



RISK OUTLOOK 2024

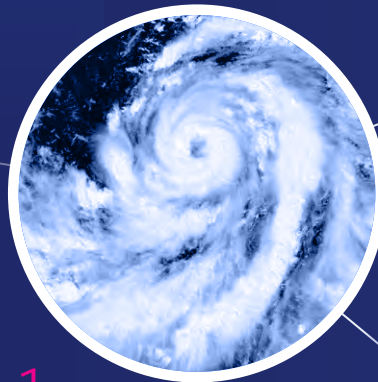
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FOREWORD: EVERYTHING IS CONNECTED

In my introduction to last year's Global Risk Report I talked of the forces shaping a post-pandemic world. Now, 12 months later, it already feels as though COVID-19 as a reference point has been overshadowed. Only three years after the biggest global disruption in 80 years it has almost been eclipsed by the volume of other challenges that have arisen. All these challenges test the resilience of businesses and their people.

The concurrent risks facing most organisations have increased markedly. This is not just International SOS's opinion. It is validated by our survey of hundreds of business leaders and corporate security and health officers. The research shows that two-thirds believe ensuring the health, wellbeing and security of their workforces will be a tougher task in the coming year. This is a higher proportion than at any time in the past five years.

Some of the risks we identify in our forecasts for the coming year are not novel. But many have deepened in the past 12 months. We have warned about global instability before, but recent political and geopolitical events have sharpened the security implications for business travellers and assignees. Climate change impacts, in the form of extreme weather events, have acquired a new immediacy. However, some risks we highlight are new. The release of public-facing artificial intelligence interfaces from the end of 2022 is changing the face of misinformation and disinformation.

JOINED-UP THINKING

It is tempting for businesses to try to compartmentalise these multiple threats and deal with them separately. That is understandable; a tactical approach to problems that are not central to business activities is the traditional approach. And it has often worked in the past.

But it's an approach that does not work now. All the risks we focus on in this year's report are highly interconnected. They overlap and influence each other. Extreme weather and resource scarcity affects

economies which in turn influences political and social volatility. Crisis fatigue is reported as a concern by many businesses in our poll. It is caused by all the challenges that they and their people have dealt with in recent years, from safeguarding workforces during COVID-19 to the supply chain issues associated with the Russia-Ukraine conflict. But the same fatigue, stress and risk of burnout also influences their ability to rise to future tests. Failure to recognise and adapt to employees' changing expectations of their employers will compound that risk.

This is not to suggest organisations should try to manage "everything, everywhere, all at once". It is vital to prioritise risks, recognise how they interrelate and to monitor changes in their urgency. This is the only way to avoid being blindsided and to maintain healthy defences.

RISING TO THE CHALLENGE

Though this complex risk management is critical, it is not core business for most enterprises. But it can impact the bottom line. Collaboration is essential to share the load. It also provides outside scrutiny of emergency plans, drawing on the expertise of organisations who filter information on risk and provide solutions. Trusted partners can help build draw up defence plans against the interconnected challenges each business faces. Then they can stress test the arrangements. They can also help ensure workforces are fit, well and ready to rise to new challenges.

International SOS offers a unique combination of health and security consultancy, local intelligence and crisis response. These can provide a bulwark against the most serious risks. Most recently, almost a month before the start of the Israel-Hamas conflict we raised our risk rating for parts of the West bank from Medium to High. In the weeks immediately before hostilities we issued alerts to clients about a potential escalation at the beginning of October. As events unfolded, we organised more than 50 ground evacuations and multiple charter flights for clients with personnel across Israel.

There will be enormous opportunities for organisations that embrace the complexity of managing risk effectively in the new environment. Their resilience and adaptability will give them competitive advantage over others who are constantly reeling from unexpected shocks. They will flourish in a world where risk profiles have changed, and will keep changing. We will be proud to support them in their endeavours in the coming year and those to come.



Arnaud Vaissie

Co-founder, Chairman
& Chief Executive Officer



There will be enormous opportunities for organisations that embrace the complexity of managing risk effectively in the new environment. Their resilience and adaptability will give them competitive advantage over others who are constantly reeling from unexpected shocks.

RESEARCH PROCESS

This 2024 risk forecast is the result of detailed analysis from several research pillars:



RESEARCH PILLARS

- Workforce Resilience Council views
- Business resilience trends survey
- Medical & security risk ratings
- On-the-ground global health & security network

**FIVE
PREDICTIONS
FOR
2024**

WORKFORCE RESILIENCE COUNCIL

The Workforce Resilience Council is made up of acknowledged experts in the health, security, and sustainability fields relevant to the risks of working at home or abroad. Their role is to validate the risk predictions in the report and to add insight. The participants in this year's Council are:

- **Dr Rachel Lewis**, Managing Partner and organizational Psychologist, Affinity Health at Work
- **Rick Cudworth**, Chair, Resilience First
- **Paul Wolcott**, President, Great Place To Work
- **Giles Hill**, Chair, International Security Advisory Board, International SOS
- **Gareth Lewis**, Group ESG Director, International SOS

Each council member was interviewed on behalf of International SOS in November 2023. The insights provided by the Council are noted as expert opinions throughout this report. This research is designed to be illustrative, detailed and exploratory.

BUSINESS RESILIENCE TRENDS SURVEY

Now in its eighth year, the survey is targeted to gather the views of those who organise, influence, or are responsible for, their organisation's health, security and risk mitigation processes and policies. The survey seeks

to understand whether perceptions of employee risk have changed: what health and security risks are of most concern to organisations and their people, including domestic employees, assignees and business travellers. Are there significant differences in risk mitigation methods and concerns across regions? How are organisations and their people modifying their behaviour or policies to respond to these new realities?

On behalf of International SOS, Ipsos carried out an online survey among

675  **82**
risk professionals in countries.

MEDICAL & SECURITY RISK RATINGS

The medical risk ratings are based on a range of health risks and mitigating factors, including but not limited to: access to and standard of emergency services, outpatient and inpatient medical care, medical evacuation data, quality of pharmaceutical supplies, infectious disease risks, access to improved water and sanitation, environmental risk factors linked to climate change, security risk rating, and cultural, language or administrative barriers.

An overall single rating is given for a location; however, the medical landscape can vary widely. For example, major cities may have better access to high-quality medical care; whereas remote or rural locations may have limited health facilities and specialist care.

The security risk rating evaluates the threat posed to employees by political violence (including terrorism, insurgency, politically motivated unrest and war), social unrest (including sectarian, communal and ethnic violence) as well as violent and petty crime. Other factors, such as the robustness of the transport infrastructure, the state of industrial relations, the effectiveness of the security and emergency services and the country's susceptibility to natural disasters are also considered where they are of sufficient magnitude to impact the risk environment for employees. A single security risk rating is assigned per location. However, risks can vary greatly within a country's borders and more granular ratings are available.

ON-THE-GROUND HEALTH & SECURITY NETWORK

International SOS has health and security experts based in more than

1,200  90
locations in countries.

The qualitative opinions of our senior health and security experts have been analysed in order to verify the on-the-ground reality of the research findings and to provide best practice recommendations on how to address the risks.

Business Resilience trends survey respondents:

675

senior risk decision makers responsible for:

- Employees
- Contractors
- Students and Faculty
- Other people within an organisation

Across 82 countries



7% Australia & New Zealand

27% Asia

24% Europe

11% Africa

7% Middle East

23% Americas

1

STORM WARNING CLIMATE CHANGE COMES HOME

After decades when climate change impacts were considered an abstract academic concept, the issue is now, and will continue to be, critical to organisations' operations. Not only are businesses finding they are directly impacted by climate-related events, governments and regulatory bodies are increasingly introducing climate-related regulations and reporting requirements, and investors are placing more focus on environmental, social and governance factors.

Global temperatures have increased faster in the past half century than any other similar time period. In July, UN General Secretary Antonio Guterres announced “the era of global boiling has arrived”, following meteorologists’ confirmation of the three hottest weeks ever recorded globally. The COP28 meeting of world leaders in Dubai in December 2023 was the first climate change summit to feature health as a key theme.

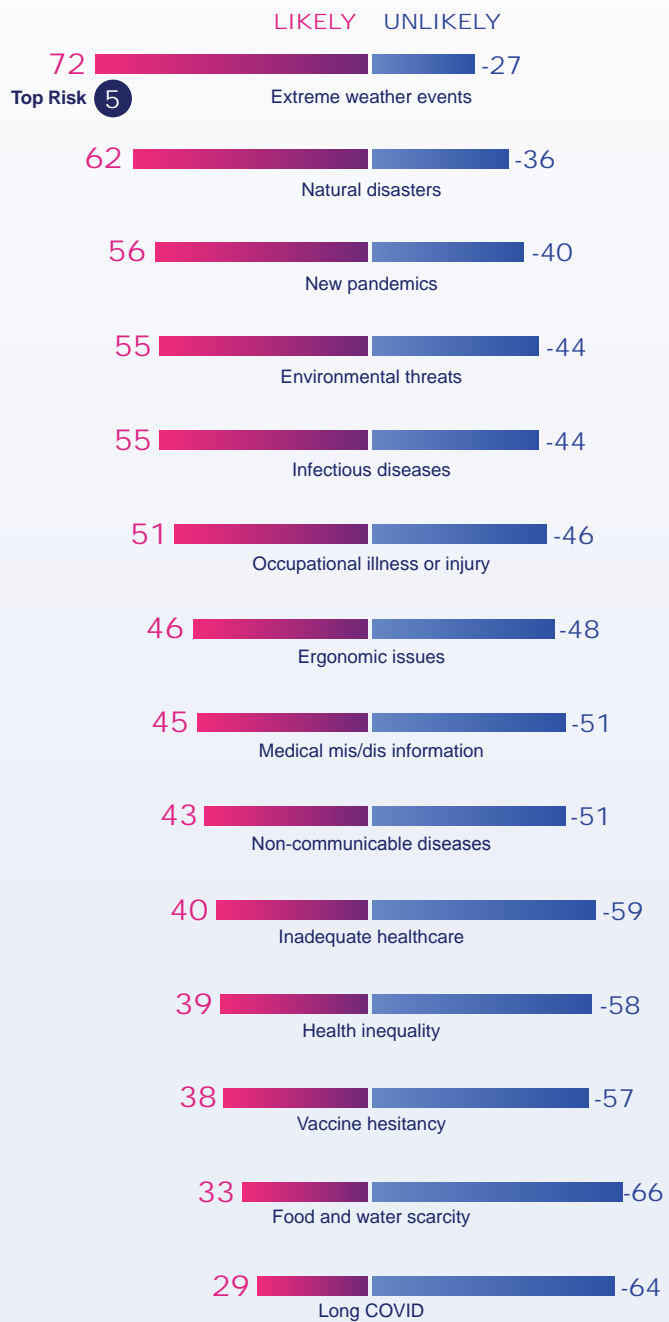
Storm intensity in areas such as northern Europe is increasing. Around the equator, the percentage of cyclones in the most intense categories has risen and is set to rise further according to the Intergovernmental Panel on Climate Change (IPCC). Even if global warming over pre-industrial levels is contained at 1.5°C, the IPCC predicts that severe weather events that now occur once in every 50 years will increase to around once in every six years.

Around half the organisations in our survey of 675 business leaders and security and health professionals report they have already seen their operations affected by events attributed to climate change, but almost the same percentage of respondents say they have not factored it into their health and security plans. There is a rising trend in the climate-related alerts issued by International SOS. Compared with 2022, in 2023 there were 80% more medical climate-related alerts, 30% more security climate-related alerts, and a four-fold increase in climate-related special advisories. Almost three-quarters of the businesses in our risk survey report extreme weather as a challenge to their employees and operations in the coming year. Four out of the five health risks that top respondents’ agendas are climate or weather related.

Perceived Risks: Health

HEALTH 

How likely do you think it is that the following issues will have a significant impact on your business and/or your people in the next 12 months?

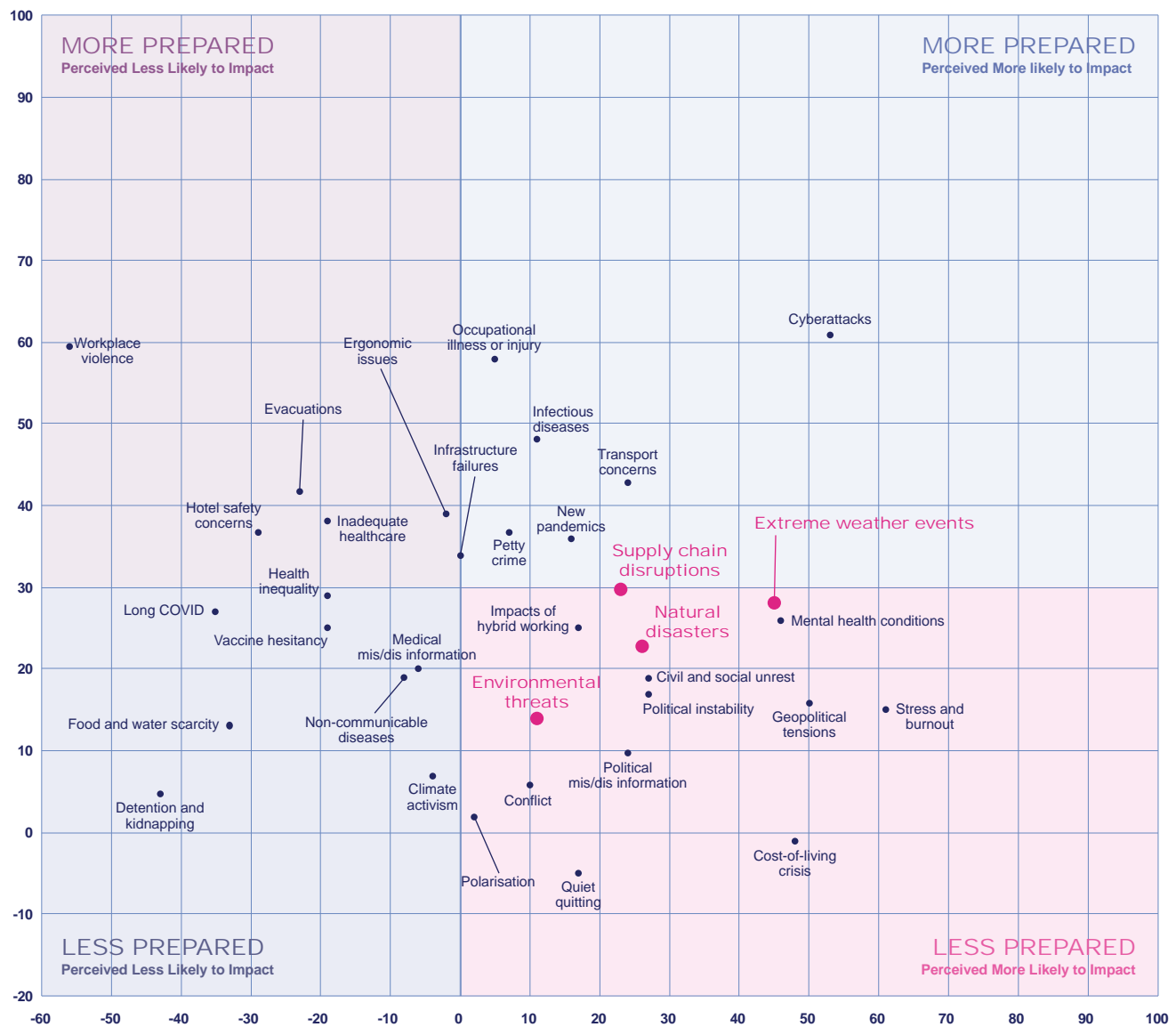


Base (675)

Perceived Risk: Impact Over Preparedness

Here survey respondents answered the likelihood of risk, and the extent to which their people and business are prepared for those risks.

- How likely do you think it is that the following health/wellness/security issues will have a significant impact on your business and/or your people in the next 12 months?
- To what extent do you think your organisation is prepared to respond to or mitigate the following health, wellness, security issues?



Base (675)

More frequent and more severe weather events increase the risk to workers wherever they are in the world, but particularly to assignees and business travellers who may not have the same understanding of weather systems and emergency response procedures as the local workforce. Heatwaves, storms, and floods can cause infrastructure outages and take out transport networks; an estimated 27% of global road and rail assets are exposed to cyclone, earthquake or flooding hazards. In low and medium-wage economies, climate change adaptation to protect infrastructure is estimated to be between 10 and 18 times underfunded, according to the United Nations Environment Programme. Extreme weather will compound the impact of other hazards.



48%

Organisations whose operations have been impacted by climate change

n=675

72%

Organisations reporting extreme weather as a challenge to operations and employees in next 12 months

n=675



4x

increase in climate-related special advisories issued in 2023 by International SOS compared to 2022



Climate change exacerbates security risks and instability: whether it's food insecurity and systemic unemployment making people vulnerable to extremist recruitment, or climate effects exacerbating immigration outflows due to destruction of livelihoods. All can cause challenges for governments and organisations in neighboring, transit, and destination countries.

Gareth Lewis, ESG Director, International SOS

Health & Security Escalations

Climate-related events 2023



Air quality



Extreme heat



Vector-borne disease



Wildfires



Storms

We are seeing a rising trend in the number of climate-related alerts we are issuing.

In 2023 (1st January – 30 November), there were:



80%
more medical
climate-related alerts

30%
more security
climate-related alerts

4x
increase in climate-related
special advisories

As the global climatic profile changes, so does the disease map. Higher average temperatures and increased rainfall and humidity extend the spread of some vector-borne diseases into new areas which may be unprepared to cope with them. Cases of locally-transmitted malaria have been identified in several US states for the first time in 20 years, and in countries where malaria is usually present, transmission has extended into highland areas, and the transmission season has lengthened. Warmer climates are predicted to raise the risk of diseases such as Dengue Fever and Zika virus in Europe. Bacterial food and water-borne gastrointestinal infections such as Vibriosis are also on the increase.

Increased heat is a hazard in itself, especially for outdoor workers and people with existing health conditions. There is emerging evidence linking rising temperatures and the increase in extreme heat events to the worldwide rise in kidney disease.

Climate change effects can be particularly disruptive to business operations, warns International SOS ESG Director Gareth Lewis, because after a certain point they are not linear: because impacts do not unfold in a linear manner: “Past a certain point, climate impacts on operations can increase exponentially. Take a construction company in Miami or the Middle East, for example, which is dependent on a workforce exposed to the elements. As temperatures increase, productivity decreases, but progress continues until you reach an unsafe temperature threshold, then all work stops.”

Diseases affected by climatic hazards

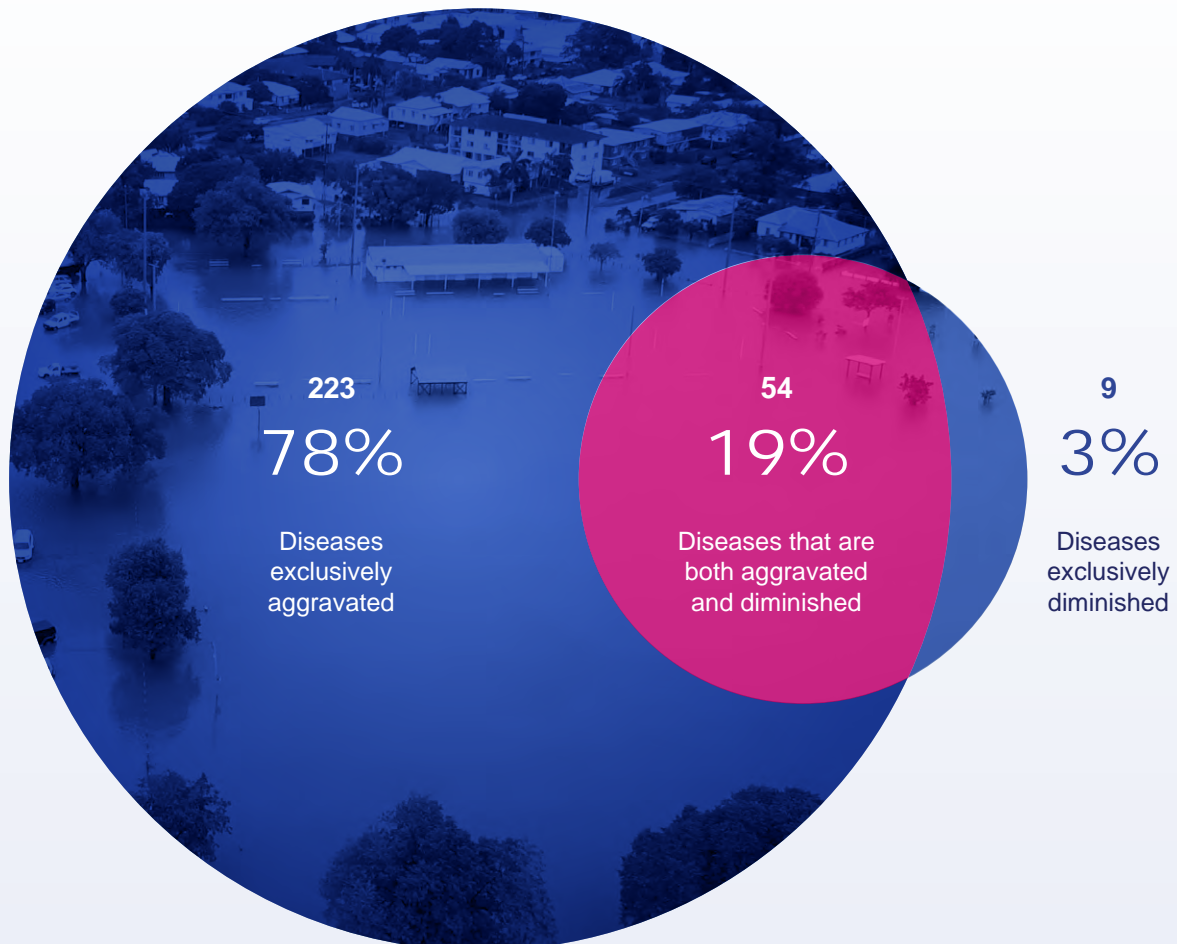


Fig. 4: Diseases affected by climatic hazards. | Nature Climate Change

As governments set decarbonisation targets but continue to licence new fossil fuel extraction, climate activism has ramped up. Even the small proportion of campaigners turning to direct action can create a rise in incidents that disrupt business. Almost half the organisations surveyed believe that their business or their people will be impacted by climate activism in the coming 12 months; it is also one of the security challenges respondents say they are least prepared to face.



Climate is increasingly a here-and-now issue. Businesses historically have focused more on their contributions to Net Zero. That hasn't gone away but we are seeing a recognition that it's also time for action in building their own resilience as organisations.

Rick Cudworth – Chair, Resilience First

Layers Of Issues From Climate Related Crisis



Climatic stresses such as droughts increase regional volatility. This may drive further population movement on top of current numbers displaced by conflict situations. The global area impacted by severe drought rose from 18% in 1951 to 1960 to 47% in 2013 to 2022, threatening water security, sanitation, and food production.

But just as part of the world's response to global warming will be adaptation to the changes already in train, there is scope for businesses to anticipate, assess, and adapt, with appropriate support, to make sure employees and operations are resilient to threats such as extreme weather.

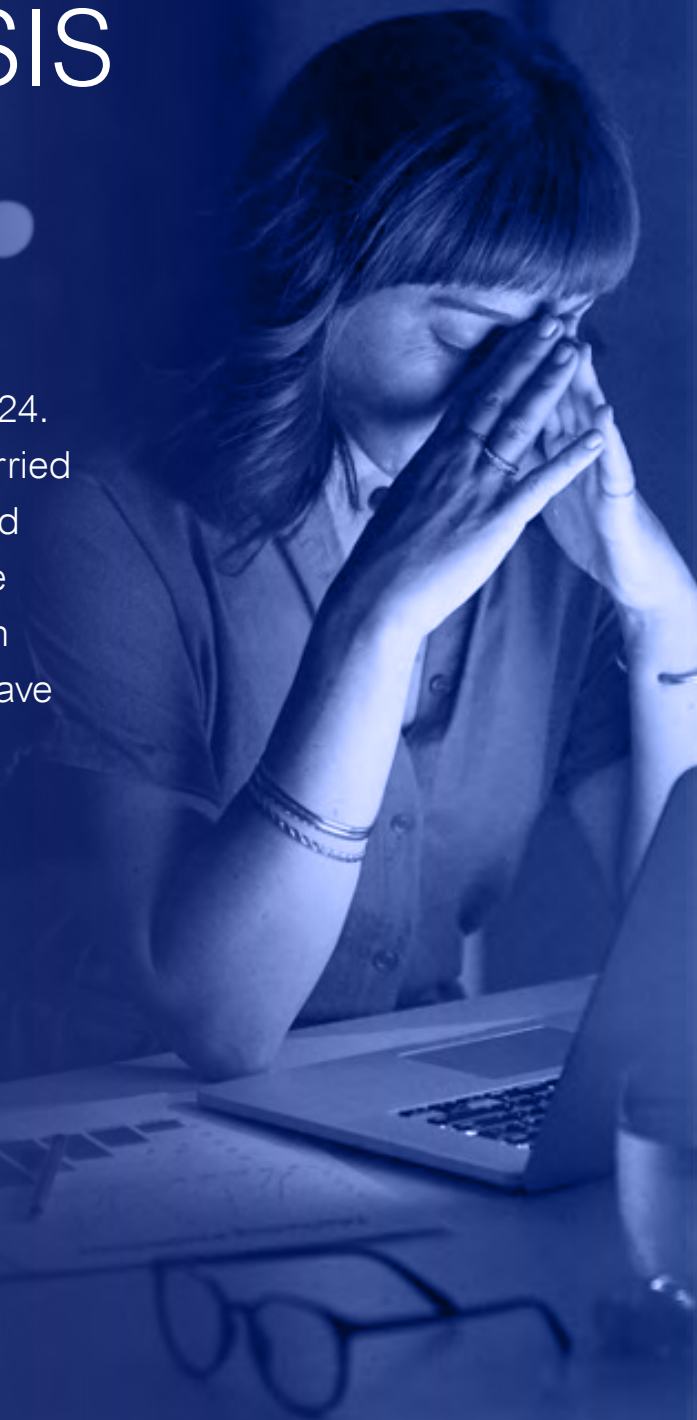
Organisations will need reliable hazard monitoring tools and processes, plus robust risk reduction and response mechanisms to protect employees and business continuity when crises develop. The challenge of ESG disclosure can be turned to an organisation's advantage to demonstrate a culture of care and responsibility to employees and other stakeholders.

As Antonio Guterres said, it is still possible to step up to climate change's challenge to mitigate its worse effects and to "turn a year of burning heat into a year of burning ambition".

2

RUNNING ON EMPTY THE PERMACRISIS TAKES ITS TOLL

The rate of crises is unlikely to slow down in 2024. Crisis management teams and leaders who carried their organisations through the upheaval caused by COVID-19, the wide-reaching impacts of the Russia-Ukraine conflict, supply chain disruption and numerous geopolitical crises in 2023 will have to maintain momentum in 2024 (see page 22).

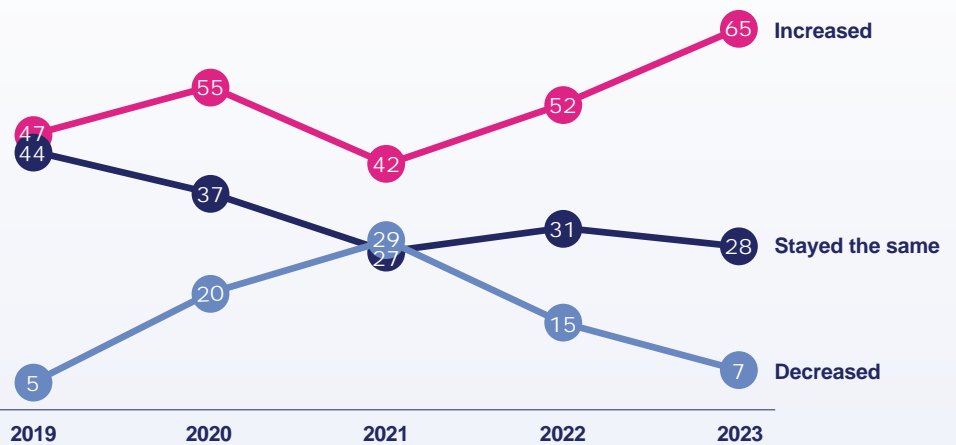


When the overlapping shocks of previous crises struck, employees rose to the occasion, particularly those involved in organisational emergency response, maintaining services and supporting each other, but now crisis fatigue has set in. Many people who survived on a combination of adrenaline

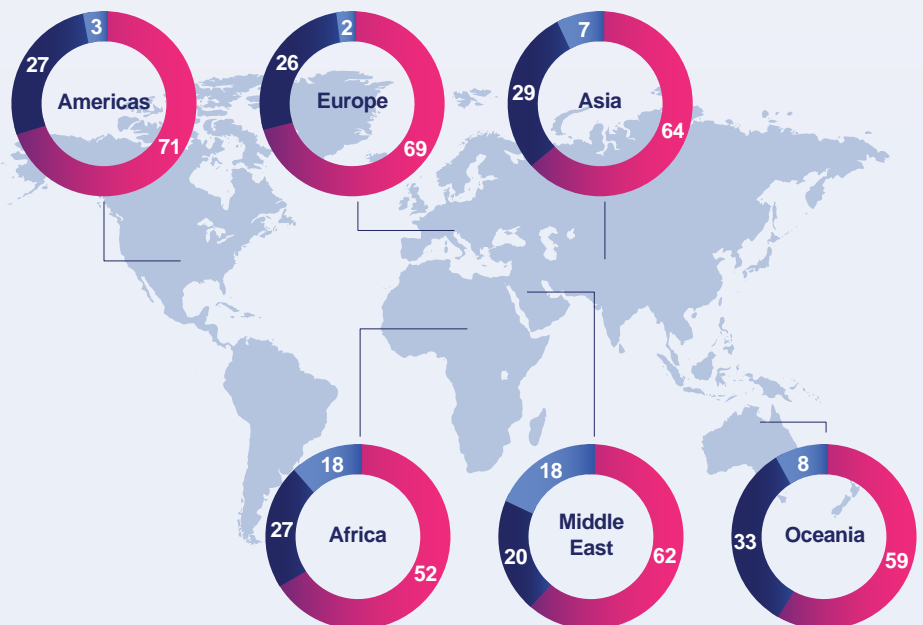
and loyalty to their colleagues and employers are now running on empty tanks. And there is limited prospect of a let-up in pressure; our survey respondents report a higher level of perceived risk in the coming 12 months than at any time in the past five years.

Past Year's Perceived Risk Level

Thinking about the health, wellbeing, and security risks that your people have faced in the last 12 months, would you say that overall, these risks have....?



Sample group has changed over time



Base (675) - (Africa 73, Americas 156, Asia 184, Europe 164, Middle East 45, Oceania 49)



Two or three years ago we used to see levels of burnout between 11% and 18%, now we are seeing levels between 20% and 30% and many reporting levels of burnout of 50%.

Dr Rachel Lewis,
Managing Partner,
Affinity Health at Work

On top of work demands, individuals are personally affected by the food and energy price inflation and may be distracted by longer-term worries about climate change and political polarisation (see pages 10 and 22).

As these stressors accumulate with no relief, there is a real risk of employee burnout. The effects are already apparent in the sharp rise in stress-related absence over pre-pandemic levels in some countries. Four out of five respondents to our survey believe their organisations will likely be impacted by employees burning out or suffering from stress in the coming 12 months. More than three-quarters also believe that the cost-of-living hikes will have a significant effect on their people in the period. Levels of concern are consistently high regardless of where in the world organisations are based.

Dr Rachel Lewis, Managing Partner at health and wellbeing researchers and consultants Affinity Health at Work says burnout is a three-stage a process in which individuals go from a state of emotional exhaustion where they feel tired of work and life, through a cynical stage of being critical of others, to a stage of perceived incompetence when they believe they are unlikely to accomplish anything. "If you go through those three stages the likelihood of your leaving the job is 5.3 times higher than if hadn't gone through them," she says. If they stay in the organisation they often go on long-term sick leave, she adds.



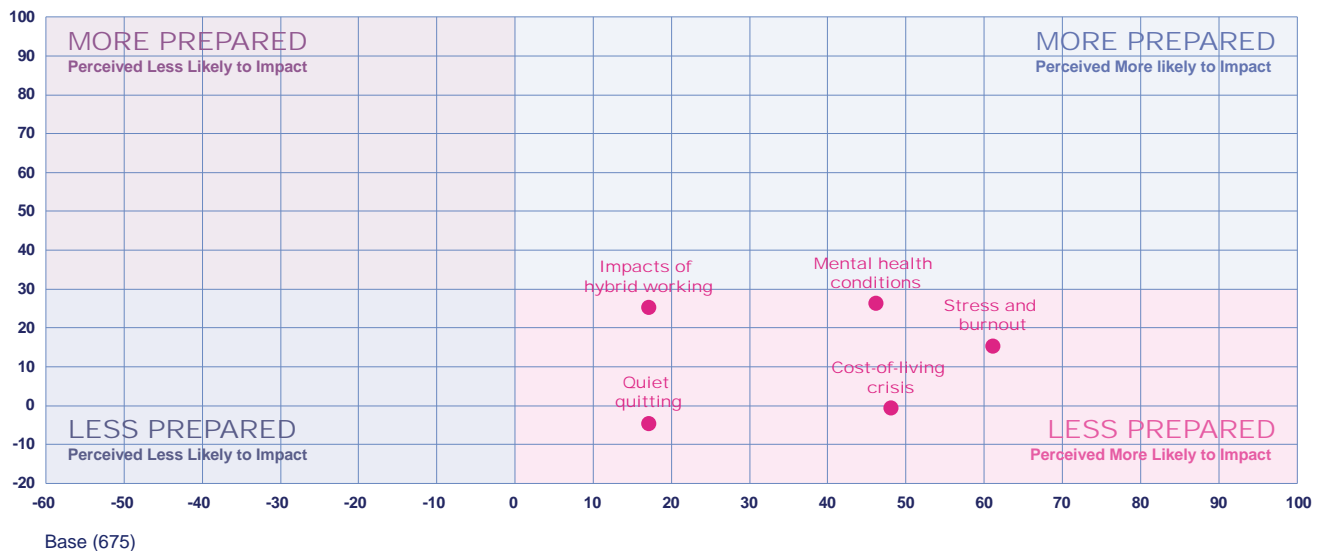
Organisations are doing more to specifically support their employee's mental, physical, or emotional health in recognition that their people are under stress and feeling like they are running out of gas. The underlying conditions are increasingly being moved into the foreground in organisations and leaders are being encouraged to talk about them openly. The best workplaces continue to ideate and implement flexible solutions that are still great for business and great for people.

Paul Wolcott, President, Great Place to Work

Percieved Risk: Impact Over Preparedness, Wellbeing



Here survey respondents answered the likelihood of risk, and the extent to which their people and business are prepared for those risks.



A near-exhausted workforce leaves organisations unprepared for the shocks still to come. Government scientists advise that pandemic planning is a priority as it is a matter of when, not if, another infectious disease spreads with global impact. But almost a third of respondents to our survey reported being unprepared for another pandemic.

Being resilient to crises is no longer about reacting and rapidly responding to “black swans”. The frequency of crises now demands leaders have access to robust predictive analysis and risk assessments to understand what, when and where organisations could be impacted. Crisis management teams need to be able to plan for and rapidly respond to shocks and disruptions. Again, too few have the bandwidth to shift from a reactive attitude to a predictive approach with thorough emergency scenario planning. And crisis managers themselves are equally at risk of burnout. One positive note is that if businesses can create the capacity to think ahead, the organisational learnings from managing the crises to date is fresh and can be channelled into intelligent forearming to deal with the next challenge. A positive finding from our survey is that though most organisations report being seriously concerned about the threat of cyber-attacks - another serious threat to business continuity – most feel their organisations are adequately guarded against such attacks.

The scope to hire extra resources to relieve the pressure is limited for many businesses; budgets are tight and costs are rising. Air fares were forecast to rise 8.5% by the end of 2023 and insurance premiums leaped up by almost 50% in 2022. Many employers are also carrying the ongoing burden of heavy sickness rates from employees with long-term conditions. Partnering with other organisations that have the expertise to support reduction of the costs associated with sickness can generate savings and bring more of the workforce back to fighting strength.

All the efforts to ride the multiple crises to date will have been in vain if organisations are unable to weather whatever succeeds them. Nobody can afford to be unprepared for the next wave.



If you rely all the time on response and emergency plans, the more exhausted the organisation becomes. If you can build a degree of resilience by design into the way you engineer and operate systems, when things get disrupted the resilience takes some of the load for you, reducing some of the response effort needed.

Rick Cudworth – Chair, Resilience First



80%

Proportion of respondents who say their organisation's employees or operations are likely to be impacted by stress and burnout in the next 12 months

41%

Proportion of respondents who say their organisation is unprepared to respond to or mitigate employee stress and burnout
n=675

73%



Proportion of respondents who say their organisation's employees or operations are likely to be significantly impacted by cost of living increases in the next 12 months

3

A DIFFERENT PLANET GLOBAL INSTABILITY DEEPENS

The world is a volatile and uncertain place to do business at present. In the latter months of 2023 media attention has been monopolised by the Israel-Hamas conflict and its broader impact in the Middle East and beyond. But the Russia-Ukraine conflict, which has caused supply chain interruptions and price inflation for food and other commodities in many countries, has not diminished in intensity. Ongoing tensions between China and the US and shifts in power dynamics in west and central Africa add another layer of uncertainty in global affairs.

Geopolitical tensions are rated the second highest security concern by respondents to this year’s survey; three out of four believe their organisations will be significantly impacted in the coming year. Civil and social unrest and political instability are the next largest worries. Organisations also reported higher levels of unpreparedness to respond to or mitigate risk in all three of these categories.

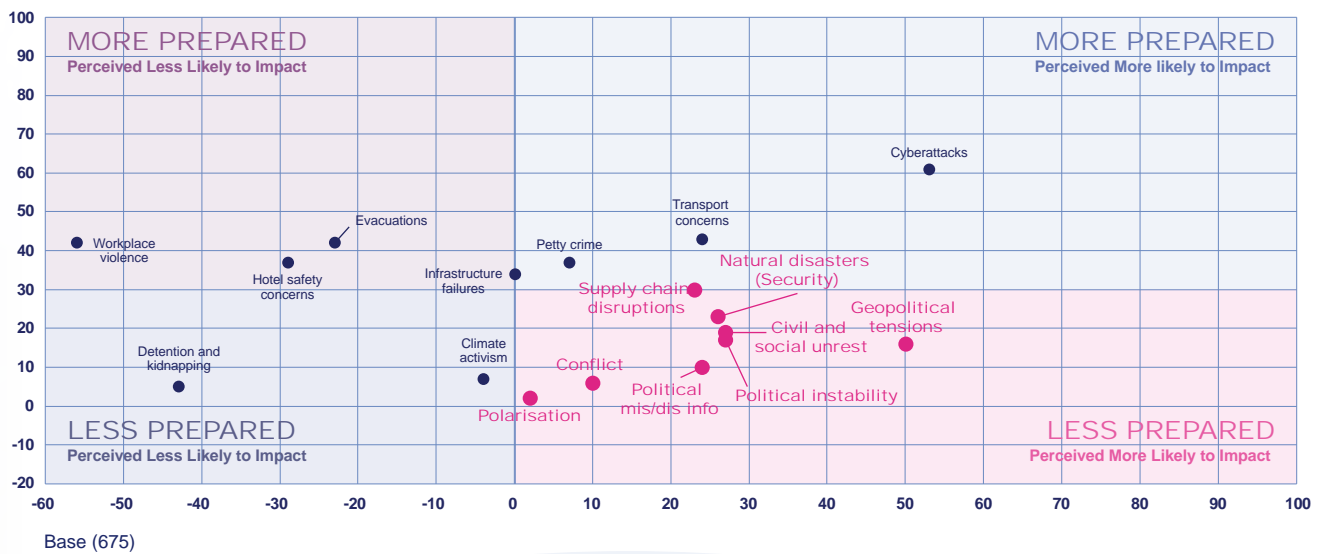
The senior decision makers in our poll are right to be concerned. The International Monetary Fund’s latest Reported Social Unrest Index report notes a rebound in unrest following the COVID-19 pandemic and spikes in late 2022 and early 2023 in countries including, Brazil, Iran and Peru. Since 2020 there have been coups or attempted coups in Burkina Faso, Myanmar, Gabon, Niger among other countries.

Perceived Risk: Impact Over Preparedness, Security



Here survey respondents answered the likelihood of risk, and the extent to which their people and business are prepared for those risks.

- How likely do you think it is that the following health/wellness/security issues will have a significant impact on your business and/or your people in the next 12 months?
- To what extent do you think your organisation is prepared to respond to or mitigate the following health, wellness, security issues?



People have connections around the globe so there isn’t a world event that doesn’t have an impact on the people in our businesses. Great leaders know that the work of the day doesn’t wall off everything that’s going on outside. These larger existential risks like instability, war, and climate risk, come in addition to the traditional stresses and strains we all feel worrying about housing and food costs rising, taking care of our families, ourselves and our communities.

Paul Wolcott, President, Great Place to Work

Security Escalations

2023



This global picture of instability in multiple states, whether internally or externally generated, is unlikely to change any time soon. It increases risk for organisations, especially when unrest occurs with little warning or time to prepare.

Rick Cudworth is Chair of business network Resilience First. He says that businesses will avoid being shocked by disruptive events only if they maintain a state of “heightened readiness”, so they can move into crisis mode quickly.

“If we are doing a threat assessment and we understand that a risk might be moving from sitting there on our risk register to becoming a critical risk, imminent and with a

significant impact, we are ready to act,” he says. “We don’t just wait until the crisis develops.”

Respondents to our survey did not rate detention and kidnapping of employees as a significant risk, but this means they may be less prepared for the eventuality than they should be.

Though it has been eclipsed by other risks in the recent past, the threat of terrorist attacks, such as those on European cities between 2015 and 2017 or smaller-scale lone wolf attacks inspired by global or local grievances has not gone away. Many extremist groups have long planning horizons and are willing to bide their time until heightened security levels triggered by one set of attacks abate.

Beyond the regional upheaval generated by military action there is a knock-on effect on people in other countries who are members of religious groups or nationalities involved in the conflicts who may be targeted for protest and personal attack.

International SOS ESG Director Gareth Lewis says that the potential for local and international tensions multiply as climate change impacts increase. "It is a real and looming threat that as resources become increasingly scarce, we will see a higher potential for both interstate conflict and civil unrest," he says, citing shortages of water and food staples such as grain as potential triggers.

Polarisation of political views and hardline positioning by politicians is creating a more febrile atmosphere in countries which were once seen as dependably calm. The effects of this polarisation adds another dimension to the duty to protect workers posted or travelling. Where once security issues for LGBTQI+ employees were limited to countries with strict religious-derived laws governing sexual behaviour, intolerance has spread. In August 2023, the Canadian consular affairs agency Global Affairs Canada issued a warning to LGBTQI+ citizens travelling in parts of the US that they may be adversely affected by state laws. A third of our poll respondents say they find it increasingly difficult to ensure the safety of LGBTQI+ employees travelling for business.

Giles Hill, Chair of International SOS's Security Advisory Board says businesses need to gain intelligence on changing risk levels anywhere they are vulnerable, partnering with experts with local competence where necessary, then zoom out to get an overview of global threats, to prepare strategies for mitigation. He says it is also useful to collaborate to gain the benefit of an outside eye to help identify any flaws or gaps in the organisation's contingency planning.

In a time of such geopolitical mutability and fast-developing local risk, organisations need up-to-the-minute intelligence at country, region and city level that they can rely on to protect workers and safeguard business continuity.



74%

Proportion of respondents that believe geopolitical tensions will seriously impact their people or operations in the next 12 months

n=675



38%

Proportion of respondents who believe their organisation is not equipped to respond to or mitigate effects of social or civil unrest

n=675



In an increasingly unstable world situation, terrorism and riots may occur even in countries that are considered stable.

Survey respondent, Operations executive, Philippines

4

ALL GROWN UP AI BRINGS NEW RISKS AND OPPORTUNITIES

The increased accessibility, utility and accuracy of the new generation of generative chatbots has propelled artificial intelligence (AI) from the stuff of science fiction straight into our web browsers. AI has awe-inspiring potential to create a new industrial revolution, but it comes with risks, potentially catastrophic.



The task of filtering reliable information from misinformation and disinformation has been increasingly difficult with the growth of social media, adding millions of new information sources and billions of data points, but mostly unverified and often seeded by unreliable witnesses or vested interests. Dependable information sources such as the news-gathering networks built and nurtured by traditional media are shrinking in the face of budget cuts forced by falling revenues.

AI offers significant advantages in intelligence and information gathering as it can deal with vast amounts of data. Similarly, AI is revolutionising knowledge management, improving “time to knowledge”. However, the output is highly dependent on the quality of the data it is trained on. With the right training, it can solve some of the problems it helps create, sorting the signal from the noise in the information miasma. Automatic notification of significant events, based on pre-defined criteria, allows timely responses to relevant information. AI is capable of analysing the sentiment of social media posts, providing insight into public opinion and attitudes. Review of historical data and

identifying patterns allows prediction of future trends. On the other hand, suboptimal training may return inaccurate results and exacerbate biases.

But AI adds a new set of topographical features to the disinformation landscape. Its sophistication and learning abilities allow the generation of deep fake images and sound recordings that are hard to distinguish from reality. “Synthetic video” may be used positively for training and education, rapidly creating realistic simulations at a fraction of the cost of traditional production. On the other hand, they can add to the information overload that makes it hard to distinguish data critical to business continuity, and at worst they can be used by bad actors for harm.

It is increasingly hard to sift the information from the misinformation and deliberate disinformation. Only just over one in five of our survey respondents disagrees with the statement “Nowadays, it is getting harder to find verified, trusted risk intelligence” and around half say they have been exposed to disinformation about health and security issues in their work.



1 in 5

Just over one in five respondents disagrees with the statement “Nowadays, it is getting harder to find verified, trusted risk intelligence”



Around half

say they have been exposed to disinformation about health and security issues in their work

Governments are moving relatively slowly to regulate AI to try to contain this risk of unintended consequences as well as its potential use for bad ends. The OECD AI Incidents Monitor shows a dramatic increase in “AI incidents” in 2023, from an average of about 32 per month in December 2022, to approximately 511 per month in October 2023. The harms monitored include physical or psychological harm to a person, financial harm, harm to the environment, and harm to human rights. The global AI Safety Summit in the UK in November 2023 brought together world leaders and experts, where the “the potential for unforeseen risks stemming from the capability to manipulate content or generate deceptive content” was noted. Twenty-eight participating countries and the European Union signed the Bletchley Declaration, which sets the agenda for addressing risks posed by frontier AI.

Thorough global information monitoring is not possible without AI tools. Implementing and maintaining AI systems for intelligence gathering can be costly, and still requires human analysis of the last mile. “Human-in-the-loop AI”, where there is ongoing interaction between machine and people, for now, is the strongest model to advance capability and accuracy. Nevertheless, it is increasingly difficult and resource-intensive to ensure access to timely reliable information.

Rick Cudworth, Chair of Resilience First, says that for most organisations AI currently falls into the category of “known unknowns”, issues they have on their radar but are not yet clear about the impacts. “What we shouldn’t do is ignore it,” he says, “but we need to flesh out the unknown part.”



2 in 5
of our survey sample say they have considered the potential impact of AI developments on their workforce’s health, wellbeing and security.



More than 2 out of 5
respondents to our survey say they are worried about the effect of medical misinformation and disinformation on their workforces, rising to three in five when asked about inaccurate political information.



More than half
say they are personally involved in countering disinformation about health and security issues among their people.



For most organisations AI currently falls into the category of known unknowns, what we shouldn’t do is ignore it, but we need to flesh out the unknown part.

Rick Cudworth, Chair of Resilience First

While we are waiting for the development and mainstreaming of these technologies, with appropriate safety controls, organisations still need to seek out trusted sources of up-to-the minute information on risks to their operations and people from all of the forces detailed in this report.



48%

Proportion of respondents who report they have been exposed to misinformation / disinformation regarding to health and security issues in their own work

n=675



60%

Proportion of respondents that believe political misinformation / disinformation could seriously affect operations or employees in the next 12 months

n=675



5

CONTRACT CHANGES NAVIGATING THE NEW EMPLOYMENT RELATIONSHIP

The employment relationship is in flux. A combination of demographic and experiential shifts has changed what employees expect of the organisations they work for and only those employers who recognise the importance of the change are likely to retain the talent they need to weather uncertain times.



The enforced hiatus in many people's lives caused by the COVID-19-induced movement restrictions created a pause for reflection. The "great resignation" which followed and saw labour turnover rates hit rates unseen for decades, has been followed by increased levels of "quiet quitting" among those who stayed in post, contributing the bare minimum to satisfy their job descriptions. Around three in five of the organisations we surveyed are concerned that the phenomenon will affect their businesses in the next 12 months.

High demand for the right to work remotely part of the time - continuing the hybrid patterns established immediately after pandemic lockdowns - is now butting up against managerial desires to have employees back in centralised locations for simplicity of supervision and communication. Along with quiet quitting, the impacts of hybrid working were identified by our survey respondents as one of the issues they were least equipped to deal with but that they feared might have significant impact on their businesses.



All employers need to treat employees as capital and not a resource to be used up and discarded.

Survey respondent, C-suite member, Canada

Dr Rachel Lewis at Affinity Health at Work says that many people describe hybrid working as a life-changing chance to co-create their jobs with employers on flexible terms. When are made to give it up for often poorly set-out reasons, they are

resentful. "It represents to many employees that they are not valued and it's removing control and autonomy from them as well," says Dr Lewis. "So I think there's a huge issue with some organisations wanting to go back to normal."

Another factor is that by some estimates the pandemic coincided with the point when the millennial generations, those born in the 1980s and after, formed a majority of the global workforce for the first time. Many of these workers have different expectations and tolerances in the employment relationship than the generations that came before them.

Three-quarters of the organisations surveyed said their employees have higher expectations of their Duty of Care than ever before. Almost as many agreed they were now expected to shoulder duties towards employees that were previously seen as the responsibility of governments. This matches other survey data showing employees now trust their employers as information providers more than they do public services. The duty now extends even beyond the employee – around two-thirds of organisations we polled agreed they were expected to look after workers' families and dependents in time of need.

As well as external stressors such as political polarisation (see page 22), the rising cost of living and family members caught in conflict zones, employees in some areas may be facing increased risk within their organisations; a rise in levels of workplace violence has been recorded in some countries. Though our respondents perceived violence against employees as less likely to impact their businesses, it is an area worth paying close attention to as it falls right in the core of the duty of care to protect workers.

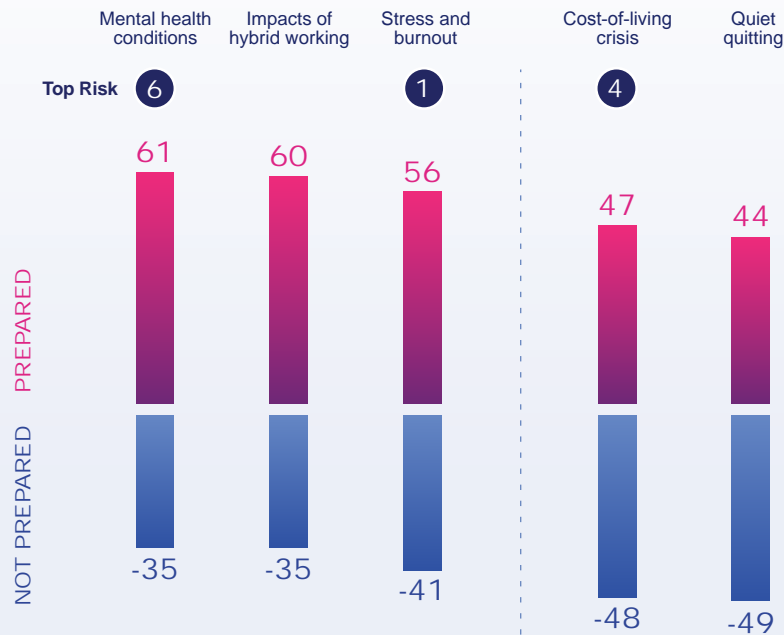
Expectations of better mental health and wellbeing support from employers had been building before the recent succession of crises. Now when employees are over-stretched, those expectations have taken on a new urgency.

Perceived Preparedness: Wellness Risks

WELLBEING



To what extent, do you think your organisation is prepared to respond to or mitigate the following issues?



Base (675)

A question on whether health and wellbeing are important to talent recruitment and retention generated one of the highest levels of agreement in our survey – 82% say it is. Almost three-quarters of our respondents expect employee mental health to have a significant impact on their organisations in the coming 12 months.



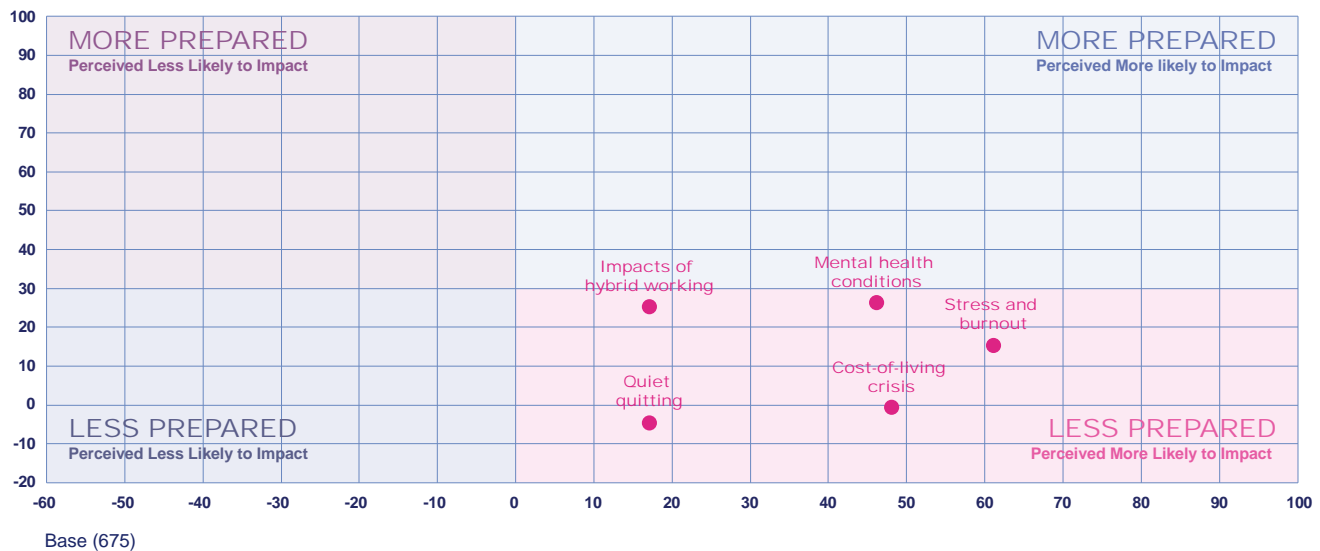
Perceived Risk: Impact Over Preparedness, Wellbeing

WELLBEING



Here survey respondents answered the likelihood of risk, and the extent to which their people and business are prepared for those risks.

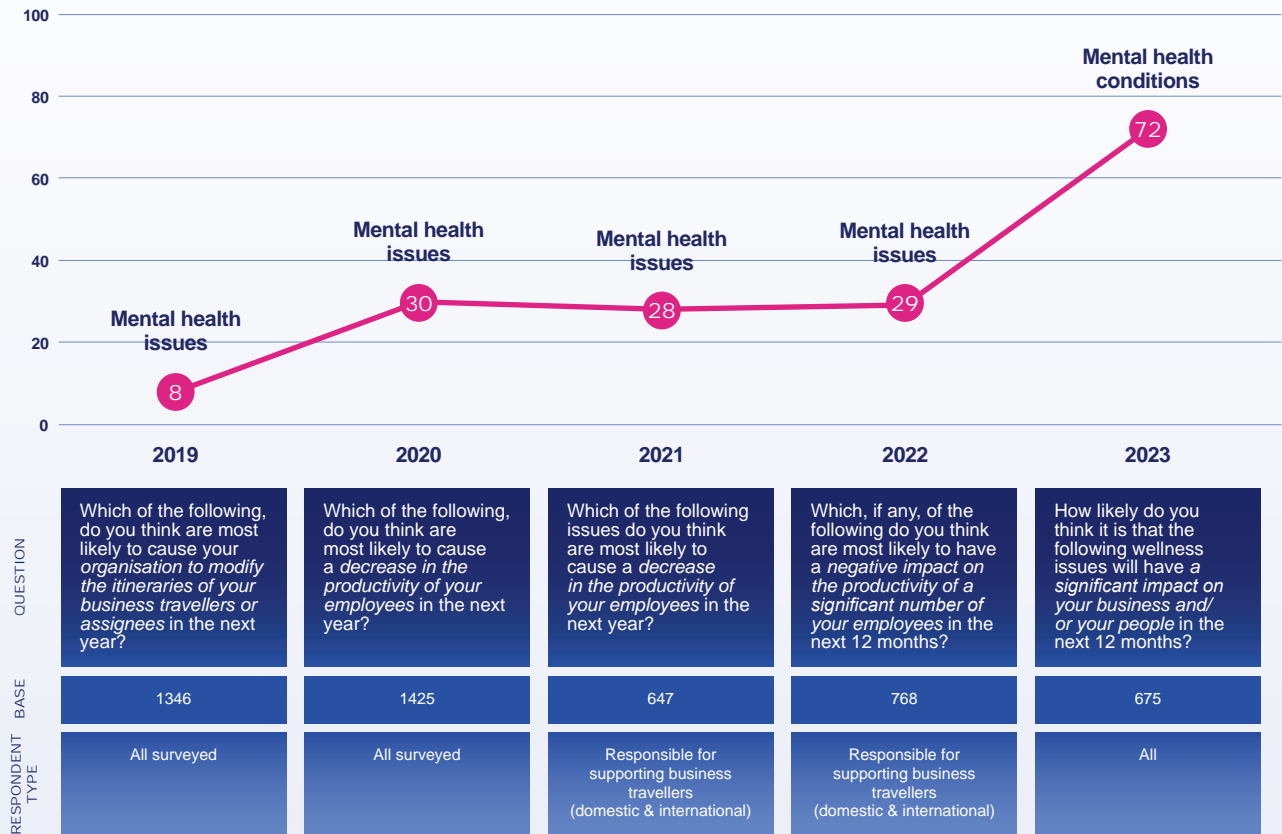
- How likely do you think it is that the following health/wellness/security issues will have a significant impact on your business and/or your people in the next 12 months?
- To what extent do you think your organisation is prepared to respond to or mitigate the following health, wellness, security issues?



Base (675)

Perceived Mental Health Risk Over Time

As questions have changed over time, these results are illustrative



The message is clear: the extended Duty of Care is an implicit part of the new employment contract. The days when offering merely adequate occupational health services focused on work-related conditions are over. That occupational health provision is still necessary but it must be bolstered with a range of support and interventions to protect and nurture employees wherever they are working in the world.

Otherwise, the most creative, loyal and productive individuals, businesses need to thrive will vote with their feet and go to work for someone who treats them better. Only organisations that recognise the extension of their responsibilities to employees and take a “whole person” approach to safeguarding and caring for their people will win the talent war.

Paul Wolcott, President of the global workplace culture consultancy Great Place To Work says that employers who prioritise and treat their employees as people rather than just productive entities and who care for their emotional, physical, and even financial wellbeing, stand to profit most.

“Opportunity abounds,” he says. “We have proven as people we have unending creativity. There are great opportunities for organisations to continue leading the way. Great workplaces will innovate and continue to win in both how they care for and grow their business and their people and employee resource groups will be an underleveraged key to both.”



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