Media Release
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Economic threats continue to overshadow climate and cyber risks

Extreme weather enters G20 top five risks following a year marked by record temperatures, severe flooding and wildfires

Despite some signs of improvement in global economic conditions, business leaders across the majority of G20[1] countries remain deeply concerned about the looming threats of recession, labor shortages and rising inflation. This is according to the Executive Opinion Survey, conducted by the World Economic Forum and released today by its strategic partners – Zurich Insurance Group (Zurich), a leading global multi-line insurer and provider of resilience services and Marsh McLennan (NYSE: MMC), the world's leading professional services firm in the areas of risk, strategy and people.

The annual survey reveals the top five near-term risks identified by more than 11,000 business leaders from 121 countries. Economic downturn, labor and/or talent shortages and inflation continue to dominate the list as the top three risks cited by G20 business leaders for the next two years. This was followed by poverty and inequality, which ranked fourth.

Extreme weather events featured in the G20's top five risks, as the fifth biggest risk. This follows a year in which many G20 countries – including Brazil, Germany, Indonesia and the U.S. – experienced severe flooding, above-average rainfall, wildfires, extreme heat or elevated hurricane activity.

The findings of this year's survey also indicate growing concerns around technological risks, including adverse outcomes of artificial intelligence, such as misinformation and disinformation. These risks appear six times in the country-specific top five rankings this year, up from just three mentions in 2023. It was ranked as the number one risk for doing business in Indonesia, the number three risk for the U.S. and number four risk for doing business in the UK.

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As businesses navigate an increasingly complex risk landscape, it is essential to broaden the focus beyond economic risks. 2024 is on track to be the warmest year on record, and so the escalating impacts of climate change must not be ignored. The rapid advancement of emerging technologies will help to overcome the growing challenges, but they also pose new threats.

By proactively identifying and mitigating these diverse risks, businesses can build resilience and thrive in the face of uncertainty. Addressing these issues head-on will not only safeguard the operations but also position companies for sustainable success in the future.

Peter Giger, Group Chief Risk Officer, Zurich Insurance Group

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While we are witnessing some positive trends in the global economy, the findings of this year's Executive Opinion Survey highlight a significant level of anxiety among business leaders in G20 countries. The persistent threats of recessions, labor shortages, increased protectionism, and elevated inflation are at the top of senior executives’ minds as we head towards 2025. Additionally, the emergence of extreme weather events and technological risks, including the implications of artificial intelligence and misinformation, further complicate the landscape. To navigate these challenges successfully businesses need to remain vigilant and adaptable.

Carolina Klint, Chief Commercial Officer, Europe, Marsh McLennan

The Executive Opinion Survey is conducted by the World Economic Forum’s Centre for the New Economy and Society. Zurich Insurance Group and Marsh McLennan are strategic partners of the World Economic Forum

[1] Excluding China, France, India, the Kingdom of Saudi Arabia and Russia

Zurich Insurance Group (Zurich) is a leading multi-line insurer serving people and businesses in more than 200 countries and territories. Founded 150 years ago, Zurich is transforming insurance. In addition to providing insurance protection, Zurich is increasingly offering prevention services such as those that promote wellbeing and enhance climate resilience.

Reflecting its purpose to ‘create a brighter future together,’ Zurich aspires to be one of the most responsible and impactful businesses in the world. It is targeting net-zero emissions by 2050 and has the highest-possible ESG rating from MSCI. In 2020, Zurich launched the Zurich Forest project to support reforestation and biodiversity restoration in Brazil.

The Group has about 60,000 employees and is headquartered in Zurich, Switzerland. Zurich Insurance Group Ltd (ZURN), is listed on the SIX Swiss Exchange and has a level I American Depositary Receipt (ZURVY) program, which is traded over-the-counter on OTCQX. Further information is available at www.zurich.com.

Marsh McLennan (NYSE: MMC) is a global leader in risk, strategy and people, advising clients in 130 countries across four businesses: Marsh, Guy Carpenter, Mercer and Oliver Wyman. With annual revenue of $23 billion and more than 85,000 colleagues, Marsh McLennan helps build the confidence to thrive through the power of perspective. For more information, visit marshmclennan.com, or follow on LinkedIn and X.

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