



LIVE
WEBINAR

The Global Risks Report 2025

The perspective of
European Risk Managers
and Internal Auditors

17 February, 2025





Speakers



Speaker
Lorraine Stack
Managing Director and Risk
Management Leader Europe at Marsh



Speaker
Laurence Eeckman
VP Group Risk Management at Atlas
Copco AB and FERMA Board Member



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CEO of the Copenhagen Institute for
Futures Studies and FERMA Foresight
Committee member



Speaker
Ann Brook
Head of Technical Content and Research
at the Chartered IIA



Speaker

Lorraine Stack

Managing Director and Risk
Management Leader Europe at Marsh

GLOBAL RISKS REPORT 2025 STRATEGIES FOR MANAGING A FRACTURED WORLD

February 2025

Global Risks Report 2025

Overview: Content and context

1

“A world of growing divisions”

- State-based armed conflict
- Extreme weather
- Geoeconomic confrontation
- Misinformation and disinformation
- Societal polarization

2

“The point of no return”

- Environmental risks an urgent reality
- Complacency about pace of technological advances
- Rising concerns about inequality and social supports

3

How to better collaborate on risk management approaches to shared challenges in a fractured world



- **20th** year of publication
- Rooted in a survey that tapped into **~900** experts from across the world (Global Risks Perception Survey)
- Additional views of **~11,000** company executives on the leading risks to doing business in their country (Executive Opinion Survey)

Risk outlook for the world

A Shift

Which of the following best characterizes your outlook for the world over the following time periods?



CALM
Negligible risk of global catastrophes

STABLE
Isolated disruptions, low risk of global catastrophes

UNSETTLED
Some instability, moderate risk of global catastrophes

TURBULENT
Upheavals and elevated risk of global catastrophes

STORMY
Global catastrophic risks looming

Note: WEF Global Risks Perception Survey 2024
Source: World Economic Forum; Marsh McLennan analysis

Current Risk Landscape



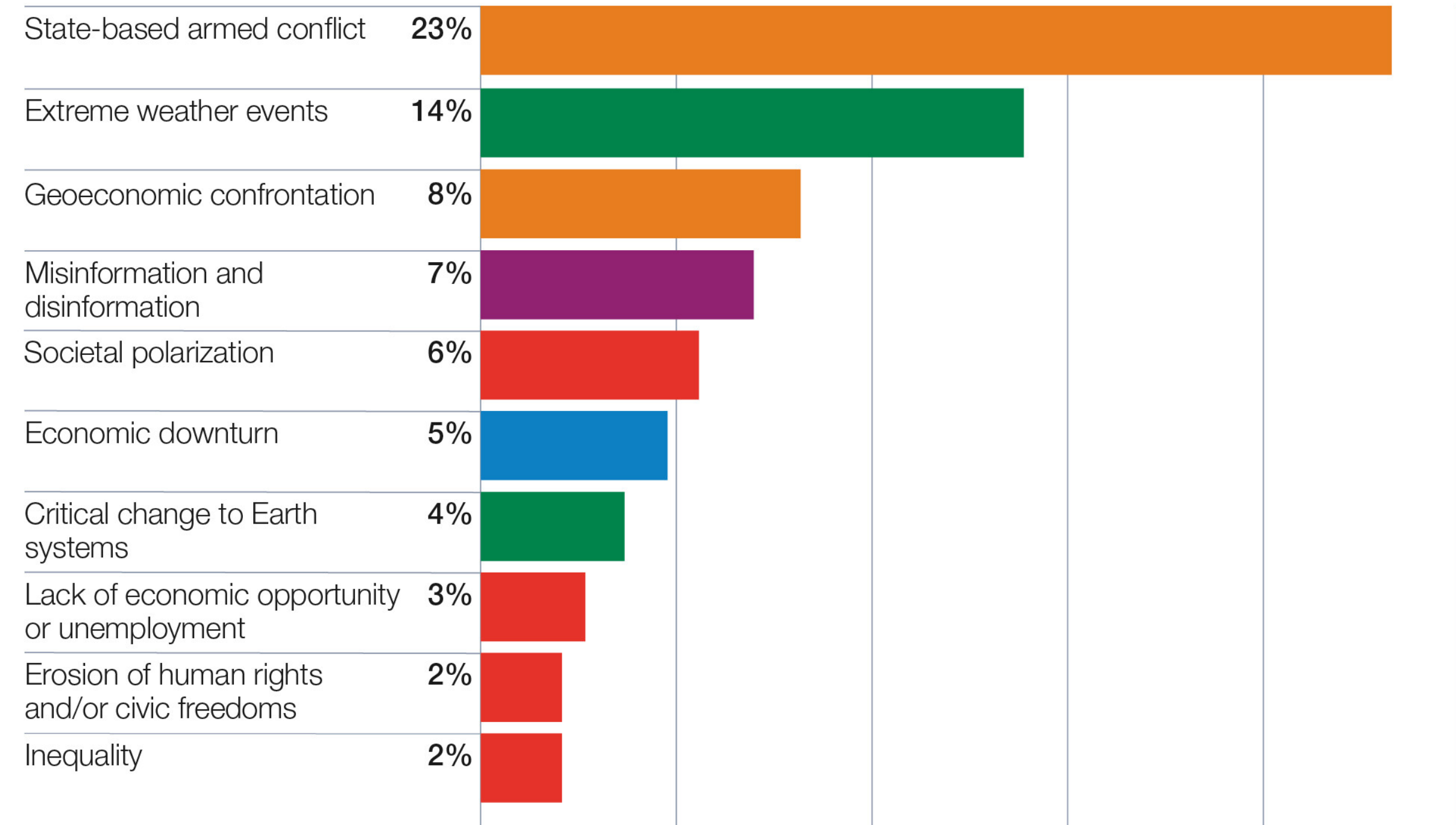
Global Risks Report 2025

Current Risk Landscape



Please select one risk that you believe is most likely to present a material crisis on a global scale in 2025.

Top 10 risks selected by respondents (Share of respondents %)



Risk categories: Economic (Blue), Environmental (Green), Geopolitical (Orange), Societal (Red), Technological (Purple)

Source: World Economic Forum, Global Risks Perception Survey 2024-2025

Evolution of top risk concerns over time

■ Economic
 ■ Environmental
 ■ Geopolitical
 ■ Societal
 ■ Technological

Global Risks Landscape (2011-2025)¹

Top 5 global risks in terms of impact

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1	Fiscal crises	Systematic financial failure	Systematic financial failure	Fiscal crises	Water crises	Weak climate change response	WMDs	WMDs	WMDs	Climate change mitigation and adaption failure	Infectious diseases	Climate action failure	Cost-of-living crisis	Misinformation and disinformation	Misinformation and disinformation
2	Climate change	Water supply crises	Water supply crises	Climate change	Infectious diseases	WMDs	Extreme weather	Extreme weather	Climate change mitigation and adaption failure	WMDs	Climate action failure	Extreme weather events	Natural disasters and extreme weather events	Extreme weather events	Extreme weather events
3	Geopolitical conflict	Food crises	Fiscal imbalances	Water crises	WMDs	Water crises	Natural catastrophes	Natural catastrophes	Extreme weather	Biodiversity loss	WMDs	Biodiversity loss and ecosystem collapse	Geoeconomic confrontation	Societal polarization	State-based armed conflict
4	Asset price collapse	Fiscal imbalances	WMDs	Unemployment/ under-employment	Interstate conflict	Involuntary migration	Water crises	Climate change adaption failure	Water crises	Extreme weather	Biodiversity loss	Erosion of social cohesion	Failure to mitigate climate change	Cyber insecurity	Societal polarization
5	Extreme energy price volatility	Volatility in energy and agri-cultural prices	Weak climate change response	Critical ICT systems breakdown	Weak climate change response	Energy price shock	Weak climate change response	Water crises	Natural catastrophes	Water crises	Natural resource crises	Employment and livelihood crises	Erosion of social cohesion and societal polarization	Interstate armed conflict	Cyber espionage and warfare

Sources: World Economic Forum, *Global Risks Report 2022, 2023, 2024 and 2025*

Note: 1. Over the years, the report has adjusted the list of global risks and moved risks between categories.

Top risk concerns by time period

- Economic
- Environmental
- Geopolitical
- Societal
- Technological

Near-term (2 years)

- Misinformation and disinformation
- Extreme weather events
- State-based armed conflict
- Societal Polarization
- Cyber espionage and warfare
- Pollution
- Inequality
- Involuntary migration or displacement
- Geoeconomic confrontation
- Erosion of human rights and /or civic freedoms

Longer-term (10 years)

- Extreme weather events
- Biodiversity loss and ecosystem collapse
- Critical change to Earth systems
- Natural resource shortages
- Misinformation and disinformation
- Adverse outcomes of AI technologies
- Inequality
- Societal polarization
- Cyber espionage and warfare
- Pollution (air, soil, water)

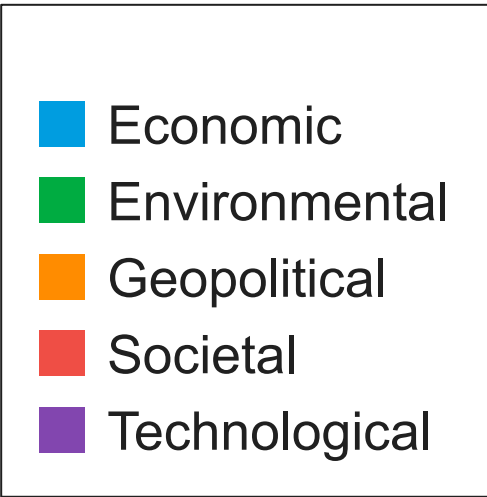
Note: WEF Global Risks Perception Survey 2024-2025
Source: World Economic Forum Global Risks; Marsh McLennan analysis



National-level concerns

Executive views

Top risk concerns for business leaders in Europe



Denmark

- 1 Cyber insecurity
- 2 Attacks on critical infrastructure
- 3 Labour and/or talent shortage
- 4 Extreme weather events (floods, heatwaves etc.)
- 5 Armed conflict (interstate, intrastate, proxy wars, coups etc.)

France

- 1 Inflation
- 2 Intrastate violence (civil strikes, riots)
- 3 Involuntary migration
- 4 Economic downturn
- 5 Water supply shortage

Luxembourg

- 1 Labor and/or talent shortage
- 2 Economic downturn
- 3 Cyber Insecurity
- 4 Private debt
- 5 Inflation

Italy

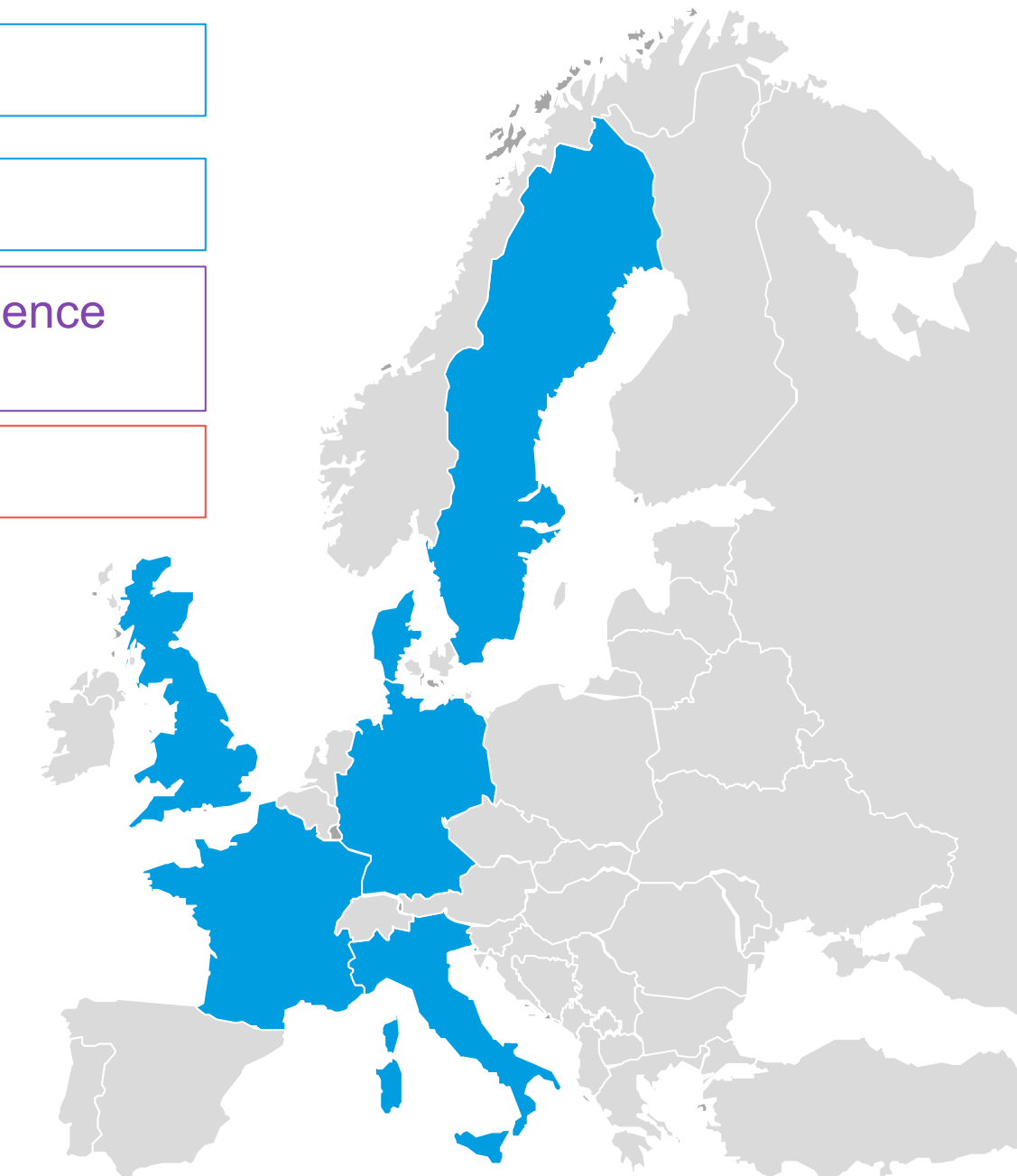
- 1 Economic downturn
- 2 Extreme weather events
- 3 Inflation
- 4 Labor and/or talent shortage
- 5 Poverty and inequality

Belgium

- 1 Economic downturn
- 2 Involuntary migration
- 3 Inflation
- 4 Public debt
- 5 Poverty and inequality

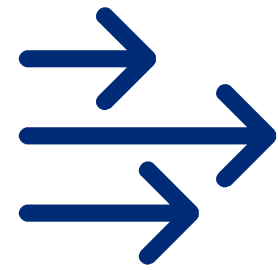
United Kingdom

- 1 Economic downturn
- 2 Inflation
- 3 Labor and/or talent shortage
- 4 Adverse outcomes of artificial intelligence technologies
- 5 Involuntary migration

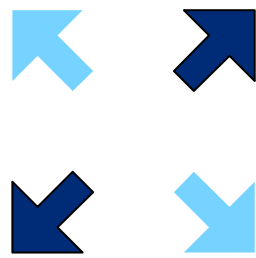


Source: World Economic Forum; Marsh McLennan analysis

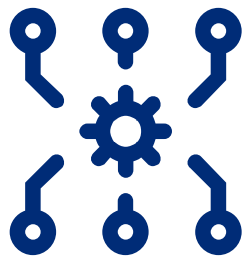
Global Risks Report - Strategic imperatives



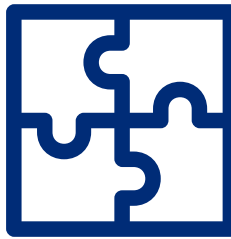
Using future scenarios to stress test investment and growth strategies.



Identifying potential supply chain chokepoints and supplier risks.



Leveraging AI and analytics for timely assessments and insights



Determining how best to embed just-in-case versus just-in-time strategies.



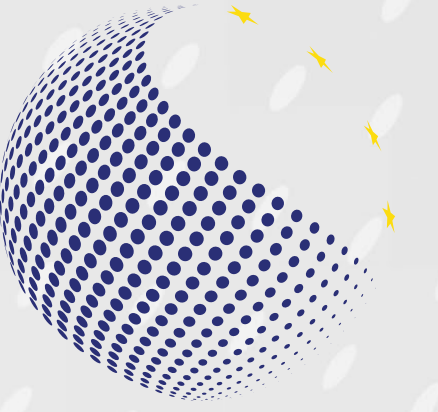
Building trust with workforces and stakeholders as organizations, economies, and societies transform.



Speaker

Laurence Eeckman

VP Group Risk Management at
Atlas Copco AB and FERMA
Board Member



Varying threats arising from different temporal perspectives

Top 5 risks within the next 12 months

- ☰ Cyber-attacks
- ▲ Geopolitical uncertainties
- ▲ Uncertain economic growth
- ▲ Talent management
- ▲ Data breach

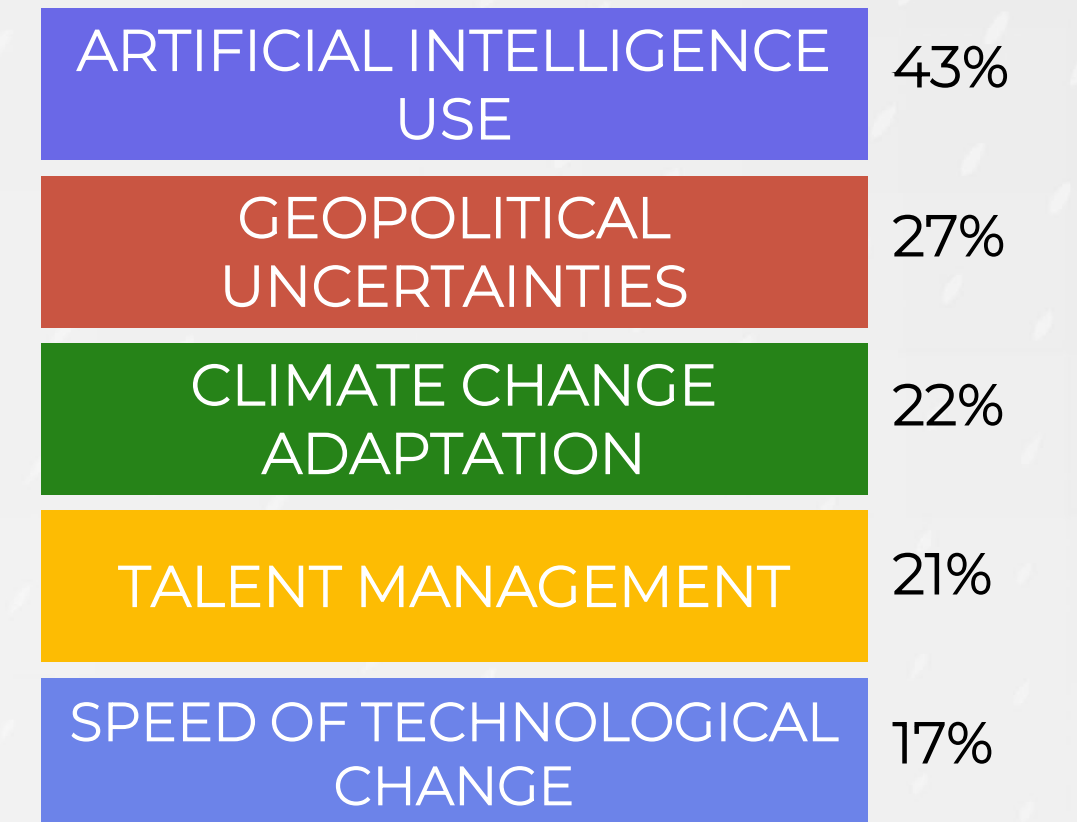
Top 3 risks within the next 3 years

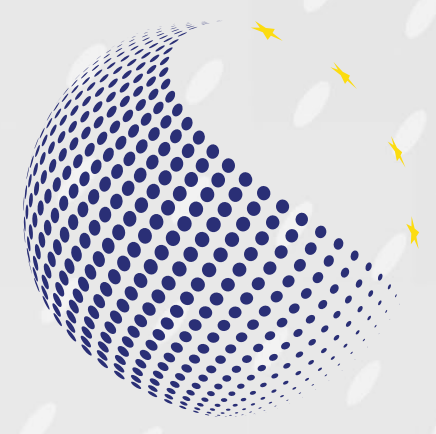
- Regulation
- Geopolitical uncertainties
- Speed of technological change

Top 3 risks within the next 10 years

- Climate change adaptation
- Carbon neutrality transition
- Natural disaster

Top 5 risks lacking management attention



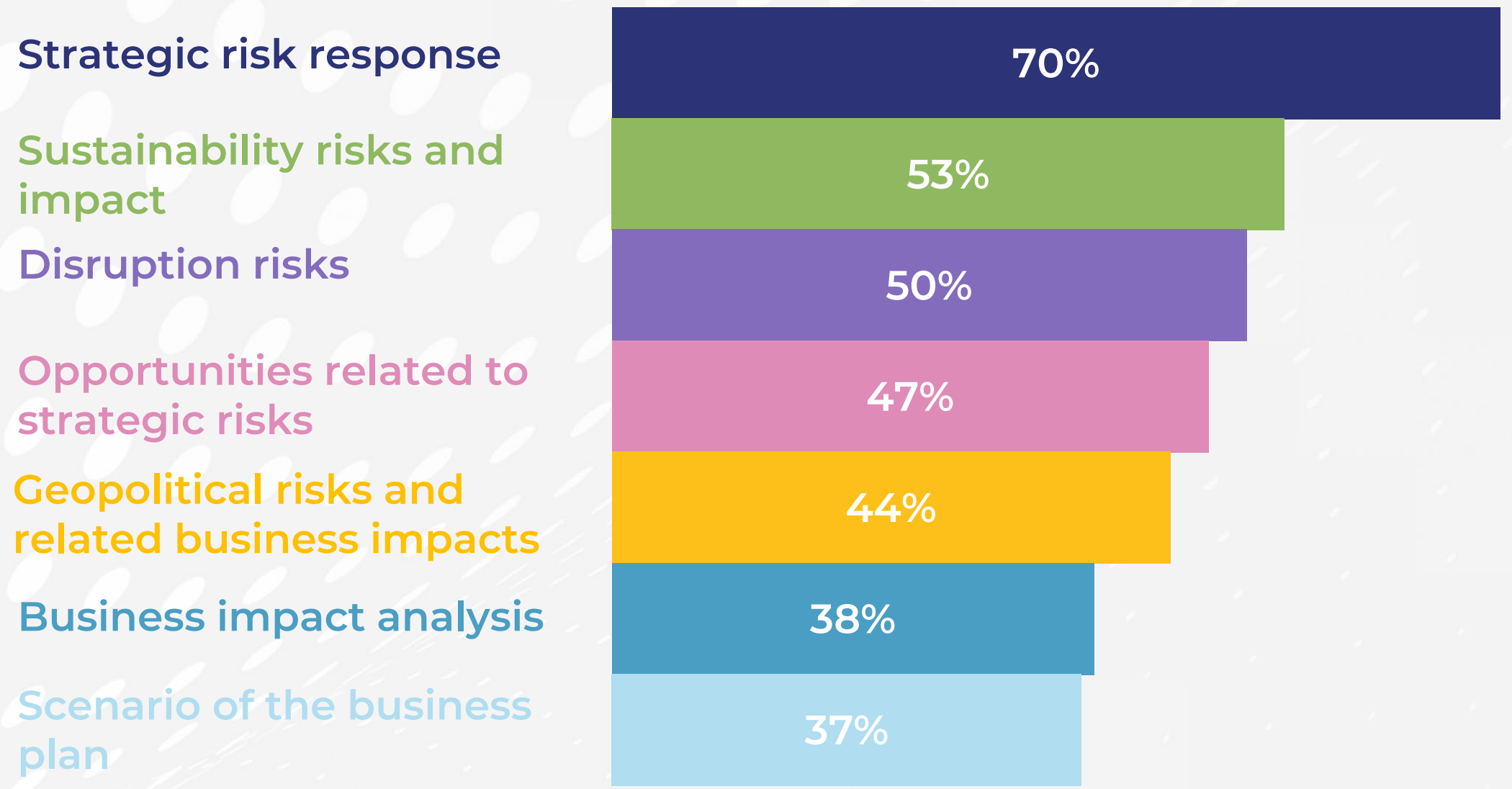


Broadening Risk Manager engagement across the organisation

91% of risk managers are involved in corporate strategy



Focus within the Corporate strategy (Top 7)



Relations with comparison
 ↗ Evolution since 2022
 ● New

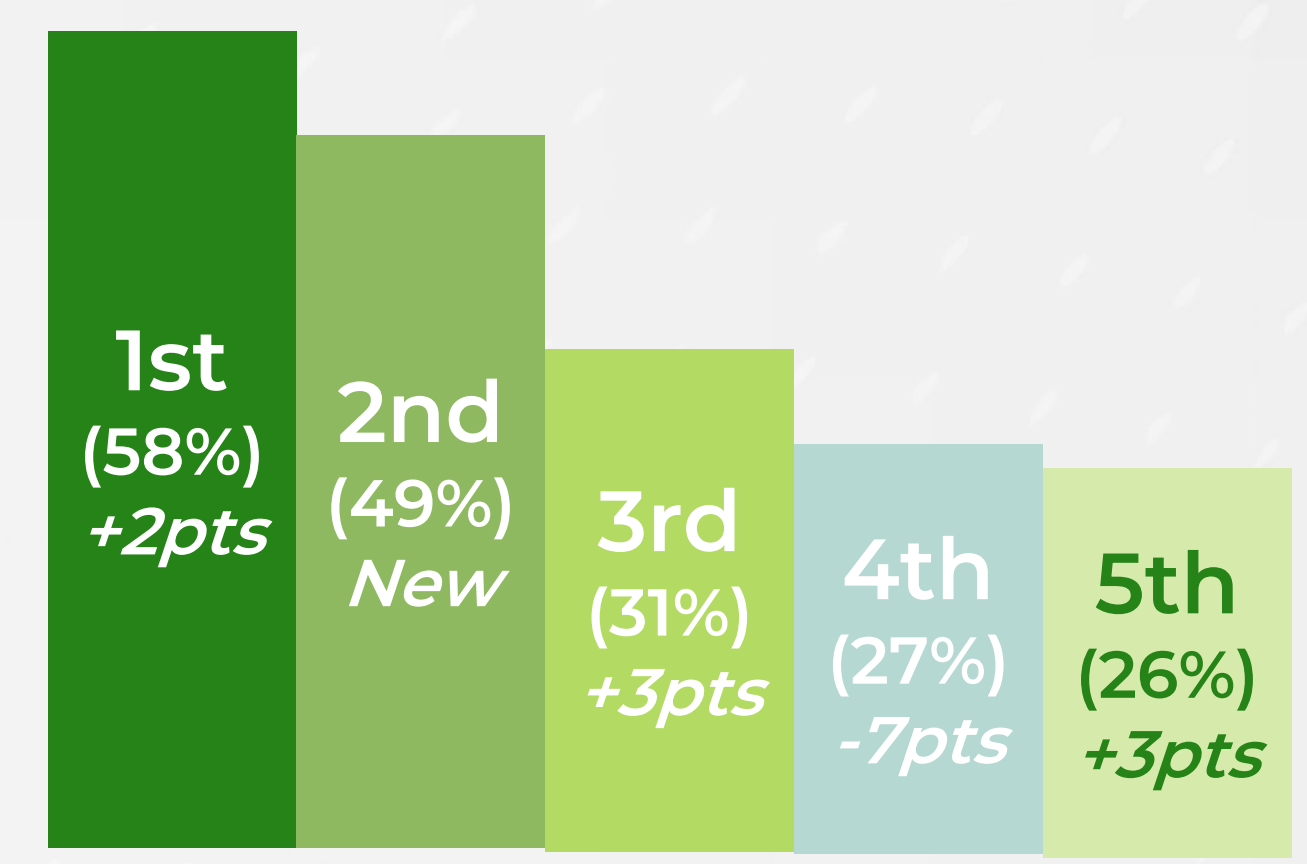
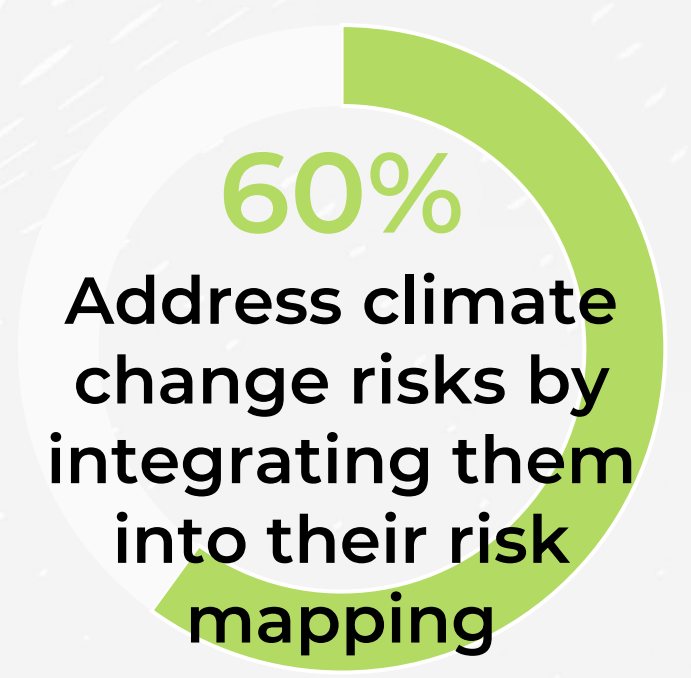
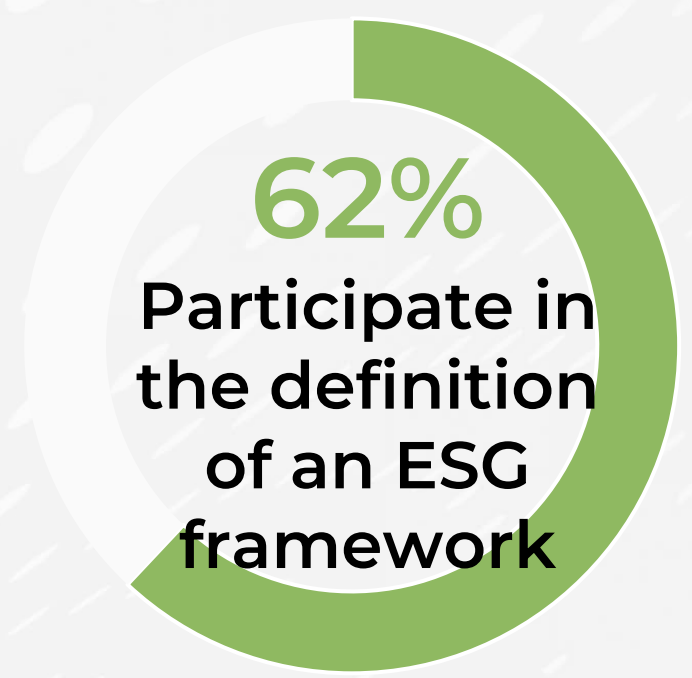
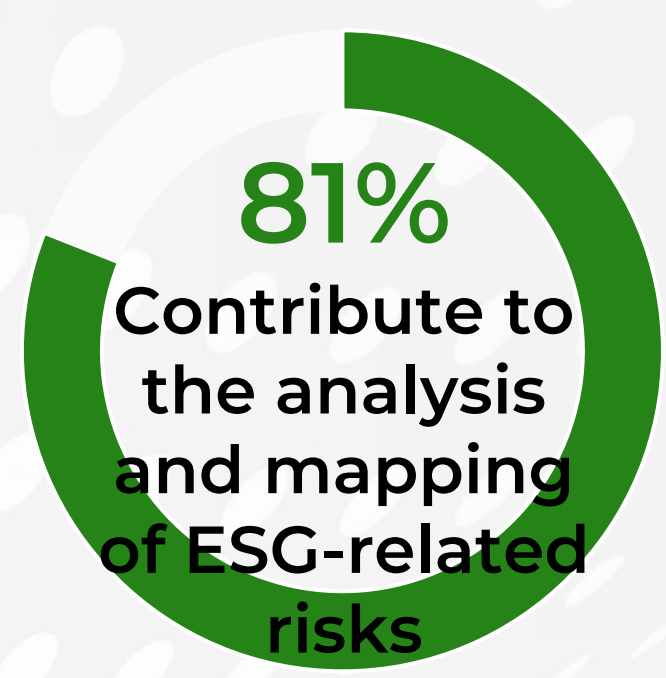


The Risk Manager's contribution to sustainability

57% are involved in the assessment of ESG-related risks (*35% in 2022, versus 27% in 2020*).

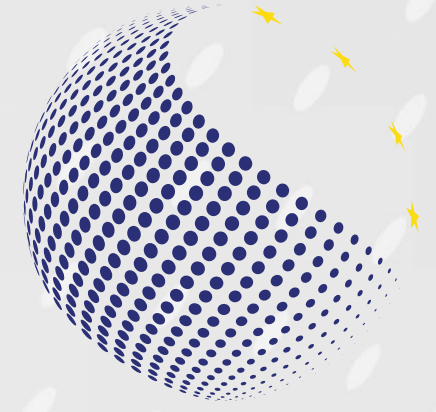
Nevertheless, they still face challenges in integrating these ESG risks into their ERM framework:

How do they contribute ?



- Difficulty quantifying sustainability risks
- Limited data to support ESG analysis/monitoring
- Limited knowledge of sustainability risks within ERM team
- Difficulty qualifying sustainability risks
- Management of different time horizons

The role of the Risk Manager in the digital transformation



➤ Investing in digital risk management tools is **the second most important priority** of Risk Managers within the next 1 to 2 year, but this trend is not yet reflected in current practices.

➤ Despite the clear advantages of digital risk management solutions, **persistent barriers** to further investment continue to hinder their full adoption.

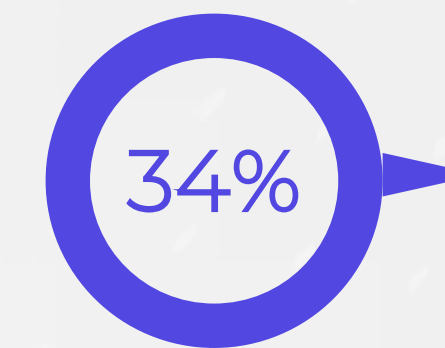
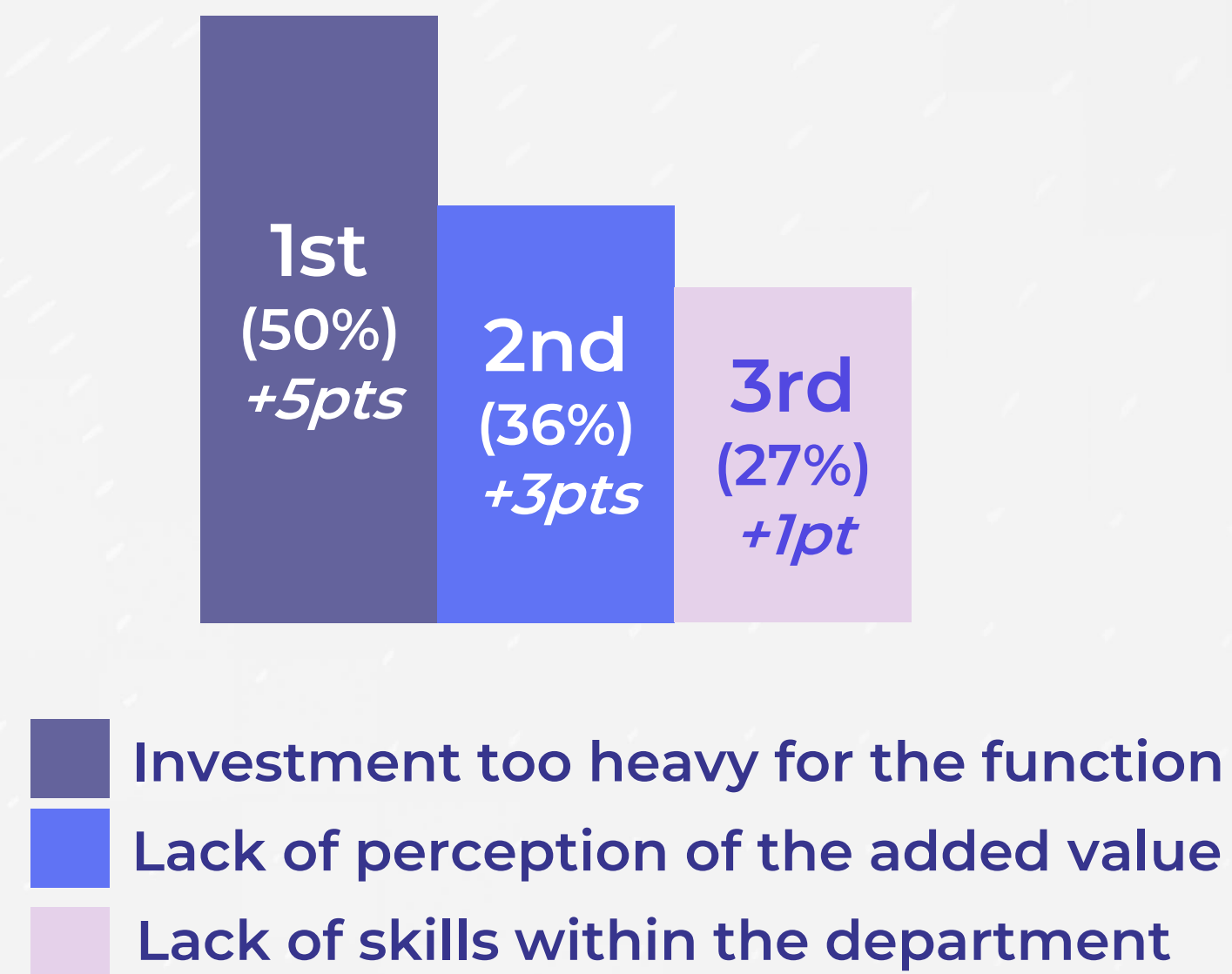
➤ Nevertheless, when it comes to managing risks related to **Artificial Intelligence**, **89% of Risk Managers are taking action** to secure these emerging risks.

Top 3 technologies used

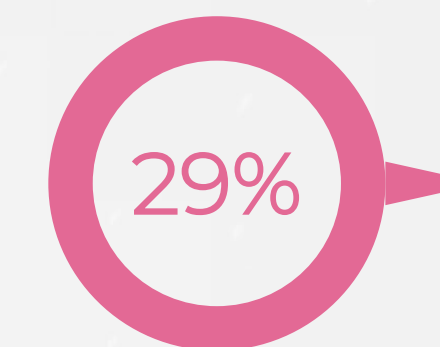
88% Spreadsheets and slides

79% Specific tool (40% outsourced, 39% in-house)

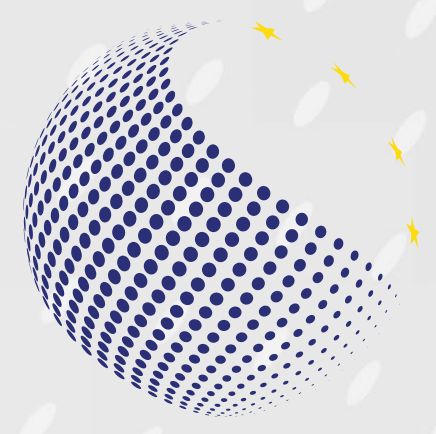
38% Data visualization and analysis



Monitoring of regulatory developments



Deployment of internal policy concerning the use of AI in day-to-day activities

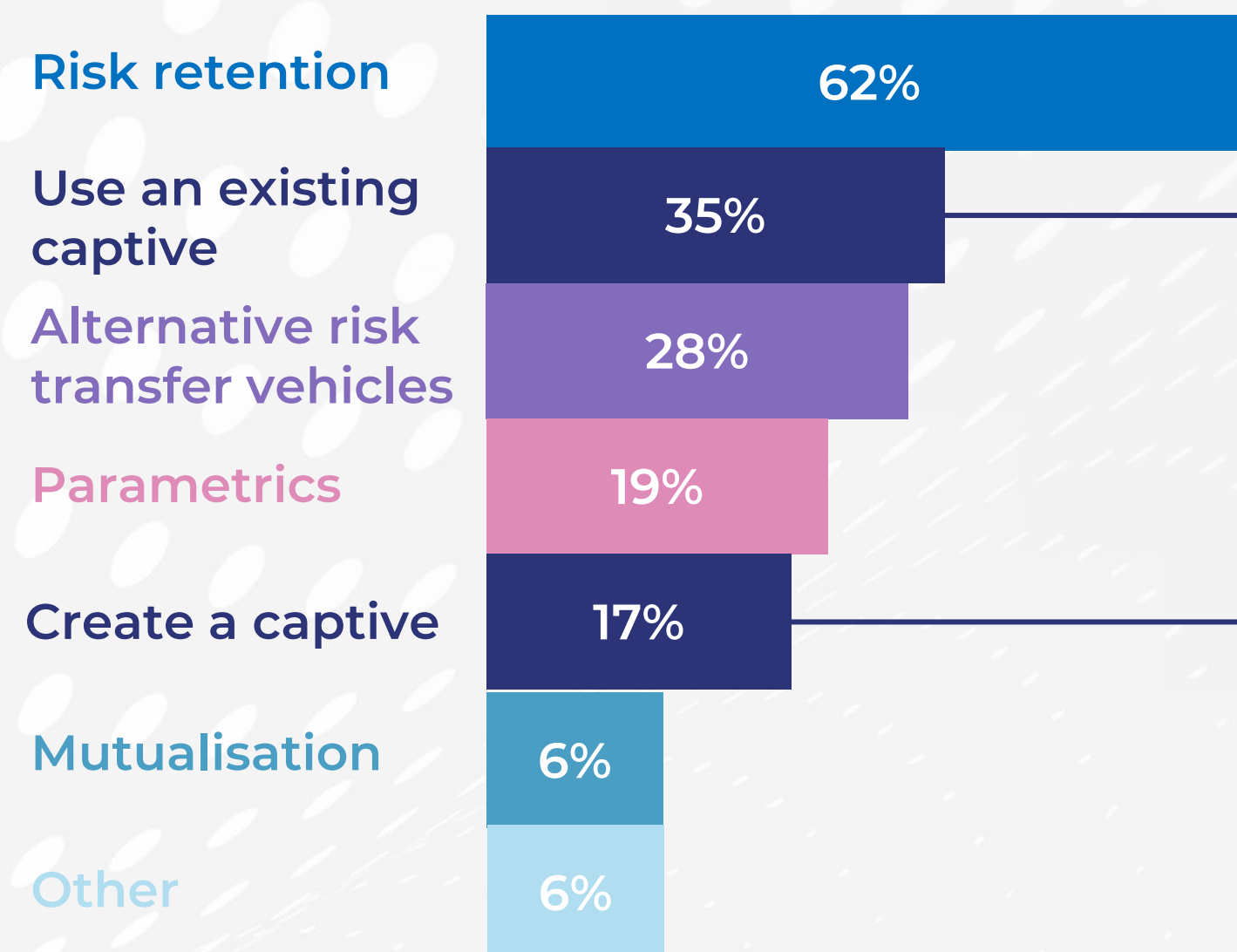


Changes to the insurance strategy

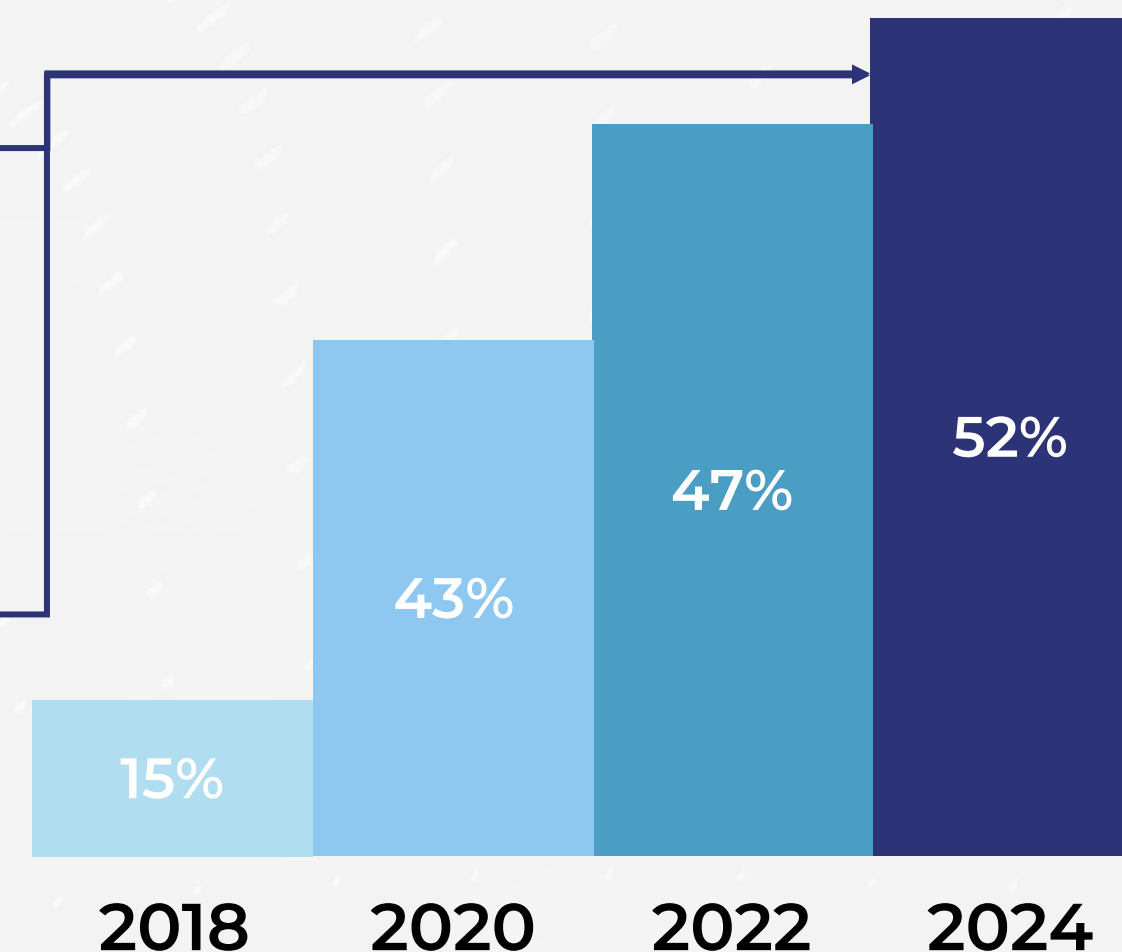
Top 3 trends that impacted the insurance market:

- 1 | Increase in premium
- 2 | Exclusions for specific risks
- 3 | Lack of innovative insurance solutions

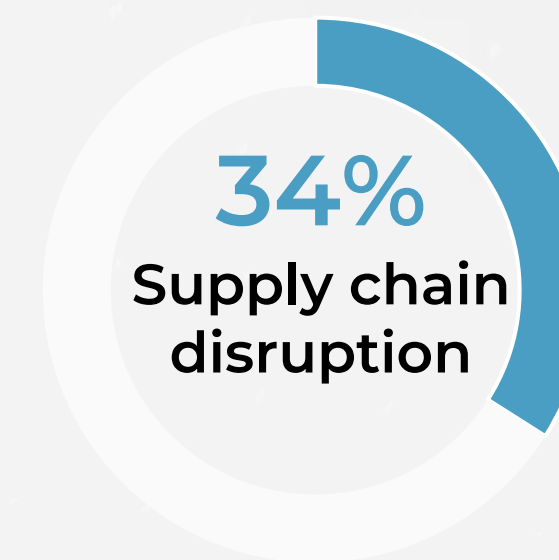
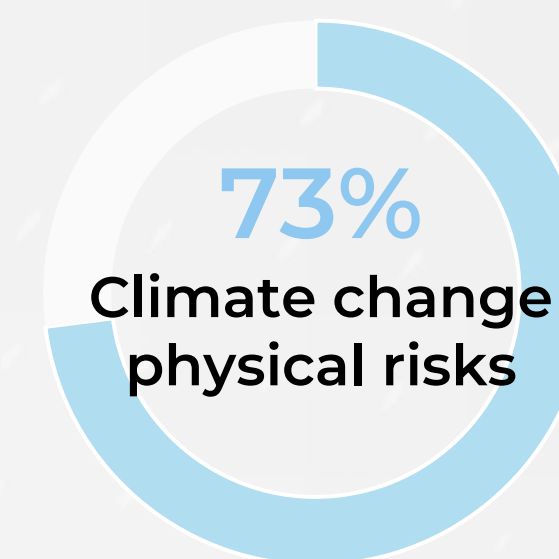
Next 2 years **strategy** in regard to the financing of their risks



Increased use of captives (existing or creation)



53% of the Risk Managers estimate that some of their business activities or locations will become « **uninsurable** » in the future





Speaker

Ann Brook

Head of Technical Content and
Research at the Chartered IIA

Survey Results

Risk Category	2025 risk priority	2025 audit coverage	2028 risk priority	2028 audit coverage
Cybersecurity and data security	1	1	1	1
Human Capital, diversity, talent management and retention	2	8	3	7
Changes in laws and regulations	3	3	5	4
Digital disruption, new technology and AI	4	10	2	2
Macroeconomic and geopolitical uncertainty	5	16	6	15
Climate change, biodiversity and environmental sustainability	6	11	4	6
Business continuity, operational resilience, crisis management and disasters response	7	4	7	3
Market changes, competition and changing customer behaviour	8	14	8	12
Supply chain, outsourcing and 'nth' party risk	9	7	9	9
Financial, liquidity and insolvency risks	10	5	10	8
Organisational culture	11	9	11	11
Organisational governance and corporate reporting	12	2	12	5
Fraud, bribery and the criminal exploitation of disruption	13	6	13	10
Communications, reputation and stakeholder relationships	14	13	14	14
Health, safety and security	15	12	15	13
Mergers and acquisitions	16	15	16	16

Cybersecurity and Data Security:

Tackling hybrid cyberattacks



83% of respondents said **cybersecurity and data security** was a top five risk. Almost 4 in 10 (37%) said it was their top priority.

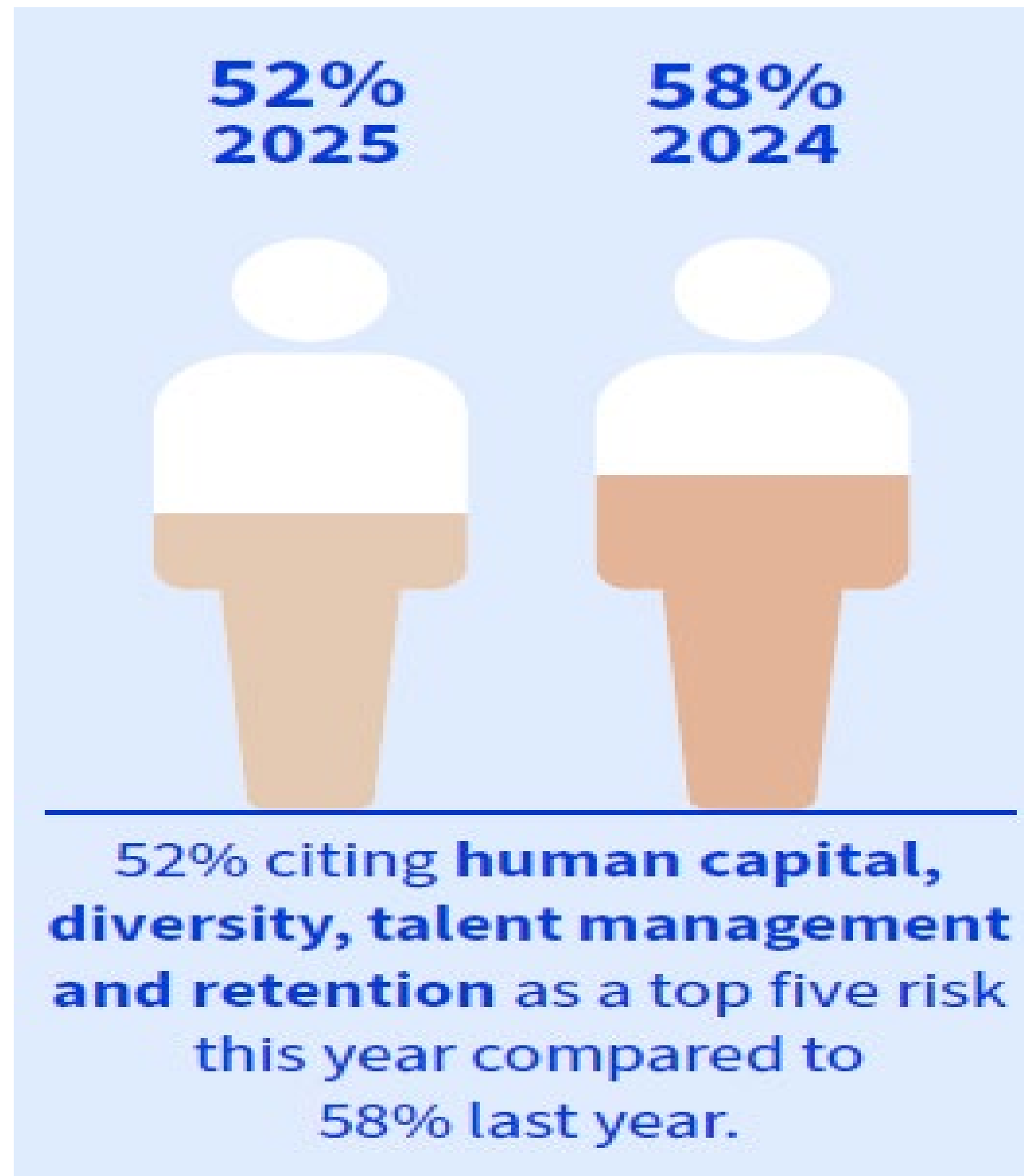
- Cybersecurity and data security remained the top risk for organisations with 83%, it was also ranked in the top place as the area of effort with 74%.
- The volume of cyberattacks has climbed sharply over the past few years, thanks partly to the growth of generative AI.

“Audits are crucial, but dialogue with IT management and executive management to ensure they focus on these areas, share information across the business and raise awareness is also fundamental if you want to become resilient”

- Many EU countries are preparing for updated regulatory compliance including the Network Information System, with the UK being alerted of similar changes ahead.

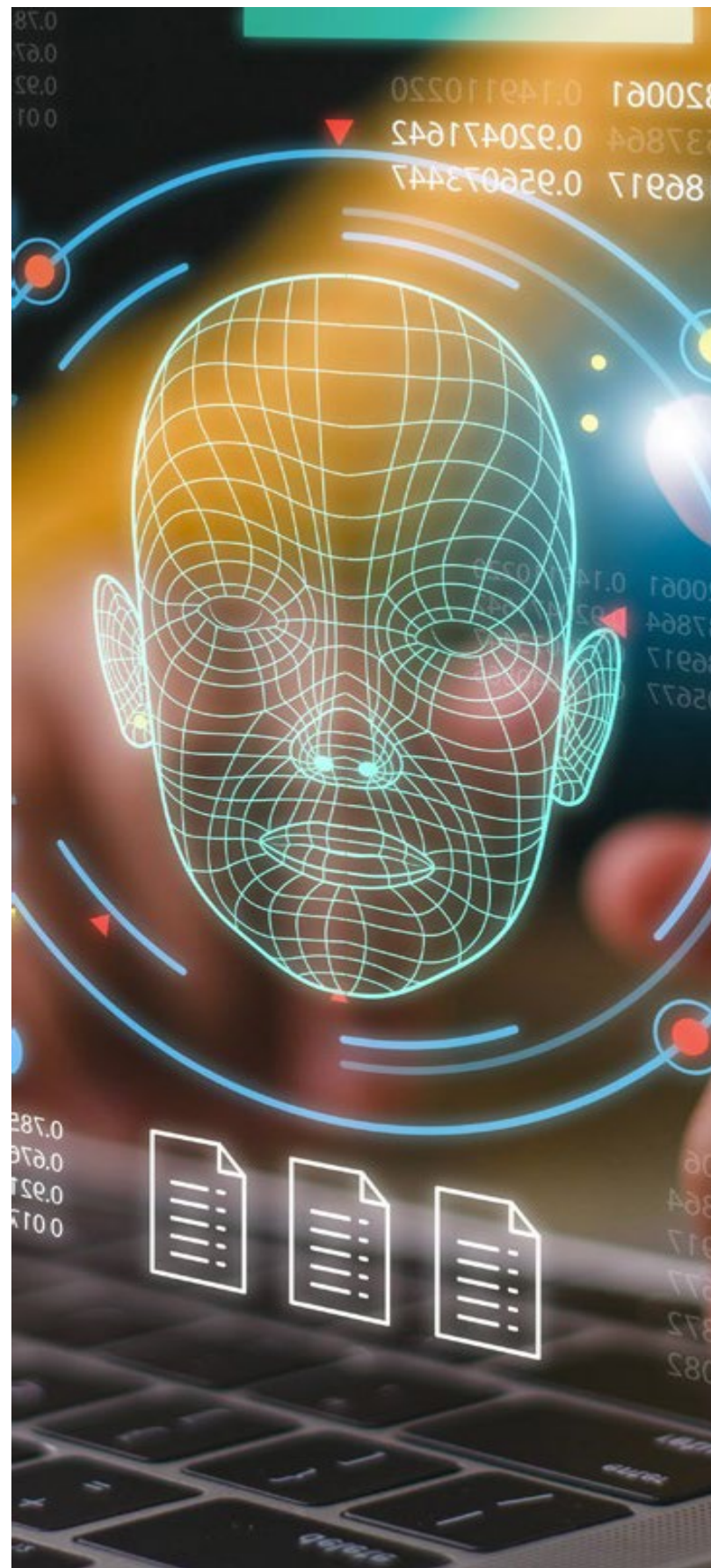
Human Capital, Diversity & Talent Management

Cultivating a better culture



- Human capital, diversity, talent management and retention is the second biggest risk organisations in Europe continue to face, according to the Risk in Focus 2025 survey.
- Not all CAEs that identify human capital as a top risk can provide assurance services in this area.
- In the wake of the Pandemic, demographic shifts, social challenges and a multigenerational workforce we are seeing shifting expectations of work.
- Digitalising HR process can provide businesses with the data it needs on recruitment, retention and attribution.

Digital disruption new technology and AI



- Digital disruption new technology was the fastest-growing risk area in this year's survey and is expected to rise from 4th to 2nd place by 2028.
- The speed of development of AI and the launch of ChatGPT and its integration into services offered by major companies have made the safe adoption of AI a key issue for boards.
- Organisations are also looking to deal with complex ethical risks associated with the use of AI.
- ***“Each audit assignment will take into consideration privacy, data governance, transparency, diversity, social risk and environmental exposure”***

Macroeconomic and Geopolitical Uncertainty:



- Geopolitical shockwaves meant that it remained a top 5 risk with 39% of CAEs yet only 6% of CAEs said they spent significant internal audit time on the issue.
- War and Conflict, digitalisation and new technologies mean that the reported rise in state-sponsored cyberattacks across Europe suggests an intensifying hostilities by Russia and China

“In a volatile world, resilience has moved from historically being about having enough capital and strong cybersecurity, to how fit your business model is, and how robust your governance processes are”

- Geopolitical uncertainty at an all-time high as changing political agendas could affect the business landscape.

Climate Change, Biodiversity & Environmental Sustainability:



Boosting resilience through compliance



33% of respondents said
**climate change, biodiversity and
environmental sustainability was
a top 5 risk.**

15% said it was their top priority.

- Respondents to the Risk in Focus 2025 survey ranked climate change, biodiversity and environmental sustainability in 6th place, expecting it to rise to 4th place in 2028.
- CAEs identified reporting readiness as the number one area of focus in the face of annual reports being published by the Task Force in Climate-Related Financial disclosures.
- Businesses are increasingly auditing business continuity and resilience in the face of climate change.
- Transitioning to a greener economy presents both a huge business model risk and opportunity.

FERMA, RiF'25 and WEF Risk Reports

	FERMA	RiF 2025	WEF
No. of participants	1,041 survey	985 survey 48 roundtable participants 11 interviewees	900 survey
Timing	Jan – April 2024	March – May 2024	Sept – October 2024
Industries	41% industry 28% financial services 19% services 11% public sector	40% business (non-FS) 28% financial services 11% public sector	19% academia 36% business 17% government 13% civil society 12% international organisations
Geography	Global	EU	Global
Roles	Risk Management	Chief Audit Executives predominantly	Risk experts including from academia, research institutes, and risk professionals

FERMA and RiF 2025 current risk rankings – top 5

- Both FERMA and RiF 2025 had cybersecurity as the top risk for organisations.
- Talent Management, Geopolitical risk were in the remaining top 4, although ranked differently.
- FERMA had economic growth in 3rd place. In RiF macroeconomic risk was in the same category as geopolitical, which is similar to economic growth risk, was ranked 5th
- FERMA ranked data breach separately at 5th place. This was included in the same category as cybersecurity for RiF 2025.
- RiF 2025 had two other risk categories in the top 5:
 - Changes in laws and regulations
 - Digital disruption

WEF Risk Ranking

WEF uses a different approach to risk categories for its report and its top 5 are:

- State conflict
- Extreme weather events
- Geo economic
- Mis/dis information
- Societal polarisation

Some of these can be aligned to the risk categories used by FERMA and RiF 2025, but there are notable differences.

WEF top 5 does not include:

- Cybersecurity and data security which it ranks 14th
- Talent management which is second to last

Similarly, the WEF report includes risk categories in the top five that are not in the top five of FERMA or RiF 2025: climate change (extreme weather events), business continuity and crisis management (extreme weather events), market changes (social polarisation) and communication (mis/dis information).

Looking forward 3 years

Looking forward is difficult given the volatile environment we live in, with unforeseen changes bringing uncertainty to the predictions. However, for the three reports, we see similarities again in the top 5 risk categories, with WEF aligning more with the FERMA and RiF 2025 predictions:

FERMA	Risk in Focus 2025	WEF (2 years)
Changes in laws and regulations	Cybersecurity	Mis/dis information
Geopolitical	Digital disruption	Extreme weather
Technological change	Talent Management	State conflict
4 th and 5 th rankings not provided	Climate Change	Societal polarisation
	Changes in laws and regulations	Cyber espionage



Q&A



The Global Risks
Report 2025
20th Edition
INSIGHT REPORT



Global Risk
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2024



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2025

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FERMA Seminar 2025

- Join the FERMA 2025 Seminar to explore the broadening horizon of **value chain** and what it means for risk management.
- **Date:** 23-24 October 2025
- **Place:** Hotel Kameha, Zurich, Switzerland
- **More information:**
www.ferma.eu/risk-management-events/



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