation.

The Forum engages the foremost
political, business and other
leaders of society to shape global,
regional and industry agendas.

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