

Shaping the future

2021 challenges and indicators for change

APAC REGIONAL SPOTLIGHT

Cultural *indicators*

Biggest
board
challenges

- Volume of regulatory change
- Instilling a culture of compliance
- Meeting regulatory expectations

59%

of firms in Asia expect personal liability to **increase**

59%

of firms in Australasia expect personal liability to **increase**

Biggest
challenge
to *culture*
/conduct

- Balancing competitive and compliance pressures
- Effectively managing and motivating remote workers
- Creating a unified compliance culture

67%

of firms in Asia expect regulatory information to **increase** in coming year

77%

of firms in Australasia expect regulatory information to **increase** in coming year

Biggest
compliance
challenge

- Keeping up with regulatory change
- Increasing regulatory demands and expectations
- Lack of skilled resources

27%

of firms in Asia have **turned down** a profitable business venture for cultural reasons

25%

of firms in Australasia have **turned down** a profitable business venture for cultural reasons

Operational *indicators*

49% of firms in Asia reported **regtech solutions were affecting the management of compliance**¹

1. Thomson Reuters Regulatory Intelligence – Fintech, Regtech and the Role of Compliance in 2021

44% of firms in Australasia reported **regtech solutions were affecting the management of compliance**

18% of firms in Asia **outsource** all or part of compliance functionality

34% of firms in Australasia **outsource** all or part of compliance functionality

Biggest compliance challenge from COVID-19 is **remote working**



BIGGEST COMPLIANCE CHALLENGE FROM COVID-19 IS REMOTE WORKING

65% of firms in Asia expect more compliance involvement in **cyber resilience**

71% of firms in Australasia expect more compliance involvement in **cyber resilience**

TECHNOLOGY ENABLED CHANGE

34% of firms in Asia expect budgets to **remain the same**

36% of firms in Australasia expect budgets to **remain the same**

People *indicators*

50% of firms in Asia expect cost of compliance staff to **increase**



53% of firms in Australasia expect cost of compliance staff to **increase**



Top three skills for ideal compliance officer

1 Subject matter expertise

2 Communication skills

3 Anticipate future regulatory trends

— Integrity

60% of firms in Asia expect staff turnover to **stay same**

76% of firms in Australasia expect staff turnover to **stay same**

Equal top 2 reasons why cost of compliance staff would fall

— Remote working

— Budget cuts

The greatest compliance challenge(s) I expect to face in 2021 is/are...

“Retaining highly skilled staff – there appears to be a shortage of expertise.”

Chief Executive Officer, Asia



THOMSON REUTERS®