Executive Summary

From burden to benefit: making the most of regulatory risk management

Introduction

It is an irony of modern business that regulation, a concept designed to reduce risk by protecting the interests of corporates, customers and society at large, has itself become one of the most serious risks that companies face. From dealing with unfamiliar regulatory frameworks in overseas markets to scanning the environment for new threats, regulatory risk management has become a time-consuming and costly activity that demands board-level engagement and a rigorous approach.

Executives have long complained of a growing compliance burden but, in recent years, their protests have become increasingly vocal. Both companies and industry groups have pointed out that regulation can sometimes be disproportionate, inconsistent or lead to unintended consequences. In some cases, they may feel that regulators can lack accountability and transparency, or that insufficient consultation takes place before new rules come into force.

There is also the issue of complexity. As businesses around the world deepen their international reach, they fall under the influence of new regulatory environments, which can lead to a proliferation of overlapping, possibly conflicting compliance obligations. Extended business networks and supply chains add an additional layer of risk. If a partner fails to comply with some aspect of regulation, it is not just the company at fault that can suffer reputational damage, but the organisations that contract with it as well. Increasingly, therefore, companies must take heed not just of their own compliance, but that of the key companies with which they deal.

For companies in the financial services industry, the problem of regulatory complexity is of particular salience. As regulators prepare their response to the worst financial crisis in a generation, it is highly likely that the sector will face a new set of constraints, possibly involving measures such as tighter liquidity requirements or higher capital ratios to take into account off-balance sheet vehicles. Other

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heavily regulated industries, such as pharmaceuticals and utilities, have also traditionally borne a heavier burden than most, as have small businesses, which may lack the resources to deal with time-consuming and costly form-filling and inspections.

Ultimately, however, no company is immune from the impact of regulation. At one level, it is clear that business bears a significant cost in its efforts to comply with rules promulgated by governments and regulatory bodies. For example, according to the British Chambers of Commerce, the cumulative cost to business of new regulation in the UK since 1998 is £65.99bn. The scale of the regulatory sector was indicated by the Hampton Review, published in 2005 to consider the scope for promoting more efficient regulatory approaches. It found that, in the UK alone, there are 674 national and local regulatory bodies, which together employ 61,000 people.

Whatever the direct costs of dealing with regulations, the extent of the burden can vary considerably depending on a firm's specific approach to addressing its obligations. Some companies will have a streamlined, highly efficient system for managing their international compliance requirements. By adopting a unified approach to regulatory risk management, companies can minimise costs, maximise efficiency and reduce their risk exposure. Such firms, though, are in the minority. More often, there is considerable duplication of cost and effort as organisations attempt to deal with the requirements of multiple regulatory bodies across their operations.

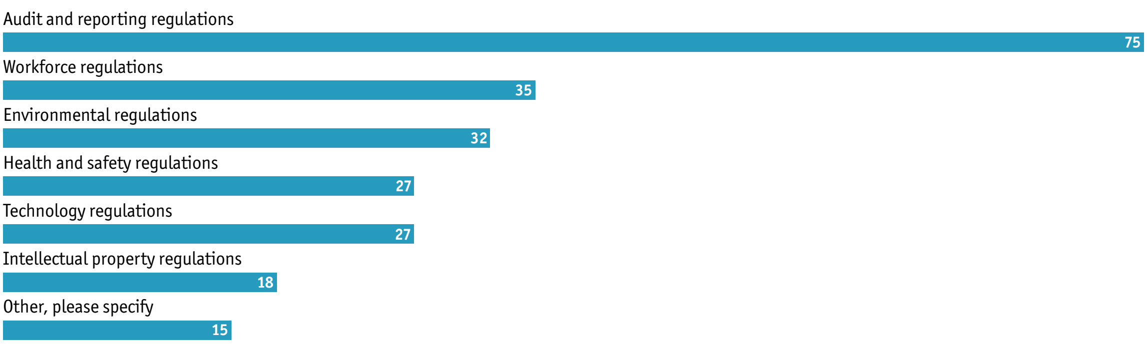
In order to assess current concerns and approaches to regulatory risk management, the Economist Intelligence Unit conducted a survey of senior professionals with responsibility for risk on behalf of Ace, KPMG, SAP and Towers Perrin, and held an advisory board meeting of senior risk executives to discuss the survey results and provide further input. From this process, a number of key findings emerge:

Companies support the concept of regulation but, as a category of risk management, it causes grave concern.

Despite all too common protests from corporates and industry groups about regulatory creep and compliance costs, the overall sentiment among respondents to our survey is that regulation has a positive impact on business. Just one-quarter agree that regulation does more harm than good, reflecting a strong consensus that an effective regulatory regime is a necessary feature of the economic landscape.

Nevertheless, it is clear that the risks associated with regulation are severe. The Economist Intelligence Unit's Risk Barometer, (an index that tracks major business threats on a quarterly basis) shows that regulatory risk is seen by executives as the most significant threat to their business, ahead of country risk, market and credit risk, IT and people risks, or terrorism and natural disasters.

Which of the following categories of regulations consume the greatest time and resources at your organisation?
Select up to three.
(% respondents)



How did a concept that has broad support from industry, and which is designed to protect them against unfair competition and nefarious business practice, end up topping the list of risks that companies face? Part of the answer must lie in the quality and quantity of regulation being promulgated around the world. For example, many businesses in the US are still reeling from the impact of the Sarbanes-Oxley Act of 2002, a hastily devised set of rules enacted in the wake of the Enron scandal that compels company directors to provide evidence of probity on a range of issues. Today, even one of the architects of the Act, Michael Oxley, admits that the legislation that bears his name may have been flawed.

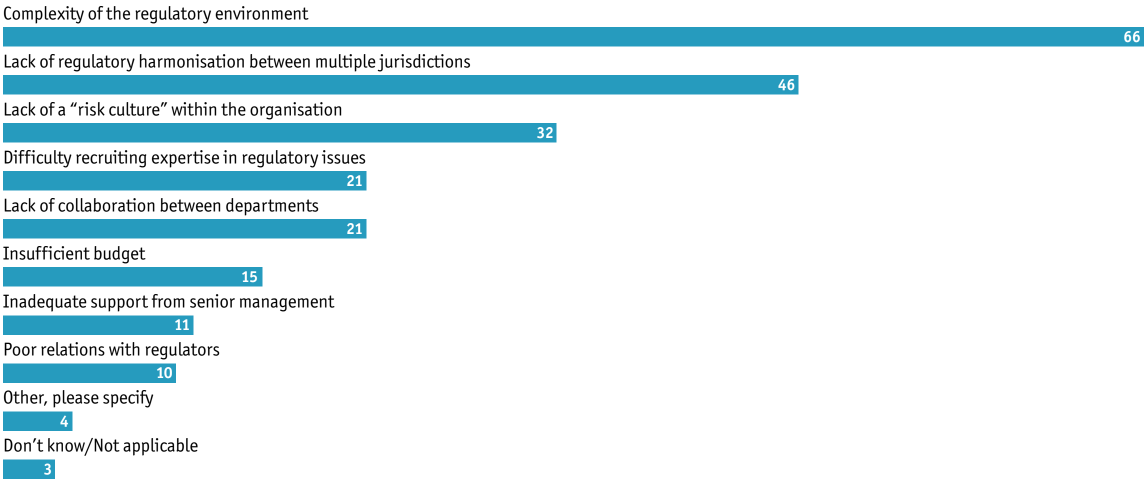
A second issue is the sheer volume of regulation that companies must deal with, particularly if they operate internationally. Among our survey respondents, audit and reporting regulation tops the list of the most resource-hungry category by some margin, no doubt reflecting the significant investment that has been made to deal with regulation such as the Sarbanes-Oxley Act, the International Financial Reporting Standards, Basel II, Solvency II and other such major initiatives. Workforce and environmental regulation are also prominent on the list, however. In the European Union, working time directives have led to significant costs being borne by business, while environmental legislation such as the Waste Electrical and Electronic Equipment Regulations (WEEE) has also had a costly impact.

In some jurisdictions, there is a clear distinction between regulations that are controls – binary rules that are either complied with or not – and regulations that are principles-based, which may be subject to judgment calls. For example, the UK has a stronger culture of "comply or explain" than the US, where regulation tends to be rules-based. For companies that operate in multiple jurisdictions, there is often a requirement to get to grips with this cultural variation, in addition to the scale and scope of regulation itself.

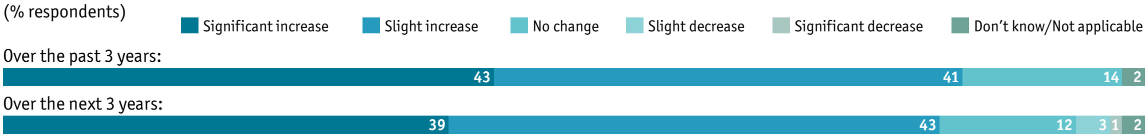
The key problem with managing regulatory risk is complexity.

If one word could sum up the problems that respondents face with managing regulatory risk, it is "complexity". Individual regulations may overlap or conflict with others, or be difficult and time-consuming to implement. As a company grows or expands into new geographical markets, it must contend with additional regulatory environments. And as its business encompasses more and more partner and supplier relationships, it must be aware of the compliance capabilities of those organisations as well as its own.

Which of the following factors most hinder your organisation's ability to manage regulatory risk? Select up to three.
(% respondents)



What change has there been to the amount of time and resources that your organisation dedicates to regulatory risk in the past three years, and what change do you expect in the next three years?
(% respondents)



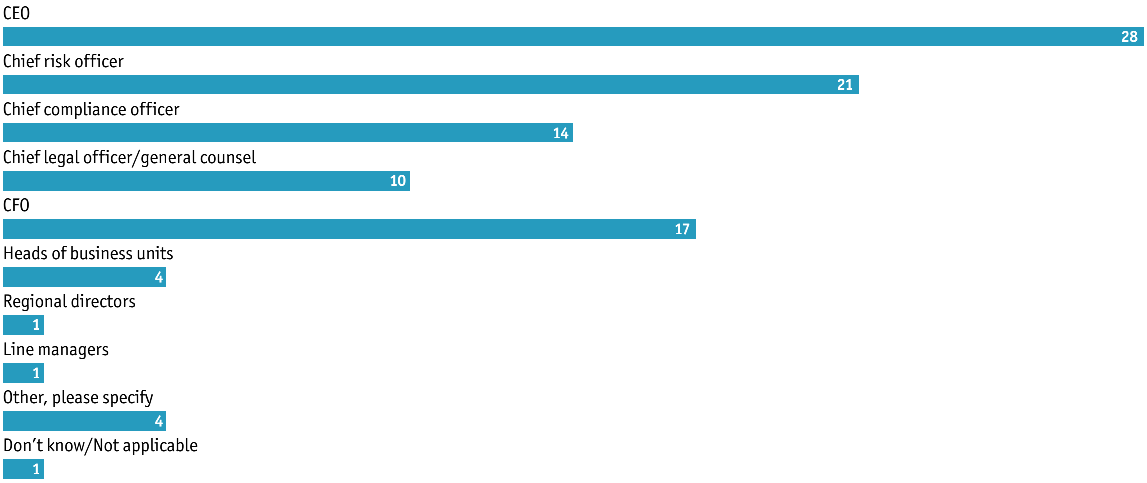
It has become a fact of life that businesses must juggle multiple compliance priorities, and it seems that this is a major obstacle to managing regulatory risk effectively. Two-thirds of respondents point to the complexity of the business environment as being the main factor that hinders their ability to manage regulatory risk, while just under half point to the lack of regulatory harmonisation between jurisdictions as being a key hurdle.

Regulatory risk management is consuming a growing amount of time and resources.
New regulations, increased business complexity and the need to deal with rules in multiple environments are forcing companies to spend more time and resources on managing regulatory risk. More than eight in ten respondents say that they have increased their focus on regulatory risk issues in the past three years, and a similar proportion expect this trend to continue over the next three years. Although this theme is common across all industries, respondents in financial services appear to be most affected, with 56% having allocated a significantly greater amount of time and resources to regulatory risk in the past three years, compared with 32% from other industries.

It is clear that regulatory risk is an activity that attracts the support of senior managers, and to which companies are prepared to devote substantial financial resources. Asked about the factors that might hinder their regulatory risk efforts, insufficient budget and inadequate support from senior management score towards the bottom of the list. These findings suggest that business leaders recognise the importance of the issue, but also that there is little appetite for scaling back expenditure on managing the risks.

That regulatory risk management has the ear of top executives is also apparent from the seniority of the individuals that have overall responsibility for the activity. Among companies questioned for our

Who in your company has overall responsibility for managing regulatory risks?
(% respondents)



Regulatory intervention in the financial services sector

Since August 2007, the financial services industry has been in the grip of the worst crisis for more than a generation. Major write-downs on asset-backed securities have led to the collapse of US investment bank Lehman Brothers, the near-collapse of several other major institutions and a sustained slump in liquidity, bank lending and share prices.

Although the causes of the credit crisis are by no means straightforward, poor regulatory architecture and ineffective regulatory oversight are undoubtedly perceived as playing a role. On the former, US Treasury Secretary Hank Paulson has proposed a move away from the current, fragmented US regulatory system to one where there are fewer regulators with broader powers. On the latter, the debate continues and, to date, regulators have been careful not to jump to policy conclusions. As the Bank of International Settlements noted in its recent report: "Implementation will... face many difficulties, not least the need to avoid exacerbating near-term market tensions in the pursuit of laudable medium-term objectives."

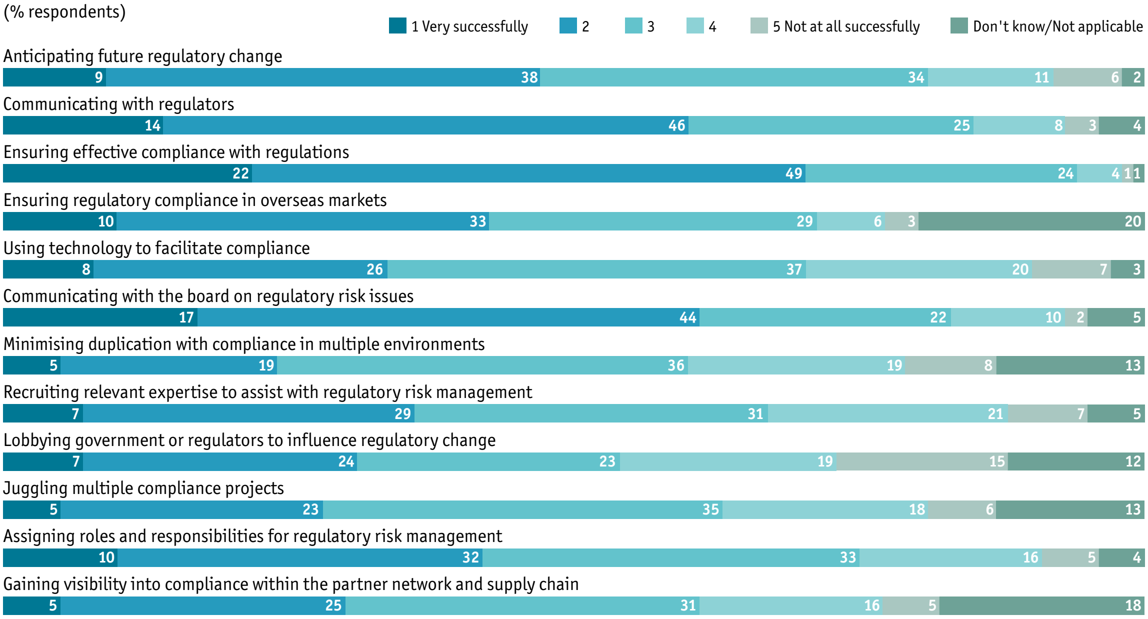
Ultimately, however, a substantive regulatory response to the crisis seems inevitable. The respondents in our survey who represent the financial services industry expect intervention in several key areas. In their view, the most likely initiative will be to impose new liquidity standards. In June this year, the Basel Committee issued new principles for governing liquidity that include the requirement that banks should hold "a robust cushion of unencumbered, high-quality liquid assets to be in a position to survive protracted periods of liquidity stress". The regulators hope to turn these principles into binding legislation by the end of 2008, so it seems certain that a requirement for more generous liquidity buffers will soon be in place.

Three-quarters of respondents expect higher capital ratios to take into account off-balance sheet vehicles. Since August 2007, it has become clear that regulators have been wrong-footed by the rapid development of the so-called "shadow banking" system, a sprawling network of opaque entities, such as structured investment vehicles and collateralised loan obligations, that are not recognised on banks' balance sheets. By early 2007, the shadow banking system had accumulated almost US$10 trillion in assets, which was roughly equivalent to those held by the traditional banking system at the time. Yet despite their colossal size, these vehicles fell largely outside of regulators' radar. With assets in the shadow banking system in free-fall since last August, it seems highly likely that regulators will expect banks to carry higher capital ratios that take into account the existence of these off-balance sheet vehicles.

There are also high expectations among respondents that the loan origination process will face stricter regulatory controls. Many commentators have described how the process of securitisation, whereby loans were packaged and sold to third-party investors, went hand in hand with a decline in lending standards, because loan originators no longer had an incentive to ensure the creditworthiness of their borrowers. Recent scrutiny of the sub-prime market has revealed widespread malpractice in a sector that has been, to date, lightly regulated. It seems highly likely, therefore, that loan originators will be subject to tighter controls in the future.

One potential regulatory initiative that has attracted considerable attention in recent months is notable by its lack of support among survey respondents. Just 15% expect intervention in the remuneration of banking professionals, despite widespread sentiment that the bonus culture, particularly in investment banks, has exacerbated the current situation. Although most would agree that short-termism and the encouragement of excessive risk-taking in anticipation of rewards are problematic, regulatory intervention in remuneration will not be straightforward. Indeed, regulators such as the Financial Services Industry in the UK have already stated that it is not their role to intervene in the quantum or design of remuneration systems. A more indirect route, however, whereby remuneration practices are considered as part of a bank's overall risk profile, may well be considered.

How successfully do you think your organisation manages the following aspects of regulatory risk?
Rate on a scale of 1 to 5, where 1=Very successfully and 5=Not at all successfully.
(% respondents)



survey, it is almost universal for a C-level executive to have oversight of regulatory risk management, and more often than not, this is the chief executive, the chief risk officer or the chief financial officer. It is extremely unusual for responsibility to be delegated to business unit heads or regional directors.

There is overall satisfaction with the way in which regulatory risk is managed, but certain weaknesses and inefficiencies persist.

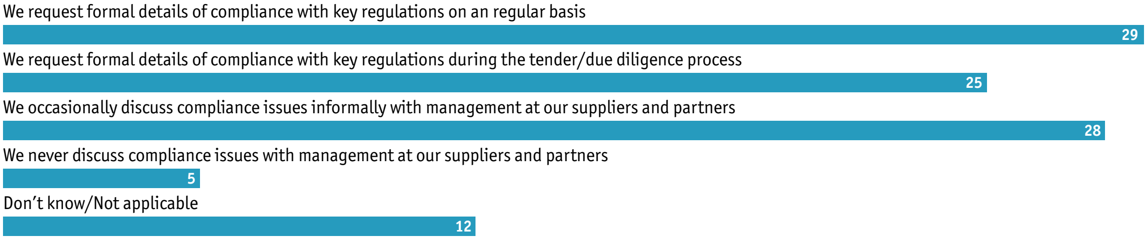
The extent of resources allocated and strength of board-level support suggest that regulatory risk management is a relatively mature activity in most organisations. In general, companies rate their overall capabilities highly, with 70% claiming that they are successful at ensuring compliance with regulations. There also seem to be established channels for communicating regulatory risk information to the board, with 60% rating themselves as successful in this area. Communication with regulators also appears to be good.

But this overall picture of strong performance must be set against a number of specific weaknesses. The challenge of dealing with multiple regulatory environments, both domestically and internationally, presents difficulties to companies as they attempt to run projects and initiatives as efficiently as possible. It is interesting to note that, while companies are comfortable with their overall compliance capabilities, they perceive juggling multiple projects to be their second biggest weakness, with just 28% seeing themselves as successful in this area.

The difficulty of juggling multiple compliance projects may encourage companies to take a belt and braces approach to resourcing the activity on the grounds that it is better to spend more than is absolutely necessary than run the risk of non-compliance. Equally, however, a proliferation of new regulations often leads to inefficiency as companies bolt on new teams to deal with emerging requirements. Either way, the upshot is duplication of effort. Indeed, more than half of respondents say that this is one of the main costs associated with regulatory risk, and just one-quarter consider themselves to be successful at minimising duplication in multiple environments.

Today's complex business networks add new layers of regulatory risk. It is one thing for a company

Which of the following statements best describes the approach to managing regulatory risk among your organisation's suppliers and partner networks?
(% respondents)



to manage the multitude of compliance projects within its own walls, but what about the regulatory obligations of its partners and suppliers? Consider, for example, a manufacturer that relies on a partner to create components for its products. If the components are non-compliant, then the manufacturer's product is also in breach, and this creates serious reputational and financial implications.

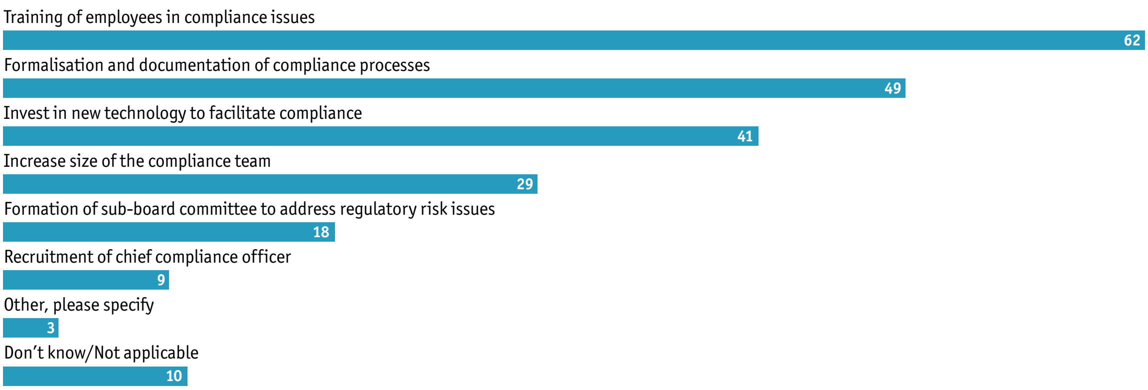
Certainly, respondents see this aspect of regulatory risk management as a key area of weakness: just three in ten respondents rate themselves as being successful at gaining visibility into compliance within the partner network or supply chain. Moreover, few conduct frequent checks into the compliance of companies with which they work. Just three in ten request formal details of compliance from key partners on a regular basis, while the remainder seek this information only during the due diligence process, on an ad hoc basis or not at all.

Companies plan to invest in people, processes and technology to improve regulatory risk management.

We have seen already that companies expect to increase the resources that they allocate to regulatory risk management, and that they recognise weaknesses in their current capabilities. Given these two findings, to which areas are organisations most likely to direct their attention as they seek to improve the management of their regulatory risk exposure?

Respondents to our survey point to three main areas of focus. In order of priority, these are people, processes and technology. Investments in people could take two forms: recruitment to bolster numbers, or training to improve capabilities. Among our respondents, it is the latter that is seen as a higher

Over the next three years, which of the following initiatives does your organisation plan to introduce in order to improve regulatory risk management? Select all that apply.
(% respondents)



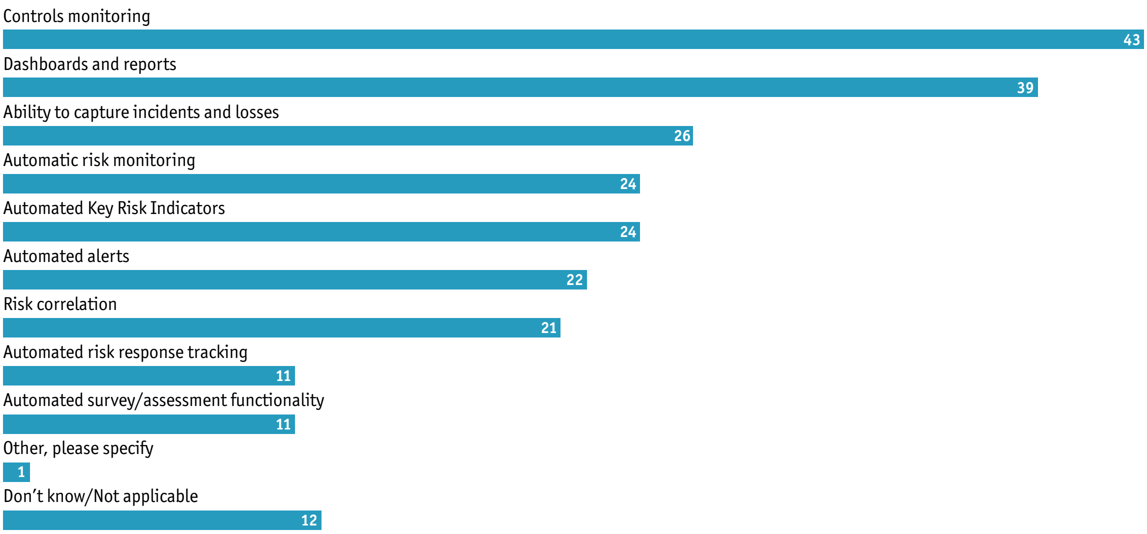
priority, with 62% expecting to invest in training of compliance professionals over the next three years, and 29% planning to increase headcount. This suggests that most companies are seeking quality rather than quantity in their compliance teams, and that they hope to maximise the capabilities of the human resources they have rather than invest in new personnel.

For many organisations, issues around duplication of effort and the inefficiency of business processes are an unfortunate side-effect of the complexity of the regulatory environment. In this sense, external complexity leads to a kind of self-imposed complexity as companies seek to juggle multiple priorities without thinking through ways of rationalising and streamlining the process. It is interesting to note that, at present, less than one-third of respondents say that they have a single, unified approach to managing multiple regulatory initiatives. Although there are clearly differences between individual regulations, there are also many shared attributes, and those companies that adopt a more unified approach are likely to reap benefits in terms of greater efficiency, reduced expenditure and, ultimately, diminished risk exposure. The formalisation and documentation of compliance processes, which just under half of respondents say that they plan to adopt, is an important step on the way to greater unification of compliance activities.

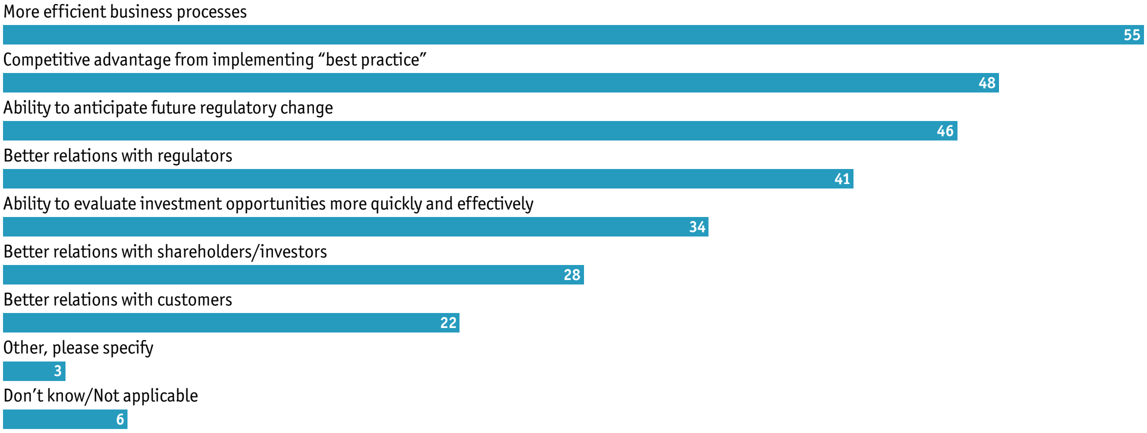
The role of information technology in ensuring compliance is widely recognised, with two-thirds of respondents agreeing that IT is an essential tool for managing regulatory risk. In the next three years, 41% plan to invest in new technology to facilitate compliance, rising to 50% among respondents from the financial services industry.

Asked about the capabilities that their organisation looks for in technology to address regulatory risk, respondents point to controls monitoring as being the most desirable. By checking business processes against predetermined parameters across the entire enterprise, controls monitoring has the potential to streamline compliance by automating checks and cutting down on manual interventions. Dashboards and reports, the second most desirable capability according to respondents, can then provide notification to management of potential transgressions by providing a summary of key performance indicators related to compliance activities.

What are the top capabilities that your ograniation looks for in technology for addressing regulatory risk? Select up to three.
(% respondents)



What are the benefits that your company expects to derive from more effective regulatory risk management? Select all that apply.
(% respondents)



Investments in people and technology often go hand in hand. For example, some companies seek to distil risk information throughout the entire organisation by installing risk dashboards not just in the boardroom, but at the desks of operational employees. In doing so, they hope to strengthen risk culture and ensure an effective way of communicating risk information throughout the organisation.

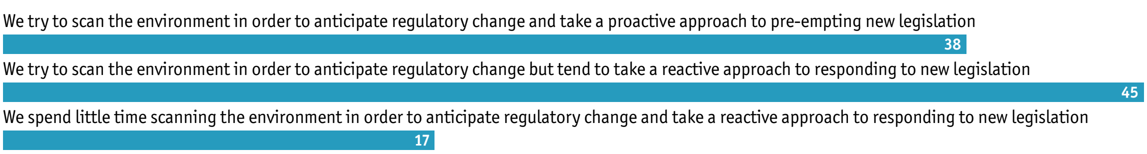
An end in itself or a benefit to the business?

It is tempting to view regulatory compliance as an end in itself – a hoop that business must jump through in order to secure its licence to operate. Clearly, some regulatory initiatives may be more advantageous and proportionate than others and, in some cases, executives could be forgiven for doubting the benefits of a particular obligation. But whatever the pros and cons of individual regulations, this does not detract from the sentiment among respondents that, overall, effective regulatory risk management brings intrinsic benefits to the business.

Aside from the obvious advantage of keeping the business out of trouble, effective regulatory risk management provides the business with important information about transactions and day-to-day activities. This improves decision-making and provides visibility into the company's business processes. It comes as no surprise, therefore, that 55% of respondents see greater business processes efficiency as the key benefit of more effective regulatory risk management.

The second biggest benefit, according to 48% of respondents, is the competitive advantage that can be derived from implementing best practice. This could manifest itself in a number of different ways: for example, quicker time to market through enhanced decision-making; more effective appraisal of investment opportunities; or the boosting of the bottom line through greater operational efficiency. Perhaps the biggest prize, though, is the ability to turn effective regulatory risk management into a market differentiator by instilling confidence in existing and prospective customers or investors. For

Which of the following statements best describes the approach to managing regulatory risk in your organisation?
(% respondents)



some firms, regulatory compliance serves "a gold stamp" that tells the market that a company takes its obligations seriously.

Dealing with existing compliance obligations is just one aspect of regulatory risk management; according to 46% of respondents, the ability to anticipate future regulatory change is another important benefit to be derived from managing the process effectively. Our research suggests that 83% of respondents currently scan the environment in order to anticipate regulatory change, but companies are split between those that take a proactive approach to pre-empting new legislation and those that adopt a reactive approach. Those that adopt a proactive approach, who tend to represent the larger companies from industries such as financial services, may be in the minority, but it seems likely that this approach would do much to secure the competitive advantage that respondents see as such a key benefit of effective regulatory risk management.

Regulatory risks: a global perspective

How do companies around the world rate the scale of the regulatory burden in key countries and regions? According to our respondents, the US presents the heaviest burden, just as it did three years ago when we asked this question in an earlier Global Risk Briefing report on regulatory risk. On the face of it, this may seem surprising because, compared with many other countries, the regulatory regime in the US is relatively light. What has changed perceptions, however, is the Sarbanes-Oxley Act. Although it came into force six years ago, the fall-out from the legislation can still be felt, and many companies continue to have difficulties with the more onerous aspects of the rules. The prospect of an imminent shift from US GAAP to International Financial Reporting Standards may also be influencing the high burden rating for the US.

France is seen as presenting the second-highest regulatory burden on the list. The country's restrictive labour legislation and reputation for red tape, particularly for smaller businesses, has long been seen as a brake on investment. President Sarkozy has pledged to institute reforms to the more burdensome aspects of France's legislation, but progress so far has been relatively slow.

One important change when we compare the results of this survey with those from three years ago is the rise of China on the list. In 2005, China was eighth, while today, it is seen as the third most burdensome country in regulatory terms. Partly, no doubt, this reflects the much deeper investments that have been made in China over the past three years by multinational businesses, but it is clear nevertheless that respondents are concerned by the regulatory issues that they encounter.

Looking to the future, respondents continue to expect problems on the regulatory front from China.

How much of a burden do you believe the current regulatory environment places on business in the following countries or regions?

High burden

USA
France
China
Germany
India
UK
Other Western Europe
Japan
Russia
Rest of Asia Pacific
Latin America
Other Eastern Europe
Middle East
Canada

Low burden

How significant an impact do you think changes in regulation in these countries or regions will have on your business ove the next three years?

High impact

China
USA
India
UK
Rest of Asia Pacific
Middle East
Other Western Europe
Latin America
Russia
Other Eastern Europe
France
Germany
Japan
Canada

Low impact

Asked about the impact they expected from changes to regulation over the next three years, China leads the pack, suggesting that respondents think that things may get worse on the regulatory front before they get better.

About the survey

The Economist Intelligence Unit surveyed 320 executives around the world in September 2008 about their attitudes to environmental risk management. The survey was sponsored by ACE, KPMG, SAP and Towers Perrin.

Respondents represent a wide range of industries and regions, with roughly one-third each from Asia and Australasia, North America and Western Europe.

Approximately 50% of respondents represent businesses with annual revenue of more than US$500m. All respondents have influence over, or responsibility for, strategic decisions on risk management at their companies.

The Economist Intelligence Unit's editorial team conducted the survey and wrote the paper. The findings expressed in this summary do not necessarily reflect the views of the sponsors. Our thanks are due to the survey respondents for their time and insight.

Conclusion

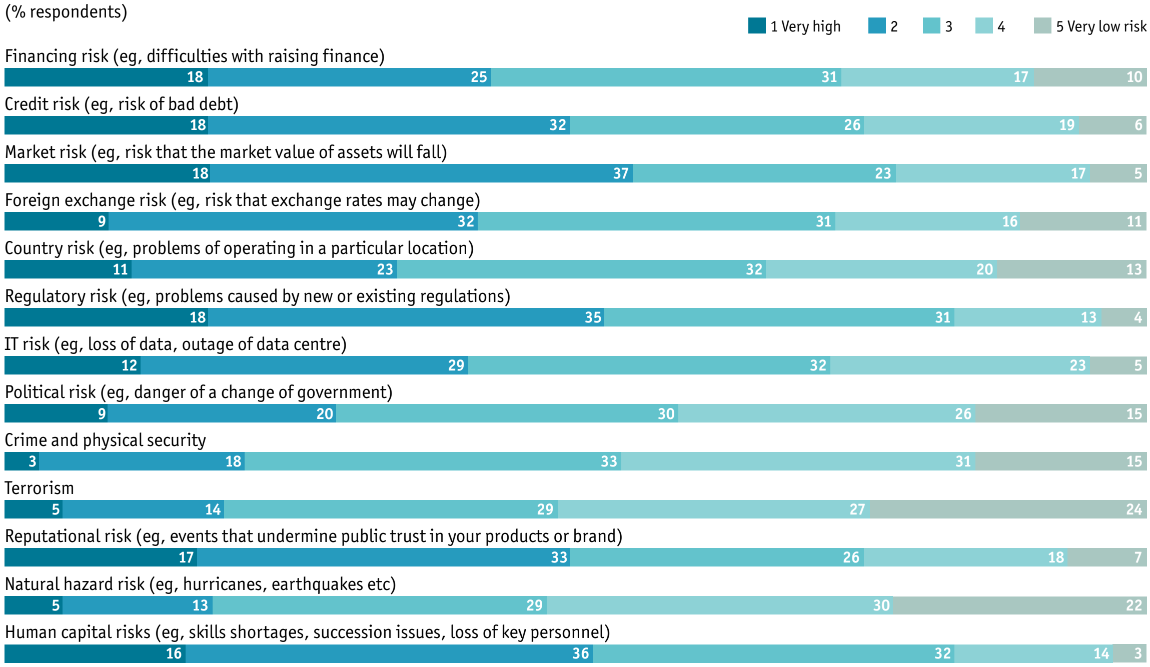
The paradoxical view that regulation is both a blessing and a curse continues to be widely held among senior executives. While they recognise the need for protection in key areas, they are often frustrated by what they see as overly complex, unnecessary bureaucracy to achieve this goal. As companies expand internationally and develop highly integrated business networks, the challenge of compliance becomes an increasingly difficult one to meet.

Although regulatory regimes are undoubtedly complex and would, in most cases, benefit from rationalisation and simplification, companies themselves must also bear some of the responsibility for the problems that they face. In the constant race to keep up with new obligations, many organisations create a kind of self-imposed complexity by duplicating the compliance effort and bolting on new teams and processes as and when new requirements emerge.

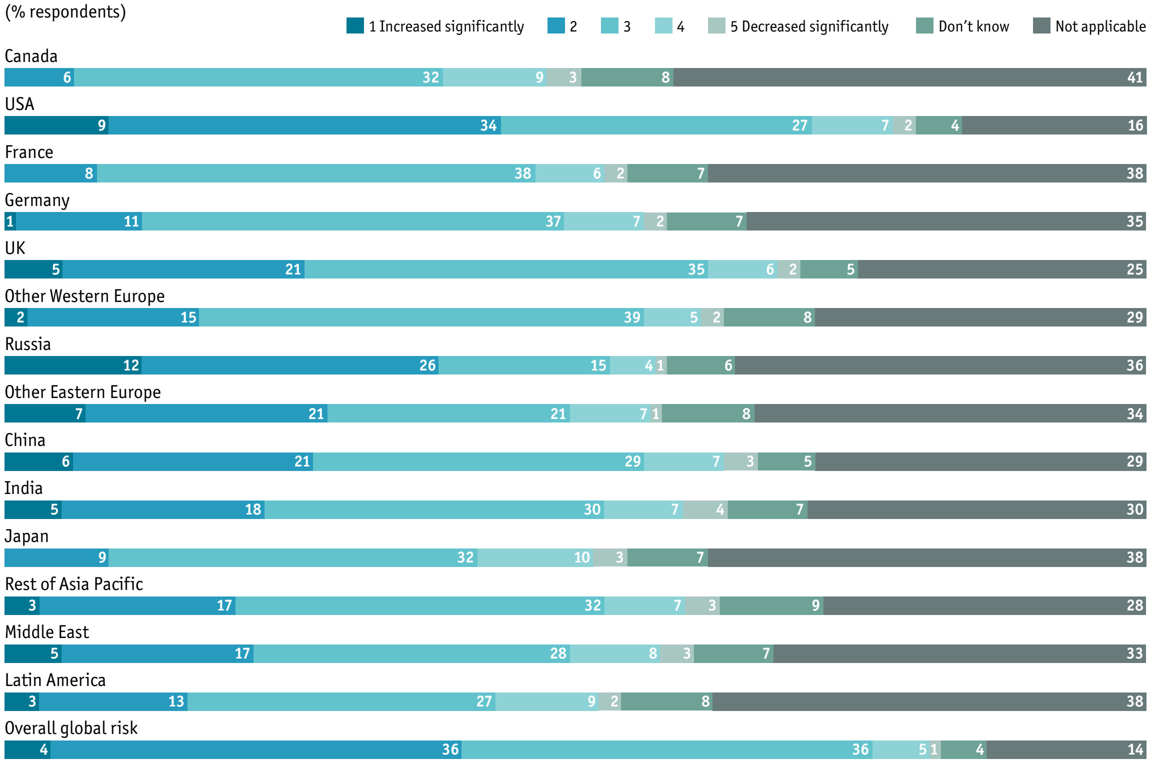
To date, few companies have put in place a unified approach to managing regulatory risk, but in order to ensure robust compliance, anticipate future regulatory change and enhance competitive advantage, this must surely be a an important long-term objective. With regulation certain to remain a key component of doing business in the future, anything that can provide reassurance that obligations are being met in a way that also secures broader business benefits would be highly desirable.

Appendix: Survey results

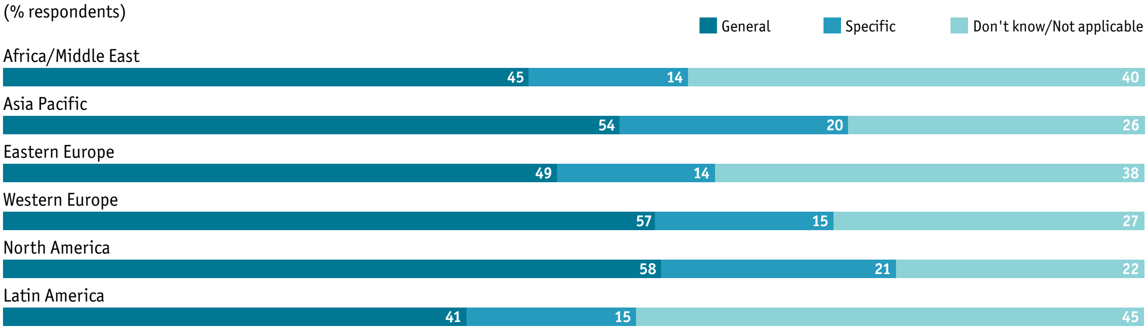
How significant a threat do the following risks pose to your company's global business operation today?
Rate on a scale of 1 to 5, where 1=Very high risk and 5=Very low risk.
(% respondents)



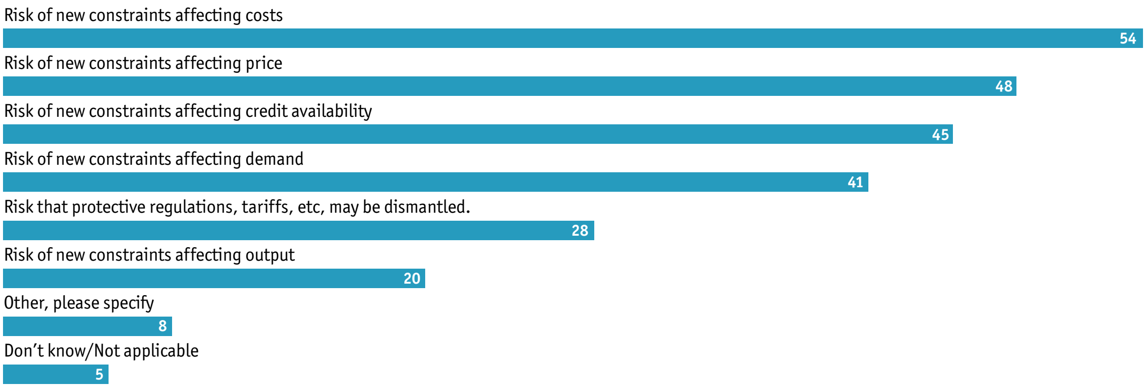
How has your organisation's assessment of risk in each of the following countries and regions changed over the last three months?
Please rate 1 to 5, where 1=Increased significantly and 5=Decreased significantly.
(% respondents)



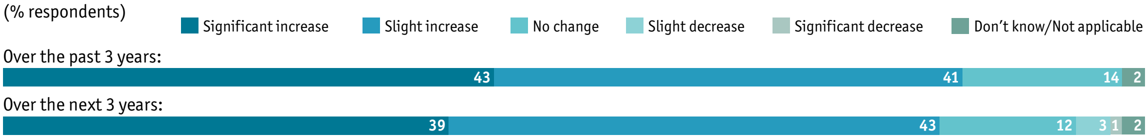
In each of the following regions, are the majority of risks to your business considered to be general (ie, likely to affect many other companies operating in the same location or industry) or specific (ie, relating to your company's internal systems, processes or people)?
(% respondents)



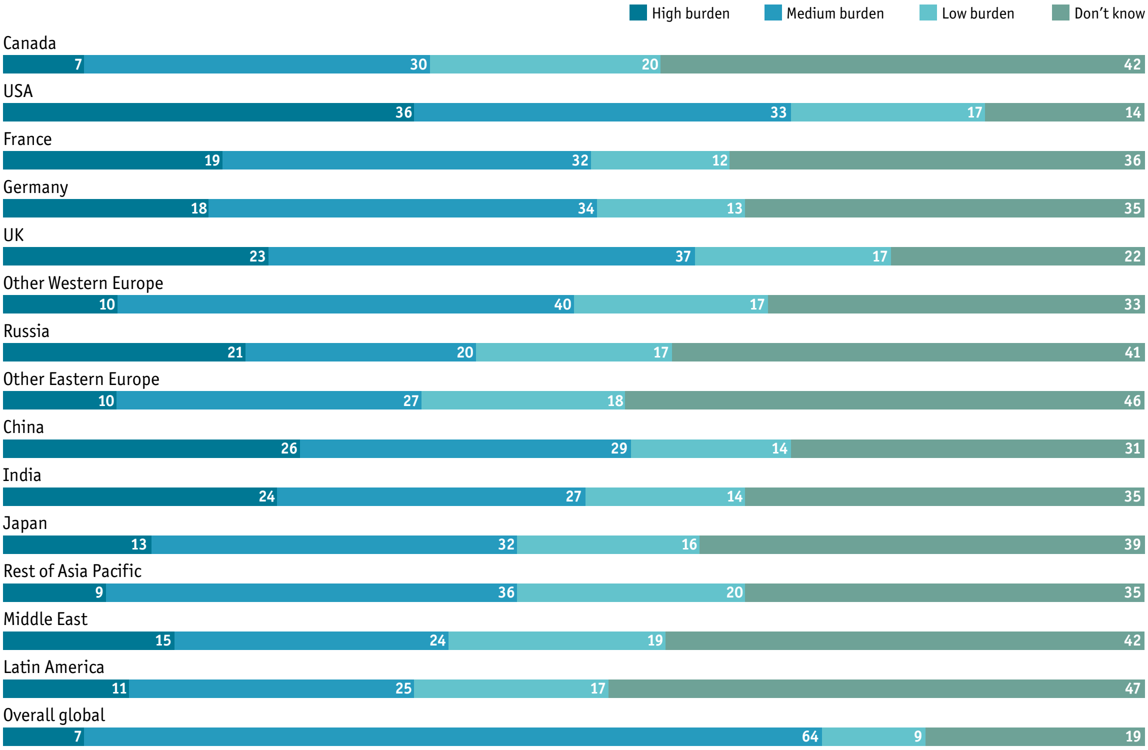
Which of the following regulatory risks do you worry about as having a potentially sizable and lasting effect on your organisation's ability to meet its profitability or strategic growth objectives? Select all that apply.
(% respondents)



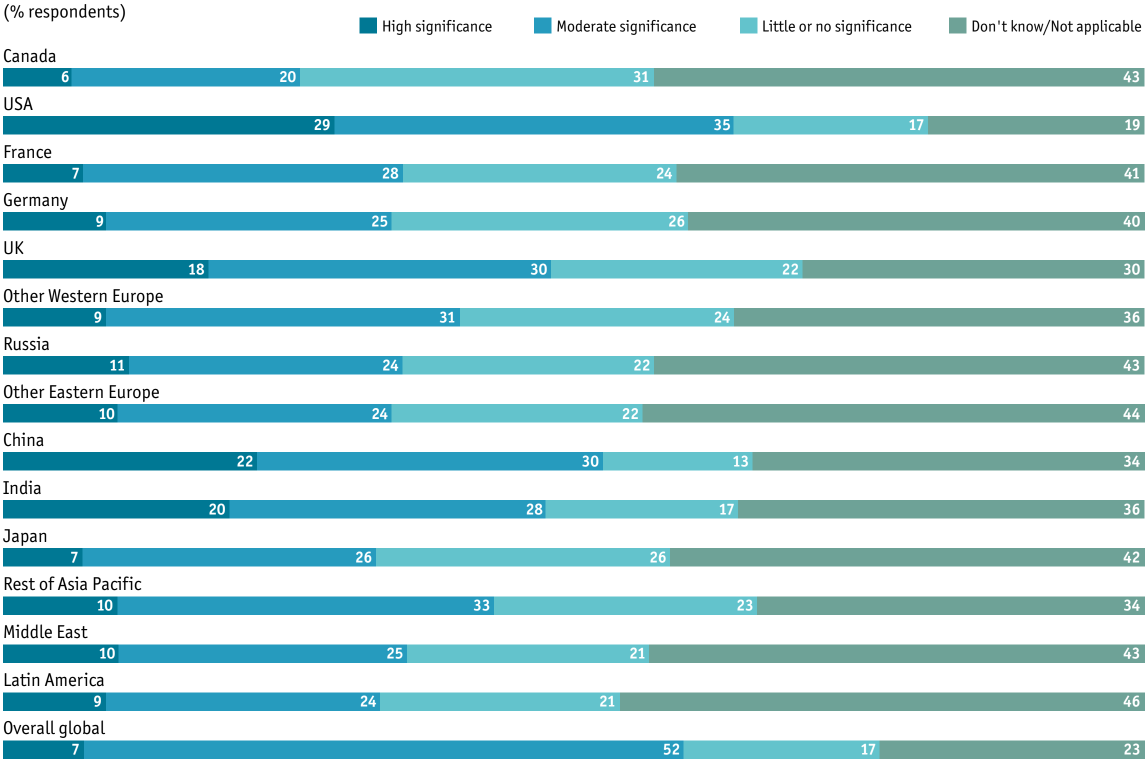
What change has there been to the amount of time and resources that your organisation dedicates to regulatory risk in the past three years, and what change do you expect in the next three years?
(% respondents)



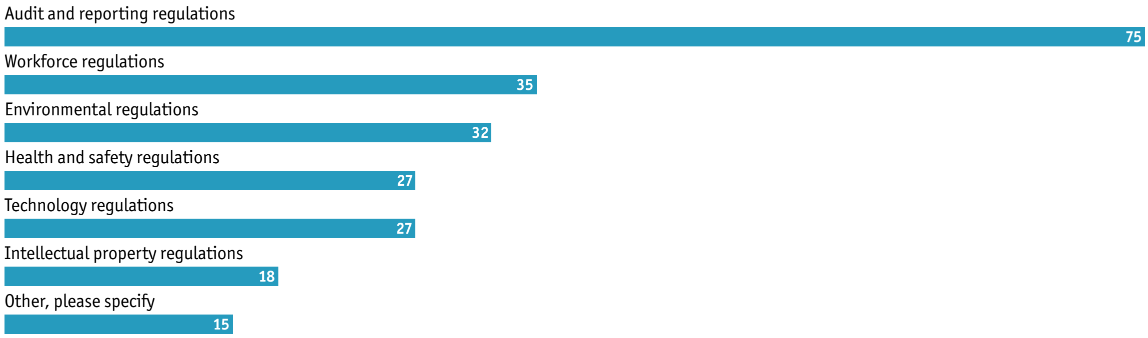
How much of a burden do you believe the current regulatory environment places on business in the following countries or regions?
(% respondents)



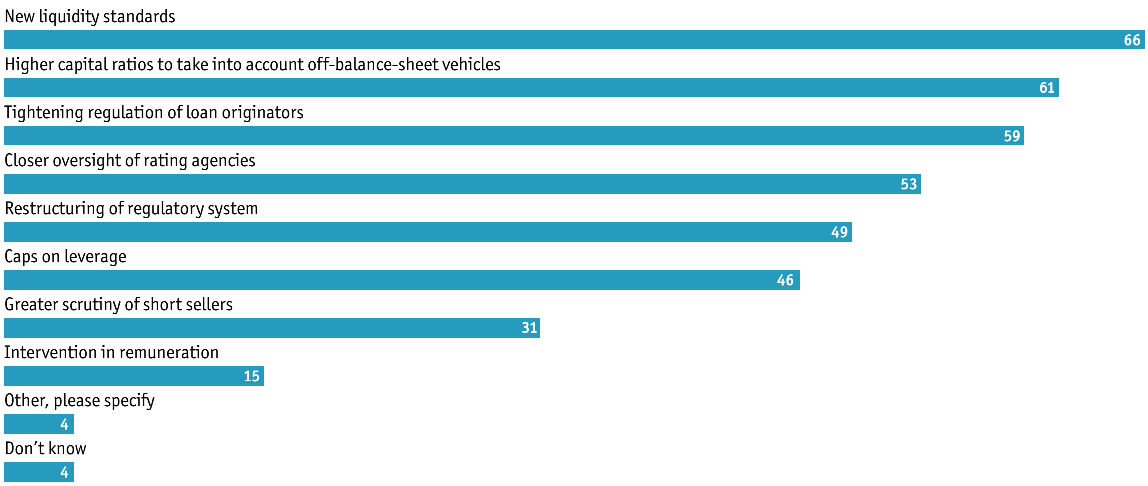
How significant an impact do you think changes in regulation in these countries or regions will have on your business over the next three years?
(% respondents)



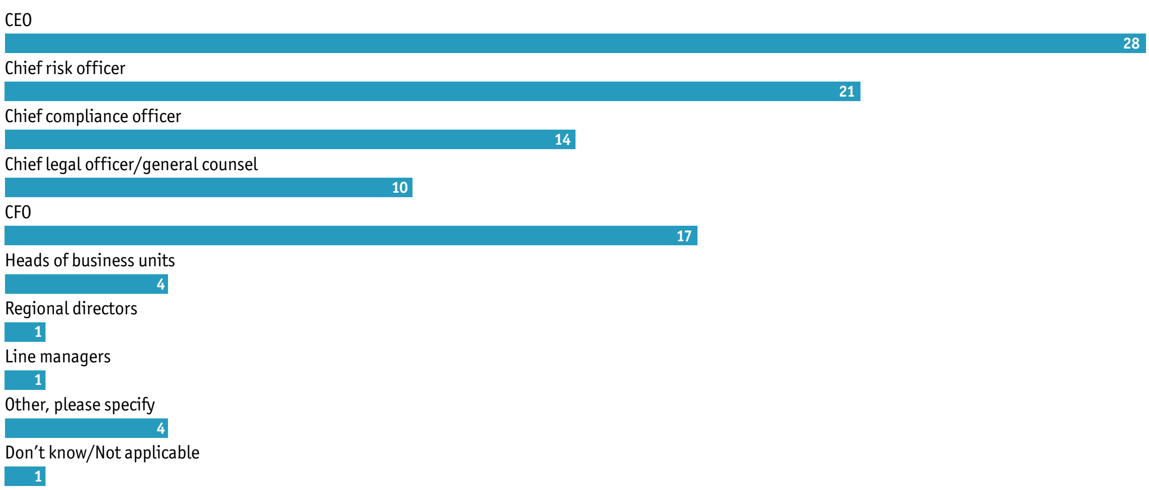
Which of the following categories of regulations consume the greatest time and resources at your organisation?
Select up to three.
(% respondents)



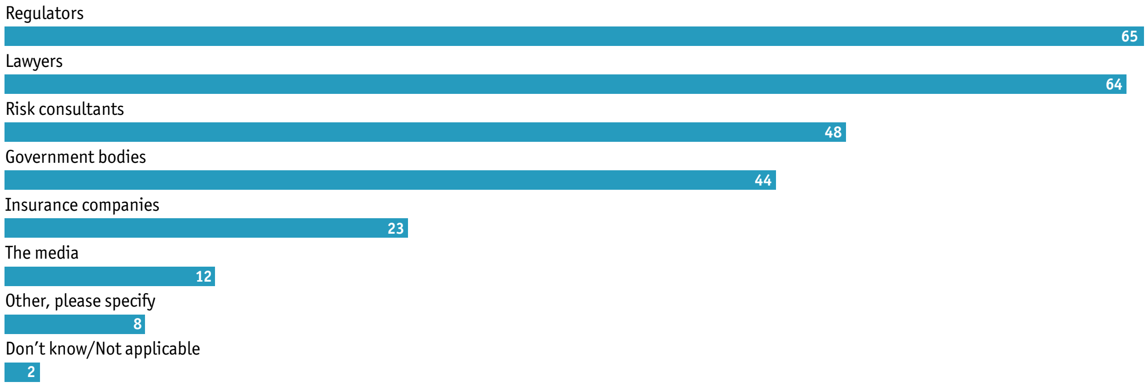
In the wake of the credit crisis, which of the following regulatory interventions do you expect are likely to be initiated in the financial services industry? Select all that apply.
(% respondents)



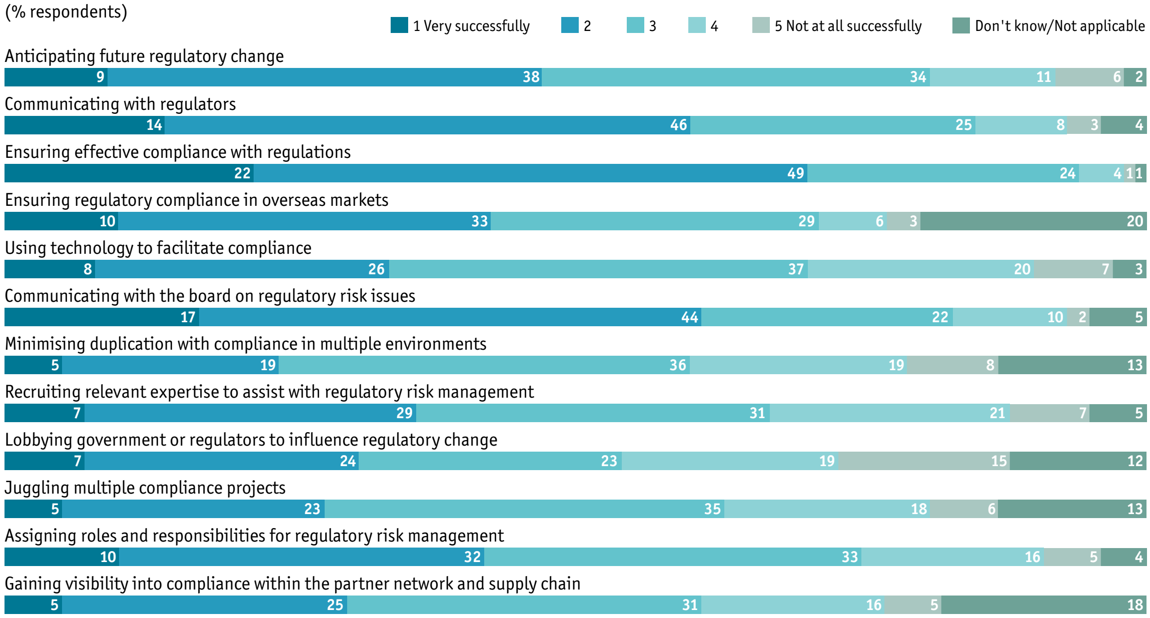
Who in your company has overall responsibility for managing regulatory risks?
(% respondents)



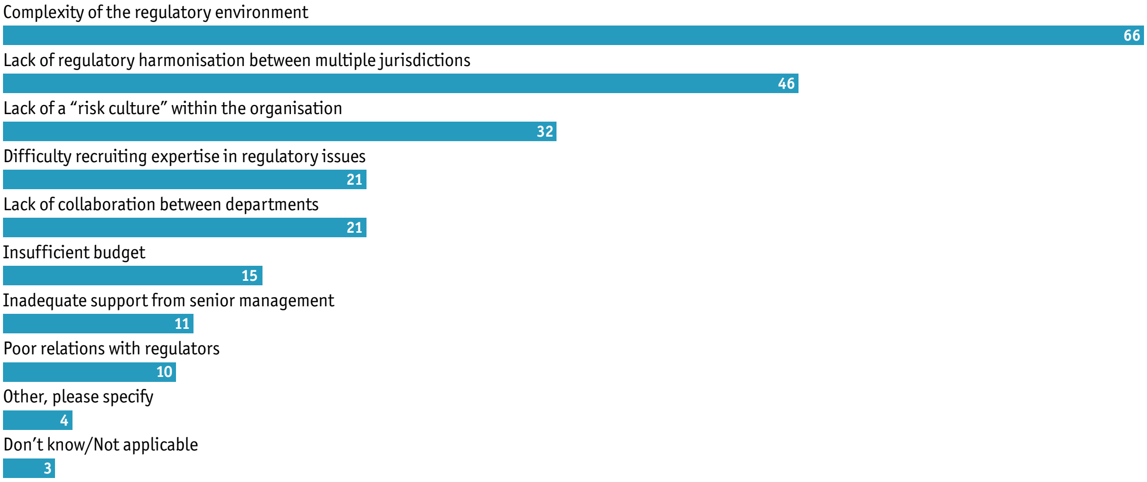
From which of the following external bodies does your organisation seek advice and information on regulatory issues?
(% respondents)



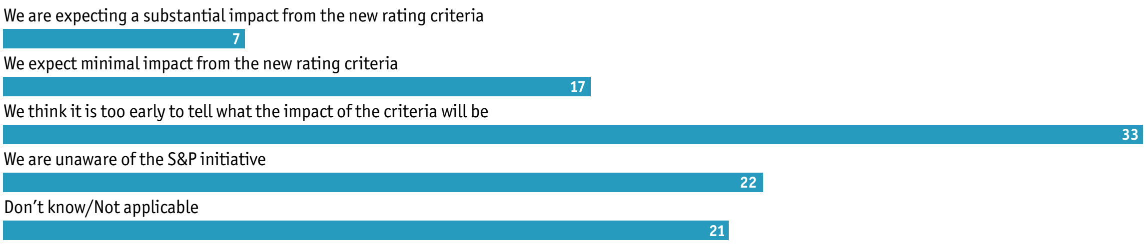
How successfully do you think your organisation manages the following aspects of regulatory risk?
Rate on a scale of 1 to 5, where 1=Very successfully and 5=Not at all successfully.
(% respondents)



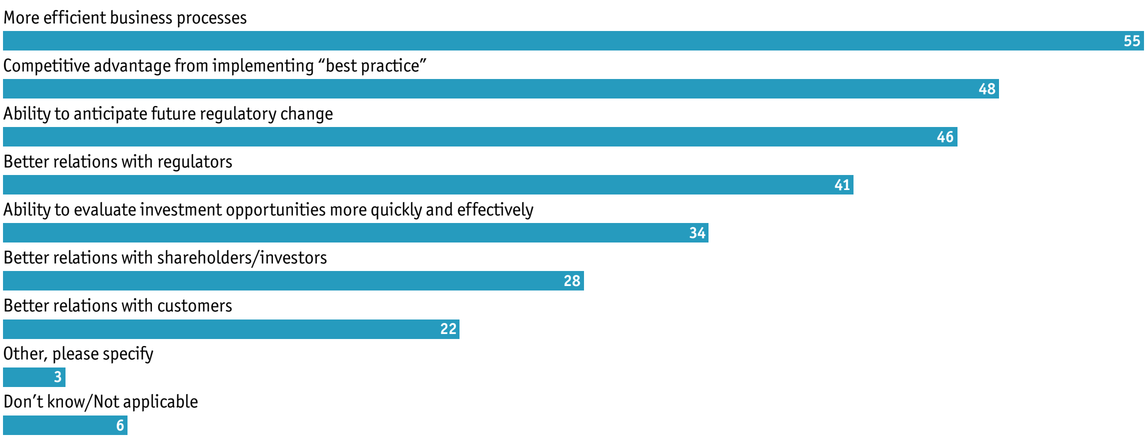
Which of the following factors most hinder your organsiation's ability to manage regulatory risk? Select up to three.
(% respondents)



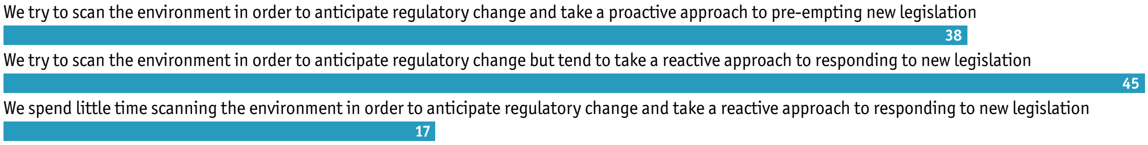
What impact does your organisation expect from the new enterprise risk management rating criteria from Standard & Poor's?
(% respondents)



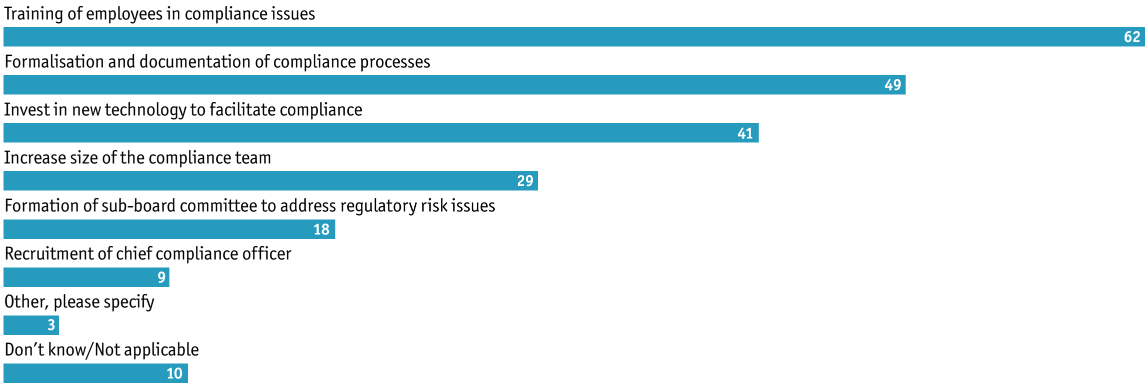
What are the benefits that your company expects to derive from more effective regulatory risk management? Select all that apply.
(% respondents)



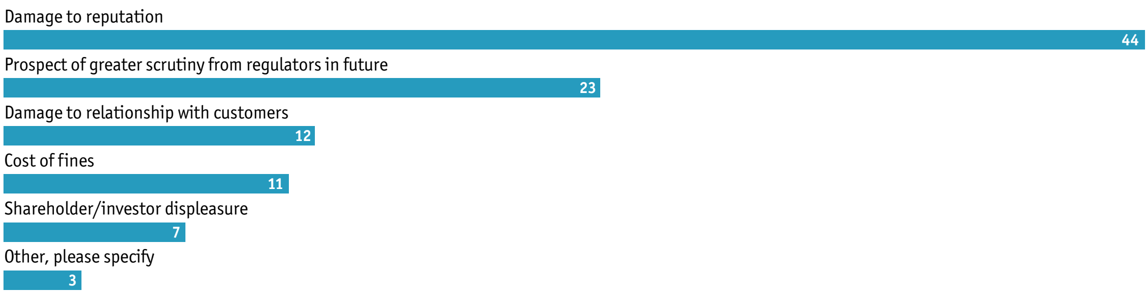
Which of the following statements best describes the approach to managing regulatory risk in your organisation?
(% respondents)



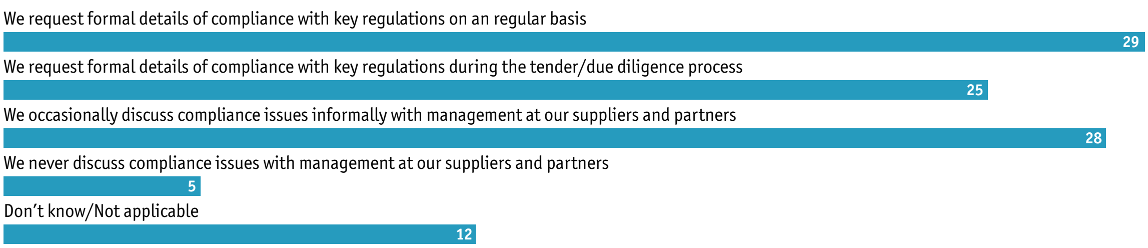
Over the next three years, which of the following initiatives does your organisation plan to introduce in order to improve regulatory risk management? Select all that apply.
(% respondents)



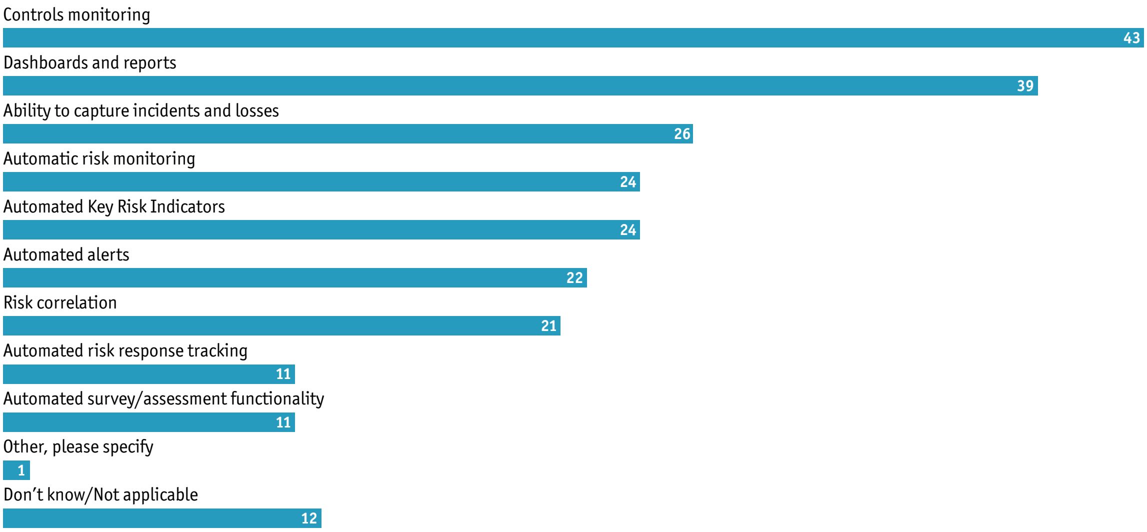
What do you see as the main risks of poor compliance with regulations?
(% respondents)



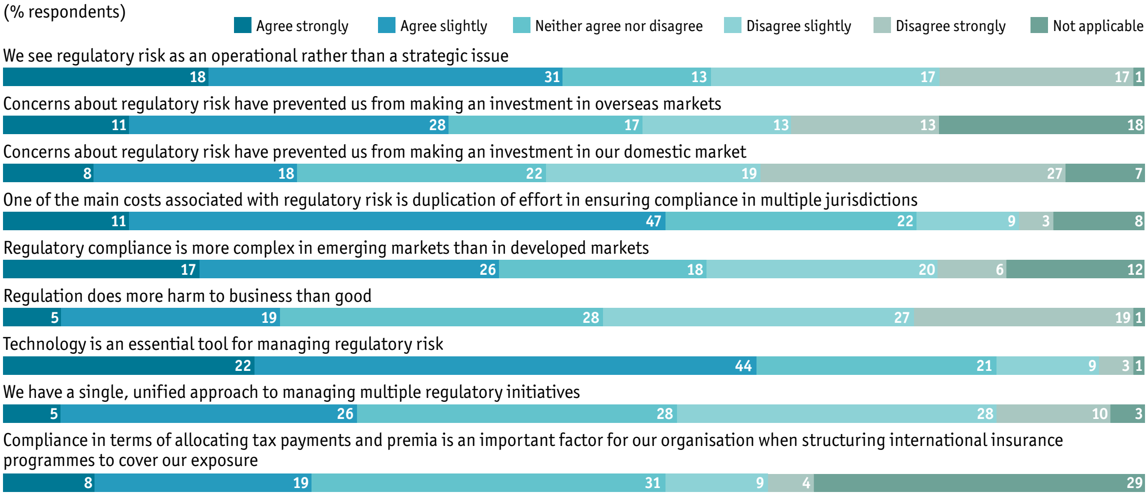
Which of the following statements best describes the approach to managing regulatory risk among your organisation's suppliers and partner networks?
(% respondents)



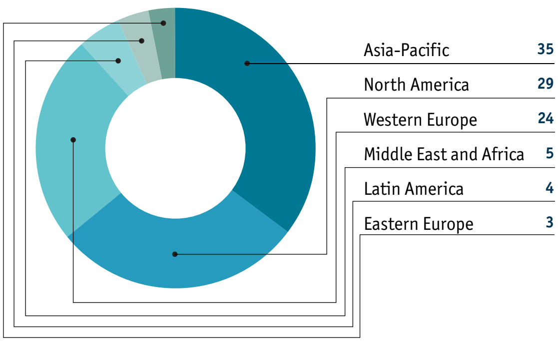
What are the top capabilities that your ograniisation looks for in technology for addressing regulatory risk? Select up to three.
(% respondents)



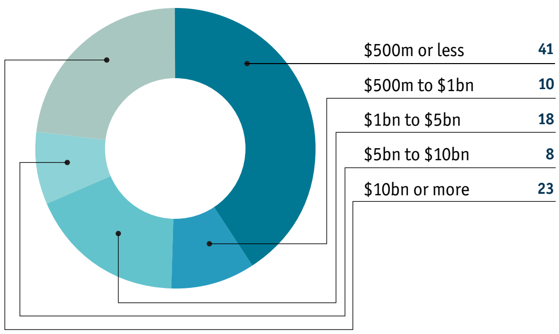
Do you agree or disagree with the following statements?
(% respondents)



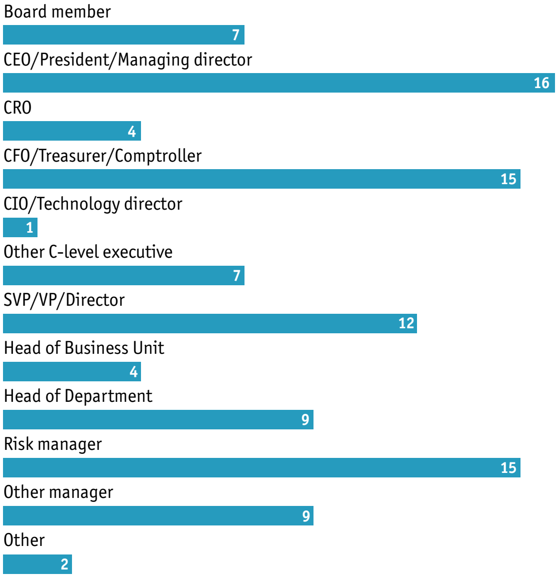
In which region are you personally based?
(% respondents)



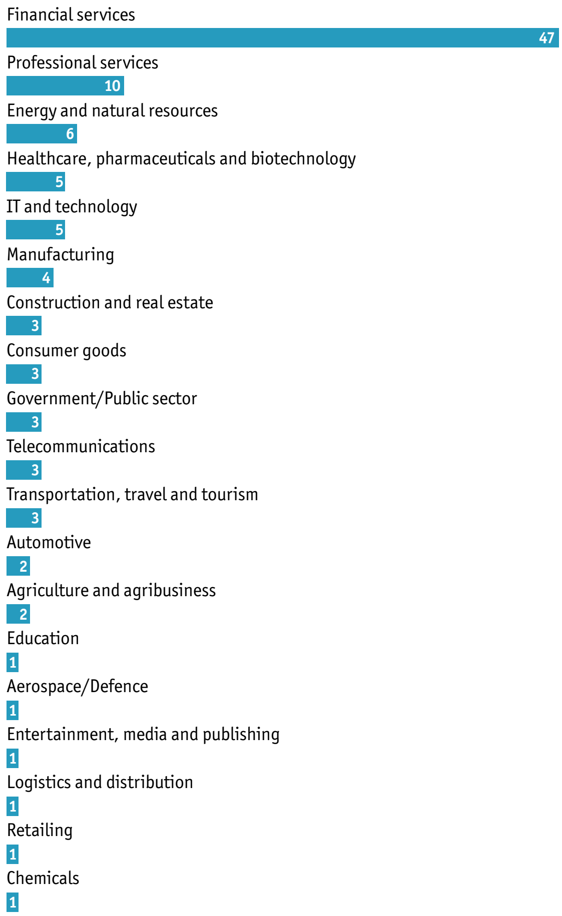
What are your organisation's global annual revenues in US dollars?
(% respondents)



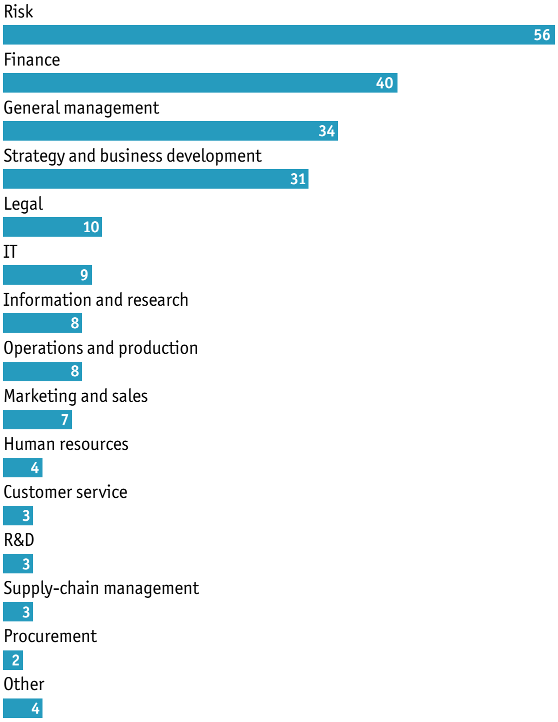
Which of the following best describes your job title?
(% respondents)



What is your primary industry?
(% respondents)



What are your main functional roles?
Please choose no more than three functions.
(% respondents)



Do you have responsibility for, or influence over, strategic decisions on risk management in your company?
(% respondents)

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