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**Corporate
News
Release**

FOR IMMEDIATE RELEASE

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ENVIRONMENTAL RISK IS RISING UP THE CORPORATE AGENDA, ACCORDING TO A NEW EIU SURVEY SPONSORED BY ACE.

LONDON, June 3rd, 2008 - Stakeholder pressure, the complexity of business relationships and the threat from climate change are the three main factors in encouraging companies to assess more carefully the environmental risks that they face, according to a new Economist Intelligence Unit (EIU) survey co-sponsored by the ACE Group of Companies.

Among the 320 risk managers questioned for the global survey, the majority say that they are increasing the attention and resources that they dedicate to environmental risk management. However, the findings also indicate that many companies are still at the early stage of this process and rarely consider environmental risk management formally when undertaking major strategic activities.

The findings show that to date, this category of risk has tended to be managed either as an ad hoc activity or separate from the overall risk management framework.

Karl Russek, Senior Vice President for ACE Environmental Risk, comments: “When companies are planning major strategic activities, the consideration of environmental risk remains the exception rather than the rule. Fewer than half of the respondents to the EIU survey say that they undertake a formal assessment of environmental risk when developing new products and services, and fewer than one in five when planning mergers and acquisitions.”

"Environmental risk management is rising on the corporate agenda, but many companies are in the early stages of addressing this issue," says Rob Mitchell, editor of the report. "While there are some companies that take environmental risk very seriously and have developed robust processes to identify, assess and mitigate their exposure, others continue to manage environmental risks in an ad hoc way, and do not consider them when planning major strategic activities, such as mergers and acquisitions."

Concludes Russek: "Based on our experience with organisations of all sizes, as the degree of environmental regulation and scrutiny increases for across the globe, companies and risk managers would be well served to remain proactive on this issue."

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Notes to Editors:

These findings form part of *Under the Spotlight: the transition of environmental risk management*, a new Economist Intelligence Unit survey and report, co-sponsored by ACE, KPMG, SAP and Towers Perrin. The report examines current thinking around environmental risk management and explores the approaches that companies are taking to identify, assess and manage the risks that they face, both within their organisation and among their broader partner networks and supply chain.

Under the spotlight: the transition of environmental risk management
is available free to download at www.eiu.com/globalriskbriefing

About the survey

The research for this report is based on an online survey, conducted in March 2008, of 320 executives around the world. The survey sample was senior: 40% of respondents were C-level executives such as CEOs, CFOs, and CROs, and the balance consisted of risk managers, senior vice presidents, heads of business units and other senior managers. A range of industries was represented, including financial services, manufacturing, information technology and professional services. Most of the firms they work for are large: 58% of surveyed executives work with firms having annual revenue of at least US\$500m.

About the Economist Intelligence Unit

The Economist Intelligence Unit is the business information arm of The Economist Group, publisher of *The Economist*. Through our global network of about 650 analysts, we continuously assess and forecast political, economic and business conditions in 200 countries. As the world's leading provider of country intelligence, we help executives make better business decisions by providing timely, reliable and impartial analysis on worldwide market trends and business strategies.

About ACE

The ACE Group of Companies is a global leader in insurance and reinsurance serving a diverse group of clients. Headed by ACE Limited (NYSE: ACE), a component of the Standard & Poor's 500 stock index, the

ACE Group of Companies conducts its business on a worldwide basis with operating subsidiaries in more than 50 countries. Additional information can be found at: www.ancelimited.com.

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