

# Middle Market Leaders Navigate an Evolving Risk Landscape

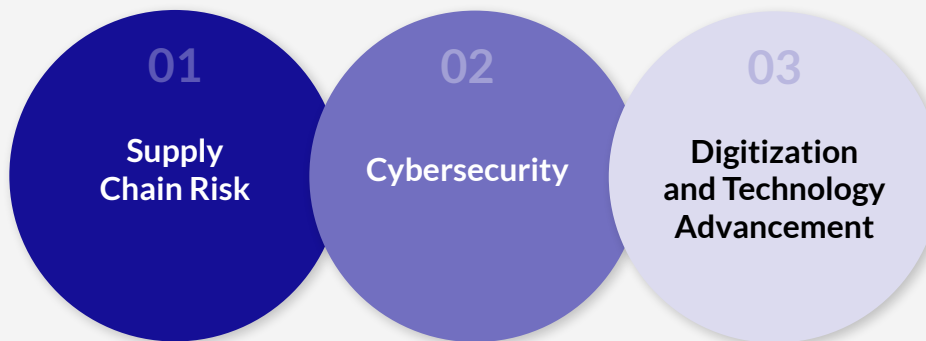
## Middle Market Indicator: 2025 Mid-Year Update

Midway through 2025, supply chain disruptions and other emerging risks are foremost on the minds of Middle Market leaders – and there is more to be done to prepare.

### Top Risks Facing Companies

The top risks reflect the uncertainty shaping leaders' near-term outlook and the ongoing digitization of business.

#### Total Middle Market



Leaders of Lower Middle Market companies shared similar concerns, along with worries about geopolitical issues and access to capital.

#### Lower Middle Market



Partnering with their broker and insurer, Middle Market leaders can make a significant difference in minimizing adverse impacts of disruptions to their operations, brand reputation and finances.

### Methodology

Chubb partners with the National Center for the Middle Market (NCMM) to support the Middle Market Indicator (MMI), a semi-annual research survey launched in 2012.

The insights gained through this partnership plant the seeds of new ways Chubb can support and protect middle market businesses in a rapidly changing world.

The MMI polls 1000 executives (CEOs, CFOs, and other financial decision makers) from middle market companies with \$10 million to \$1 billion in annual revenue.

This mid-year update, fielded in June 2025, explores leaders' views on risk exposures and readiness.



NATIONAL CENTER FOR  
THE MIDDLE MARKET

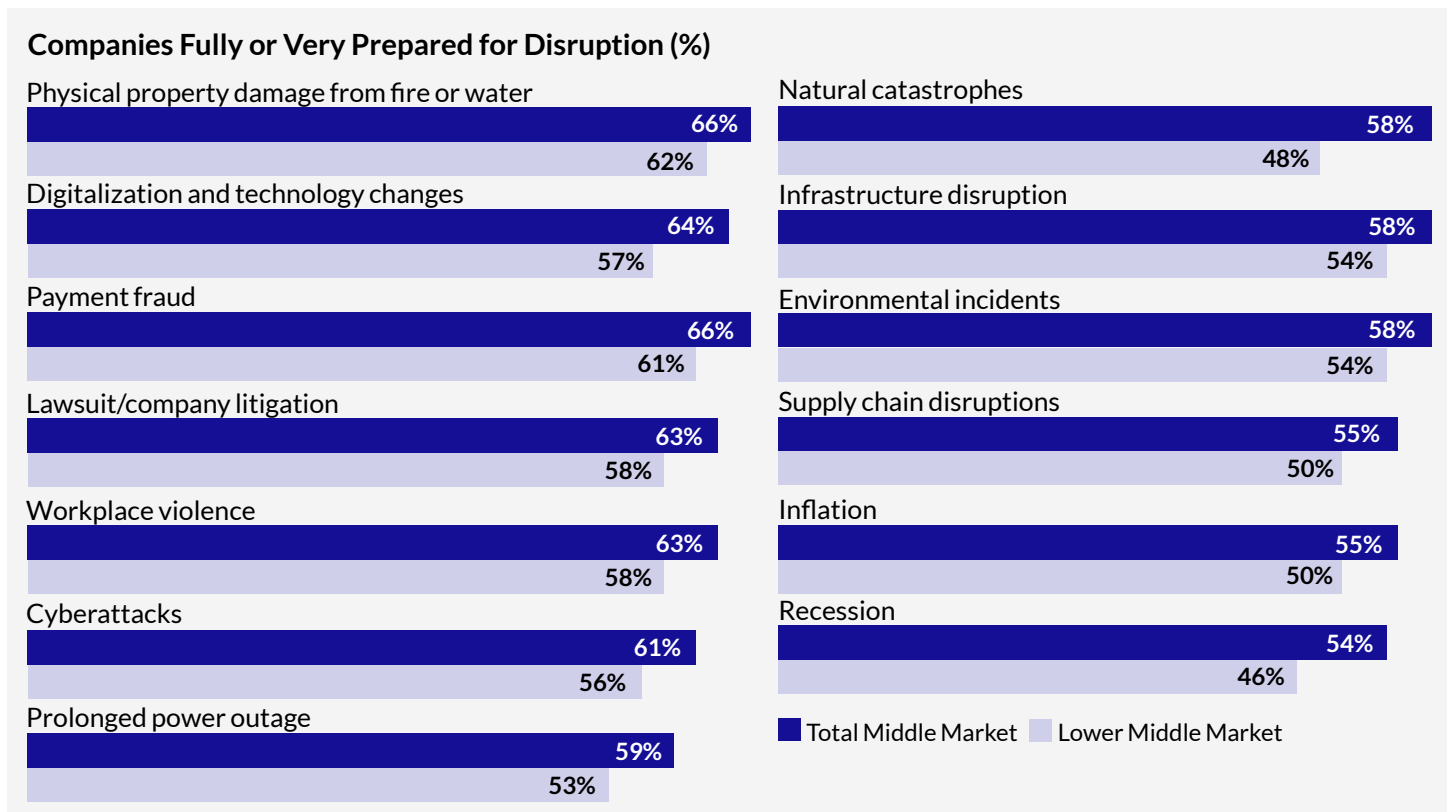
# Middle Market Companies – Ready or Not?

Middle Market companies have more resources than ever to navigate major business disruptions. There remains ample room to improve preparedness as only:



## Taking Stock

Compared to the total Middle Market, fewer Lower Middle Market companies are well prepared for a broad array of disruptions.



There is a lot weighing on the minds of middle market leaders, but insurers and broker partners can help break through the noise, providing clarity and tailored solutions to address their unique challenges. Together, they can work to increase readiness against the full spectrum of risks.

# Natural Catastrophes & Climate Risk

The first half of 2025 saw numerous natural disaster losses, including wildfires and severe convective storms. One quarter of companies reported climate risks affect where they manufacture, distribute and/or market products in North America.

## Company-Wide Consequences

Those that experienced a natural disaster reported moderate or significant impacts across the business...

Operations

**59%**

Brand

**55%**

Finances

**51%**

...underscoring the need to combine prevention and financial protection for these events.

## Top Concerns Around Climate Risk

Leaders' top concerns remained consistent with year-end 2024.

**1**

Extreme  
weather  
disruptions



**2**

Supply chain  
interruptions



**3**

Infrastructure/  
business  
disruption



**4**

Pollution/  
emissions



**5**

Adverse  
working  
conditions



Nearly 40% of companies report using renewable and solar energy as technology to mitigate risk. Electric and hybrid vehicle fleets (34%) and renewable natural gas (28%) also ranked on the higher end.



**43%**

of respondents meet with their brokers and/or insurer quarterly to adjust or assess coverage for climate risk.

# Technology, AI and Litigation

## The Rise of Technology and Artificial Intelligence

Sixty-one percent of survey respondents indicated very high or high focus or investments into cybersecurity as they chase the benefits of technology and Artificial Intelligence (AI).



With increased reliance on technology and AI comes heightened exposures – from the threat of data breaches to potential errors and omissions claims.

## Artificial Intelligence

Most Anticipated Benefits		Greatest Concerns	
1. Improved operational efficiency		1. Data quality, security and privacy	
2. Reduced operational costs		2. Implementation costs	
3. Improved customer experience/satisfaction		3. Accuracy and reliability	

## Middle Market Litigation

According to the survey, more than half (56%) of Middle Market companies have experienced litigation, with general liability/excess, employment, and auto liability lawsuits most common.



## Looking Ahead

At mid-year 2025, Middle Market companies face a complex risk landscape and a need to level up gaps in readiness. Chubb continues to track these developments and will share a comprehensive update in our year-end 2025 Middle Market Outlook Report.

To learn more about middle markets trends and sign up to receive future reports, click [here](#).