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**Press
Release**

FOR IMMEDIATE RELEASE

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**ACE SPONSORED SURVEY REVEALS -
REGULATORY RISK MANAGEMENT CHALLENGING IN ASIA PACIFIC**

SINGAPORE, 12 January 2009 – In a September 2008 survey conducted by the Economist Intelligence Unit and sponsored by [the ACE Group of Companies®](#), the financial markets turbulence had a direct effect on the perception of risks in global businesses. The report, [From Burden to Benefit: Making the Most of Regulatory Risk Management](#), examines the thinking around regulatory risk management and explores the approaches that companies are taking to identify, assess and manage the risks they face.

The survey polled 320 executives from around the world from a range of industries including financial services, manufacturing, information technology and professional services. Forty four per cent of the 105 Asia Pacific respondents perceived market risk (e.g. the risk that the market value of assets will fall) as a high risk while 23% regarded financing risks i.e. raising finances as a very high risk for their global business operation. Thus, it was unsurprising that two thirds of the respondents envisaged new liquidity standards as a future regulatory intervention in the wake of the credit crisis.

With regards to the perception of regulatory risks in particular, respondents cited concerns about the quality and quantity of regulation being instituted and the sheer volume of regulations faced by businesses operating internationally. Juggling multiple compliance priorities and areas of overlap or conflict between different regulations, made managing regulatory risks difficult and time-consuming. More than three quarters of the respondents for



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example, selected auditing and reporting regulations as consuming the greatest time and resources. Over the next three years, 51% of Asia Pacific respondents, in contrast to 39% of the total respondents surveyed, expect to significantly increase the amount of time and resources allocated to regulatory risk.

As to which aspect of regulatory risk Asia Pacific executives thought they managed very successfully, 59% of the respondents cited 'ensuring effective compliance with regulations' - an answer which was in line with other global survey respondents. Forty six percent of Asia Pacific respondents also shared the same reactive approach to new legislation as with other survey participants. All the executives surveyed unanimously cited one key factor which hindered their organization's ability to manage regulatory risk: the complexity of the regulatory environment.

"The fact that 56% of Asia Pacific respondents perceive damage to reputation as the main risk to poor compliance lends weight to the fact that although a bane, effective management of regulatory risk is a boon to corporate reputation" said John Bassetto, President & CEO ACE Asia Pacific. "Dealing with multiple regulatory environments and balancing diverse compliance projects are on-going challenges for ACE but integral as the franchise continues to grow and expand regionally", Mr. Bassetto added.

ABOUT ACE

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ACE Asia Pacific has a diversified product suite which has at its core an established Property & Casualty business which is increasingly balanced by Accident & Health offerings.



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