Approximately 700 leaders selected six “tough issues” as top priorities for the global agenda at a Global Town Hall meeting on Wednesday, the opening day of the World Economic Forum’s Annual Meeting 2005. Participants shared diverse viewpoints in small-group discussions.

Participants will delve deeper and develop action agendas around the six priorities during the Annual Meeting:

1. Poverty
2. Equitable Globalization
3. Climate Change
4. Education
5. Middle East
6. Global Governance

“Taking responsibility for tough choices is not just a throwaway line” said Ged Davis, Managing Director, Centre for Strategic Insight, “but one that we hope will lead to clear, definitive action at the end.”

Carolyn Lukensmeyer, President of AmericaSpeaks, added that the group has a “very unique opportunity here,” not only to identify the key issues, but also to determine “the key challenges within these issues.”

I. VALUES THAT UNDERPIN OUR CHOICES

Before discussing the 12 issues outlined in the 26-page guide, “Tough Choices: A Guide to the Issues,” participants identified integrity, compassion, equity, tolerance, selflessness and stewardship as the most important values that should guide leaders as they address the world’s most pressing issues.

II. GLOBAL PRIORITIES: Choosing the Top Six

Participants discussed the 12 issues and identified two new ones, health and education, sharing their priorities based on three criteria: urgency of need, consequences if not addressed and greatest potential for impact.

Themes from the table discussions were shared prior to voting for the six priorities (followed by percent of participants that voted for the issue as one of the six priorities. Some of the reasons are given for their vote):

1. Poverty—64.4%
   - The link between all social issues: “fundamental to everything”
   - Reducing poverty means reducing terrorism and instability

2. Equitable Globalization—54.9%
   - Fastest means to fair distribution of wealth, and the surest track to peace
   - Leads to wider representation through democratic decision-making
   - “An achievable challenge”

3. Climate Change—51.2%
   - Global in scope and impact
   - Potentially irreversible: “Like a supertanker, you can’t stop it”
   - “If we don’t fix it, nothing else matters”

4. Education—43.9%
   - Essential to solving problems of the first three priorities
   - Women’s education is key
   - Science and technology skills are important for sustained development
   - “Education is the key to success for poor countries”

Global Priorities continued on Page 2

WHO ATTENDED THE GLOBAL TOWN HALL

<table>
<thead>
<tr>
<th>Gender</th>
<th>Town Hall Participants</th>
<th>World Comparison</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>66%</td>
<td>50.3%</td>
</tr>
<tr>
<td>Female</td>
<td>34%</td>
<td>49.7%</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Younger than 20</td>
<td>0%</td>
<td>37%</td>
</tr>
<tr>
<td>20-29</td>
<td>1%</td>
<td>17%</td>
</tr>
<tr>
<td>30-39</td>
<td>11%</td>
<td>15%</td>
</tr>
<tr>
<td>40-49</td>
<td>28%</td>
<td>12%</td>
</tr>
<tr>
<td>50-59</td>
<td>41%</td>
<td>9%</td>
</tr>
<tr>
<td>60-69</td>
<td>16%</td>
<td>6%</td>
</tr>
<tr>
<td>70-79</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>80 or better</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Region of Residence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>15%</td>
<td>57%</td>
</tr>
<tr>
<td>Africa</td>
<td>4%</td>
<td>13%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region of Residence</th>
<th>Town Hall Participants</th>
<th>World Comparison</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>35%</td>
<td>13%</td>
</tr>
<tr>
<td>Latin America</td>
<td>4%</td>
<td>9%</td>
</tr>
<tr>
<td>Middle East</td>
<td>8%</td>
<td>3%</td>
</tr>
<tr>
<td>North America</td>
<td>35%</td>
<td>5%</td>
</tr>
<tr>
<td>Academia</td>
<td>9%</td>
<td>NA</td>
</tr>
<tr>
<td>Business</td>
<td>50%</td>
<td>NA</td>
</tr>
<tr>
<td>NGO</td>
<td>8%</td>
<td>NA</td>
</tr>
<tr>
<td>Government</td>
<td>8%</td>
<td>NA</td>
</tr>
<tr>
<td>Media</td>
<td>9%</td>
<td>NA</td>
</tr>
<tr>
<td>Religion</td>
<td>1%</td>
<td>NA</td>
</tr>
<tr>
<td>Arts</td>
<td>3%</td>
<td>NA</td>
</tr>
<tr>
<td>Science &amp; Medicine</td>
<td>4%</td>
<td>NA</td>
</tr>
<tr>
<td>Other</td>
<td>10%</td>
<td>NA</td>
</tr>
</tbody>
</table>
III. KEY CHALLENGES

Participants identified key challenges for the six issues, which will be shared with leaders of relevant sessions to help generate initiatives and follow-up actions.

Poverty: Challenges
- The developed world must fund infrastructure, aid access to markets, and "leaders must think beyond their own borders and politics"
- Poor countries must promote transparency in government, education, gender equity and healthcare
- For poor countries, "the key ingredient must be the willingness to help themselves."

Equitable Globalization: Challenges
- Bring benefits of globalization to developing areas
- Foster "free trade with 'fairness'"
- Better and more representative global institutions

Climate Change: Challenges
- Spur global leadership on issue
- Consumer responsibility & engagement with solutions
- Tech, regulation and market incentives are key

Education: Challenges
- Ensure universal access, especially among women in emerging countries
- Fund basic infrastructure and teachers because education enhances tolerance and is "a value we need to protect"
- Define the right curricula for all levels, linking education to society’s needs

Middle East: Challenges
- Address social and economic roots of the conflict by eradicating poverty and developing educational infrastructure and the economy
- "The biggest challenge is to find a mechanism with integrity and an honest broker"
- Establish Palestine as a viable state and guarantee Israel’s right to exist

Global Governance: Challenges
- Develop a more dynamic and equitable model of governance
- Circumvent national interests which impede reform and progress
- Transform large institutions and bureaucracies for more transparency and accountability

GLOBAL PRIORITIES, cont.

5. Middle East—43.7%
- The lynch-pin for global security
- “The Arab-Israeli conflict is an easy excuse; leaders not to make wider reforms"
- Perception that the West and Israel are biased against the Muslim world
- Population is poor, uneducated and oppressed

6. Global Governance—43.2%
- Opportunity of multi-lateral decision-making
- “Global leadership, not world government.”
- Adaptive structure needed to manage globalization and interdependence"
- Good structure will lead to effective responses to crises and opportunities

HOW DID PARTICIPANTS ARRIVE AT SIX PRIORITIES?
The Global Town Hall engaged participants in facilitated, technology-enabled discussions at tables of ten. All commentary was fed into computers, synthesized and returned to the full room. This methodology encouraged dialogue on the issues at each table, while also connecting to insights from across the room, before participants voted on the six priorities by keypad. The fast-cycle process allowed participants to build on the earlier prioritization dialogue to identify challenges.

LOOKING AHEAD
Although only 39% of participants were confident that world leaders would make the tough choices necessary to address the priorities, 89% felt that they themselves were ready to make more of a commitment than they currently are. Forum participants will have the opportunity to deepen their understanding of the Tough Issues in nearly 90 sessions during the course of the Annual Meeting and to propose ideas or initiatives on how best to tackle each issue. Of particular note is a Saturday workshop, "Assembling Complexity: Moving from Tough Issues to Effective Action," where participants will analyse what has been produced on the six priority issues and summarize recommendations and proposed next steps. Sunday’s closing plenary will allow participants to vote on the recommendations.

Approximately 700 Annual Meeting participants took part in the Global Town Hall.