

FERMA FOCUS

FROM RISK TO RESILIENCE

GLOBAL RISKS AND RESILIENCE

Webinar | 17 March 2021

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WEBINAR: Global risks and resilience

AGENDA

- Introduction
- Global Risks Report 2021: key findings
- Panel discussion
- Q&A with audience
- Closing



WEBINAR: Global risks and resilience

Our speakers



**Philippe
Cotelle**

Head of Insurance Risk
Management at Airbus
Defence and Space



**Carolina
Klint**

Managing Director, Risk
Management Leader
Continental Europe at
Marsh



**Eugenie
Molyneux**

Chief Risk Officer of
Commercial Insurance at
Zurich Insurance Group



**Valentina
Paduano**

Chief Risk Officer and
Sustainability Director at
Sogefi Group

01 Global Risks Report 2021 Key findings

Ask your questions using the Q&A area or chat box

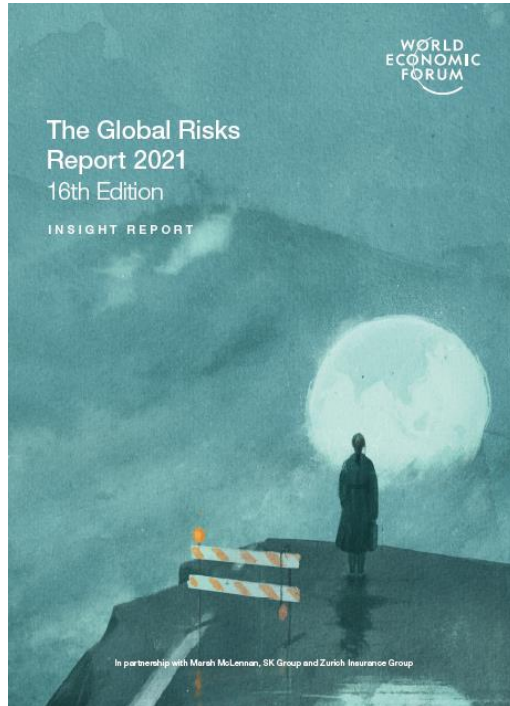


GLOBAL RISKS REPORT 2021

FERMA WEBINAR

Carolina Klint, March 2021

THE ANNUAL *GLOBAL RISKS REPORT* IS PREPARED BY THE WORLD ECONOMIC FORUM SUPPORTED BY MARSH MCLENNAN, ZURICH INSURANCE GROUP, AND OTHER PARTNERS



- Sixteenth year of existence
- Rooted in a survey that tapped into ~ 660 experts from across the world
 - The change in perceptions of 35 risks
 - Risk categories: economic, environmental, geopolitical, societal, technological
- Additional views of ~12,000 company executives on the leading risks to doing business in their country
- Deep dives on selected areas of concern
 - A disorderly industrial shakeout
 - Barriers to digital inclusivity
 - Youth in an age of lost opportunities
 - Middle power nations navigating global divides
- In-depth focus on resilience in the face of the pandemic

Source: World Economic Forum, Global Risks Report 2021

Note: Survey response numbers differed for each question. The overall survey response total of 664 is taken from the total number of people who provided answers to part 1 of the survey

THEMATIC CONTENT AREAS



A disorderly industrial
shakeout



Middle Powers in a
Divided World



Missing Pathways to
Digital Inclusivity



Youth in an Age of Lost
Opportunity

EVOLUTION OF TOP RISK CONCERNS OVER TIME

Global Risks Landscape (2011-2021)¹

■ Economic
 ■ Environmental
 ■ Geopolitical
 ■ Societal
 ■ Technological

Top 5 Global Risks in terms of likelihood

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1	Storms and cyclones	Income disparity	Income disparity	Income disparity	Interstate conflict	Involuntary migration	Extreme weather	Extreme weather	Extreme weather	Extreme weather	Extreme weather
2	Flooding	Fiscal imbalances	Fiscal imbalances	Extreme weather	Extreme weather	Extreme weather	Involuntary migration	Natural disasters	Climate action failure	Climate action failure	Climate action failure
3	Corruption	Greenhouse gas emissions	Greenhouse gas emissions	Unemployment	Failure of national governance	Climate action failure	Natural disasters	Cyberattacks	Natural disasters	Natural disasters	Human-made environmental damage
4	Biodiversity loss	Cyber attacks	Water crises	Climate action failure	State collapse or crisis	Interstate conflict	Terrorist attacks	Data fraud or theft	Data fraud or theft	Biodiversity loss	Infectious diseases
5	Climate change	Water crises	Population aging	Cyberattacks	Unemployment	Natural catastrophes	Data fraud or theft	Climate action failure	Cyberattacks	Human-made environmental disaster	Biodiversity loss

Top 5 Global Risks in terms of impact

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1	Fiscal crises	Financial failure	Financial failure	Fiscal crises	Water crises	Climate action failure	Weapons of mass destruction	Weapons of mass destruction	Weapons of mass destruction	Climate action failure	Infectious diseases
2	Climate change	Water crises	Water crises	Climate action failure	Infectious diseases	Weapons of mass destruction	Extreme weather	Extreme weather	Climate action failure	Weapons of mass destruction	Climate action failure
3	Geopolitical conflict	Food crises	Fiscal imbalances	Water crises	Weapons of mass destruction	Water crises	Water crises	Natural disasters	Extreme weather	Biodiversity loss	Weapons of mass destruction
4	Asset price collapse	Fiscal imbalances	Weapons of mass destruction	Unemployment	Interstate conflict	Involuntary migration	Natural disasters	Climate action failure	Water crises	Extreme weather	Biodiversity loss
5	Energy price volatility	Energy price volatility	Climate action failure	Infrastructure breakdown	Climate action failure	Energy price shock	Climate action failure	Water crises	Natural disasters	Water crises	Natural resource crises

Source: World Economic Forum, Global Risks Report 2021

Note: 1. Over the ten years, the report has streamlined some risks and added new risks as a result of observed economic, geopolitical, societal and technological trends, as well as exacerbated or emerging trends from the COVID-19 crisis. Consequently, names and definitions of some risks were revised and, where applicable, have been modified and/or expanded to reflect new ways in which the risks may materialize and the potential adverse outcomes they may cause

“...if person-to-person infection were to become commonplace, the vulnerabilities of our interconnected global systems would intensify the human and economic impact. A lethal flu, its spread facilitated by global travel patterns and uncontained by insufficient warning mechanisms, would present an acute threat.”

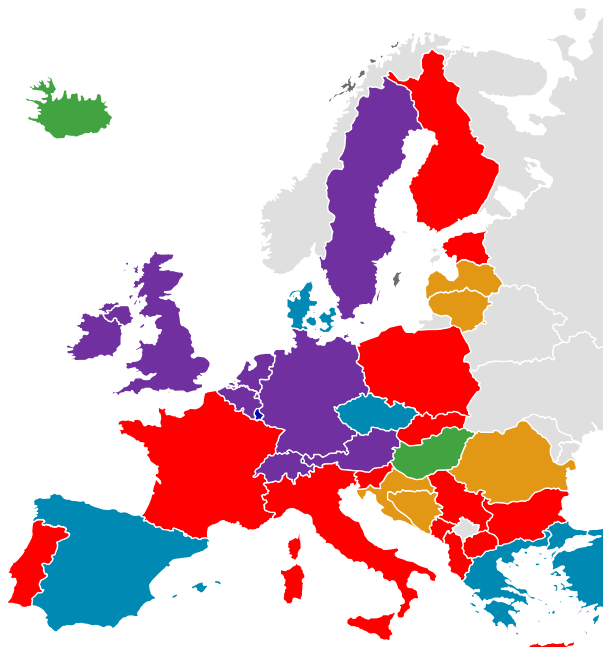
“...the impact on society might be as profound as that which followed the Black Death in Europe in 1348. That plague caused a fundamental transformation of socio-economic relations in Europe.”

LEADING GLOBAL RISKS FOR BUSINESSES

EXECUTIVE VIEWS

THE ECONOMIC FALLOUT FROM THE COVID-19 CRISIS THREATENS BUSINESSES IN EUROPE

Europe concerns – Overview



■ Economic

■ Environmental

■ Geopolitical

■ Societal

■ Technological

Note: WEF Executive Opinion Survey (12,012 responses worldwide). Results are based on 3,045 responses across the region. Respondents could choose up to five risks which they viewed as being most important for doing business in their country. Cyprus is not on the map. No 2020 data for Norway. No 2019 data for Norway and Belgium. Source: World Economic Forum, MMC analysis

Top risks for doing business in Europe

Rank	Risk	Change vs. 2019
1	Spread of infectious diseases	↑28
2	Cyber attacks	↓1
3	Unemployment or underemployment	↑5
4	Fiscal crisis	↑1
5	Asset bubble	↓3

A CHANGING RISK LANDSCAPE FOR BUSINESSES



Human Risks








Digital



Sustainability

APPENDIX

THE REPORT'S IMPERATIVES CAN HELP EXPLORE YOUR RISK ASSESSMENT EFFORTS AND RESILIENCE TO MACRO-LEVEL CHANGE, VOLATILITY AND DISRUPTION

Risk area	How well do you understand your exposure to...?
(Geo)political 	<ul style="list-style-type: none"> • Populist government policies and government gridlocks • Failure of national or regional governance • Interstate conflict and spill-over effects to technology and infrastructure investment
Societal 	<ul style="list-style-type: none"> • Strikes and social unrest • Food and water crises • Rapid and massive spread of infectious disease • Large-scale involuntary migration • Stakeholder activism and loss of social license
Economic 	<ul style="list-style-type: none"> • Protectionist initiatives (trade, investment, workforce) • Market volatility from trade war uncertainties • Fiscal crises • Mass unemployment and livelihood crisis
Technological 	<ul style="list-style-type: none"> • Large-scale cyber attacks as well as data fraud/theft • Breakdown of critical information infrastructure and networks • Emerging risks from new technologies (e.g. deep fake) • Cyber sovereignty and splintering of global networks and regulation
Environmental 	<ul style="list-style-type: none"> • Climate change & extreme weather events • Biodiversity loss and ecosystem collapse • Natural and man-made catastrophes • Fast-moving regulatory pressures on energy transition

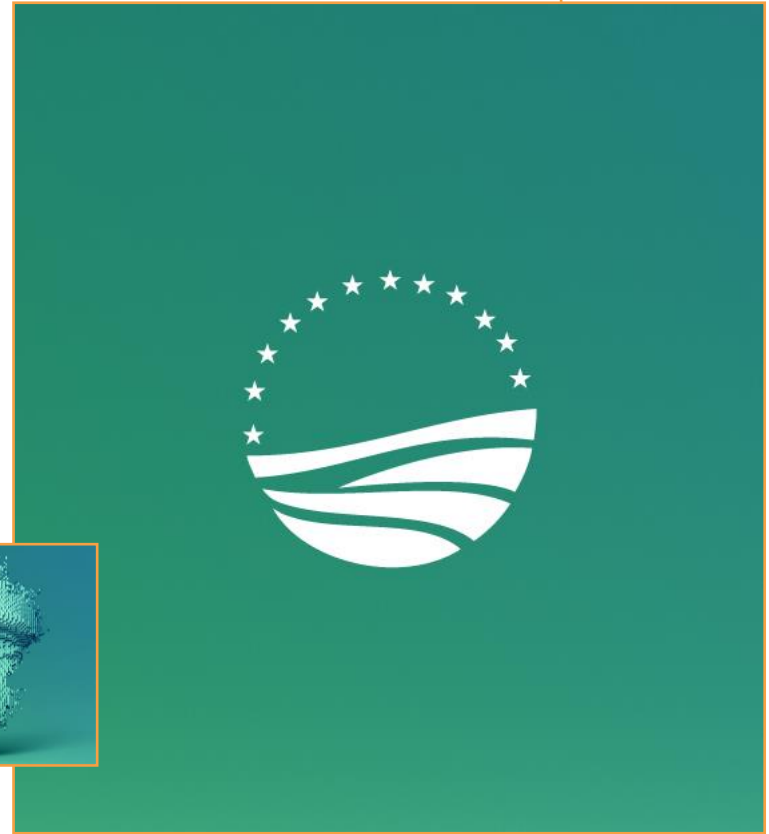
How would you rate your preparedness with regard to...?

- Anticipation of emerging risk
- Strategic agility
- Financial and physical resilience to shocks
- Supply chain disruption
- Contingency planning
- Personnel stewardship
- Stakeholder activism and threats to social license

02

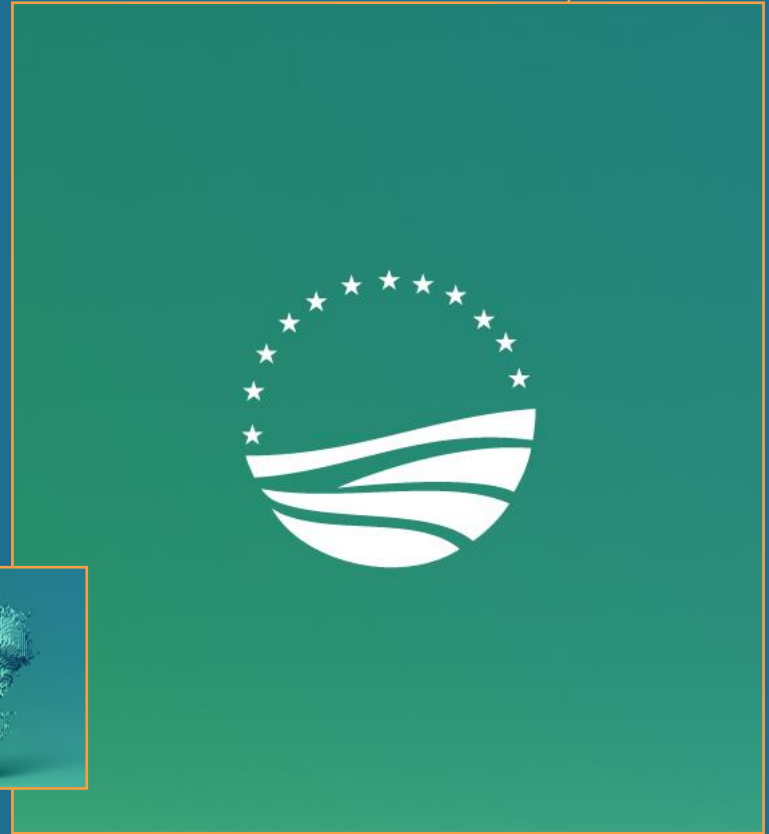
Panel discussion

Ask your questions using the Q&A area or chat box



03 Q&A

Ask your questions using the Q&A area or chat box



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THANK YOU FOR YOUR PARTICIPATION!



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