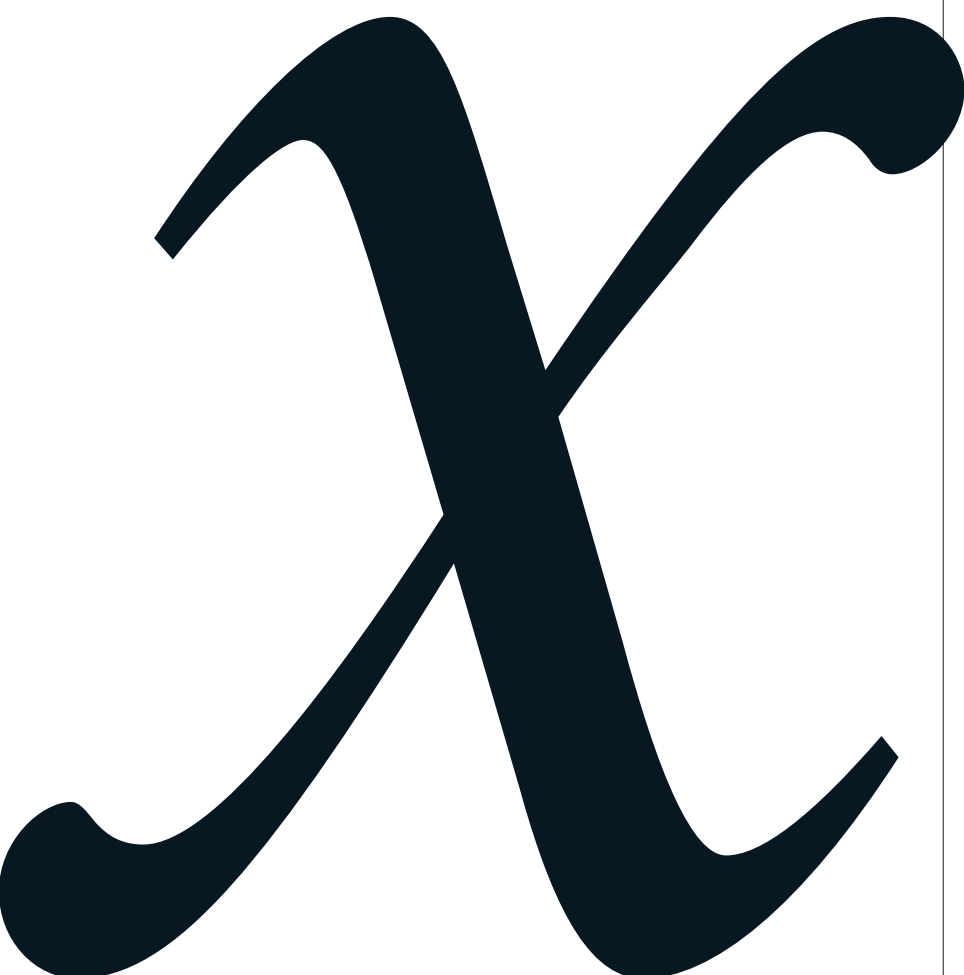


BUSINESS + AI +



HOW MIGHT AI UNLOCK SOLUTIONS TO GLOBAL CHALLENGES?

The public debate is full of coverage around the potential harms that may be caused by AI—both intended and unintended—and rightly so. But how might AI unlock progress on the big intractable problems the world faces? From climate change to health to cybersecurity, from waste to biodiversity to education, businesses are deploying AI solutions that promise to redefine what's possible. We've compiled a snapshot of just some of the implications of AI for business leaders to consider.



AI will have—and is already having—a major impact on global challenges. Here's our perspective on the implications for business across **9 KEY SOCIETAL ISSUES.**

By **JON MILLER.**



X = Climate Change

AI IS NOTORIOUSLY ENERGY HUNGRY. Data centers are set to drive a 160% increase in power demand, according to Goldman Sachs, and national energy grids are already creaking under the strain. For both companies and nations, AI threatens to derail transition plans.

However, AI is also a potent tool in the fight against climate change and its effects. Amid the recent outbreak of wildfires around Los Angeles for

example, a new system was being tested that uses AI analysis of remote camera feeds to identify early warning signs of fires.

AI is also being used to create significant energy efficiency gains in buildings and industrial processes, and to optimize supply chain logistics to reduce emissions. For businesses getting to grips with their own net zero journeys, AI tools can help analyze emissions data.

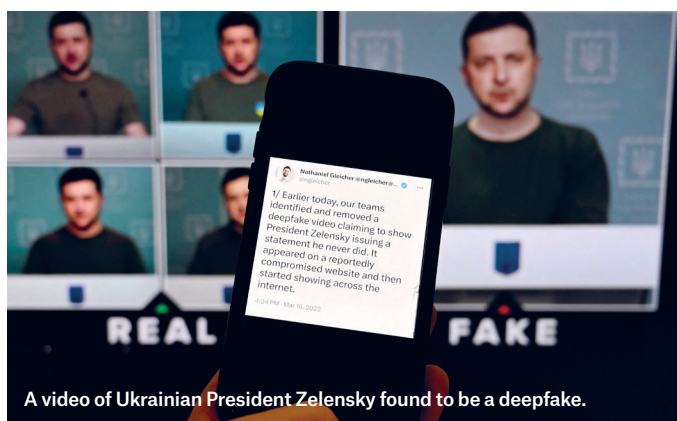
AI tools offer LA fire-fighters earlier warnings. While wildfires occur every year, the number and ferocity of the recent LA infernos are unprecedented, caused by conditions tied to climate change.



Tsushima Island, Japan awash with drifted garbage.

WASTE

The world has a waste problem. Plastic waste, food waste, e-waste, textile waste, construction waste, as well as hazardous and toxic waste—all taking a terrible toll on the environment, on biodiversity and human health. Several applications of AI can help tackle this. For example, **businesses can use AI to analyze production processes, identify inefficiencies and reduce resource usage.** AI can forecast demand more accurately, meaning less overproduction and fewer wasted goods. Logistics can also be optimized by AI, reducing fuel consumption and packaging waste.



A video of Ukrainian President Zelensky found to be a deepfake.

THREATS to DEMOCRACY

Democracy is in crisis. Many countries are swerving toward autocracy and confidence in democratic institutions is in decline. **AI has the potential to reinvigorate democracy, according to Chatham House,** by delivering agile and responsive public services and boosting democratic participation. However, rather than alleviating the challenges for democracy, so far AI seems to be exacerbating them—for example, through deepfakes and disinformation campaigns, or through sophisticated AI surveillance tools. In addition, regulators around the world are increasingly concerned about unaccountable corporate control of AI.



The Amazon rainforest in Leticia, Colombia.

BIODIVERSITY

A fifth of countries are at risk from ecosystem collapse as biodiversity declines, according to Swiss Re, a threat that has significant implications for business. The Taskforce on Nature-related Financial Disclosures describes the risks as: supply chain disruption, loss of operational license, increasing litigation and increasing input costs, resulting in declining credit ratings and market valuations. Already, **businesses are using AI tools to enhance environmental impact assessment, biodiversity monitoring and supply chain transparency;** and a number of conservation organizations are using AI to analyze ecological data and track habitat changes.



AI robots in Jiangsu, China.

SKILLS & EDUCATION

Seventy-four percent of employers report a skills gap, according to a global survey by ManpowerGroup. The rise of AI is a driver of demand for new skills, and AI can also help to close this gap. **Businesses can use AI to analyze workforce data to predict skills gaps within the organization,** allowing employees to target skill-development areas; AI can also create personalized learning tools and facilitate lifelong learning. It remains to be seen if AI will contribute to broader global education challenges; according to UNICEF, more children were affected by severe crises, and as a result were out of school, in 2024 than ever before.



Drones over Kharkiv Oblast, Ukraine.

GEOPOLITICS

We are entering a new era of geopolitical business risk, according to BlackRock's Geopolitical Risk Dashboard. AI is a part of this, with the potential to reshape global power dynamics. Access to AI capability will become fundamental to economic competitiveness and self-reliance, and this will shape national and transnational regulation. The US and China are both pursuing targeted decoupling along the technology value chain, with new controls and tariffs on chips and other AI-enabling tech. Already, **AI is transforming surveillance, cybersecurity and military capability.**



A homeless person's tent at Piccadilly Circus, London.

ECONOMIC INEQUALITY

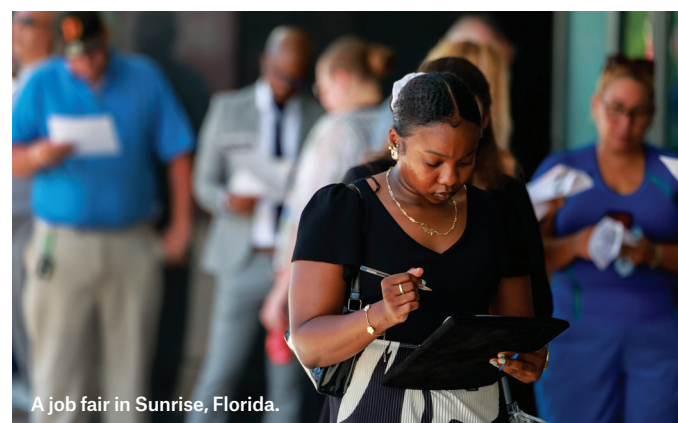
Income and wealth inequalities have risen significantly over the past four decades, according to the Brookings Institute—stoking social discontent and political polarization. Many fear that AI may make this worse, upending the workforce and making obsolete many low-wage and high-income jobs. However, there are initiatives exploring how **AI can advance inclusive economic growth, such as facilitating access to financial services, microcredit and insurance for underserved communities.** In addition, small businesses and entrepreneurs may leverage AI tools to grow their businesses.



Elderly residents in Strasbourg, France.

HEALTHCARE

Around the world, health systems are under pressure. Primarily driven by aging populations, the increased demand for healthcare is outstripping resources. Inefficient care is responsible for 15% of deaths in low- and middle-income countries, according to Harvard analysts. **AI-driven innovation could improve health systems by accelerating drug discovery and development, predicting patient outcomes and targeting interventions,** even creating personalized medicines at the molecular level. AI-powered monitoring and wearable tech can help keep us healthy, while process optimization and patient flow management can lower costs.



A job fair in Sunrise, Florida.

EQUITY & INCLUSION

A concern about the use of AI is algorithmic bias, where AI decision-making systematically disadvantages certain groups. This has resulted in hiring discriminations, facial recognition errors and inaccurate credit scores. However, some companies are exploring how to use AI to increase equity and inclusion, such as reducing unconscious human bias in the hiring process and ensuring inclusive product design. **AI also has a significant role to play in accessibility:** Applications such as speech recognition, language processing and computer vision can mean more people with disabilities can access the workplace.