



Reduce Audit Fatigue & Optimize your Compliance Programs

March 23, 2021

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1. Choosing the right partner

1.1 DNV Business Assurance at a glance



A leading global TIC provider

+80K Customers globally

180+ Countries served

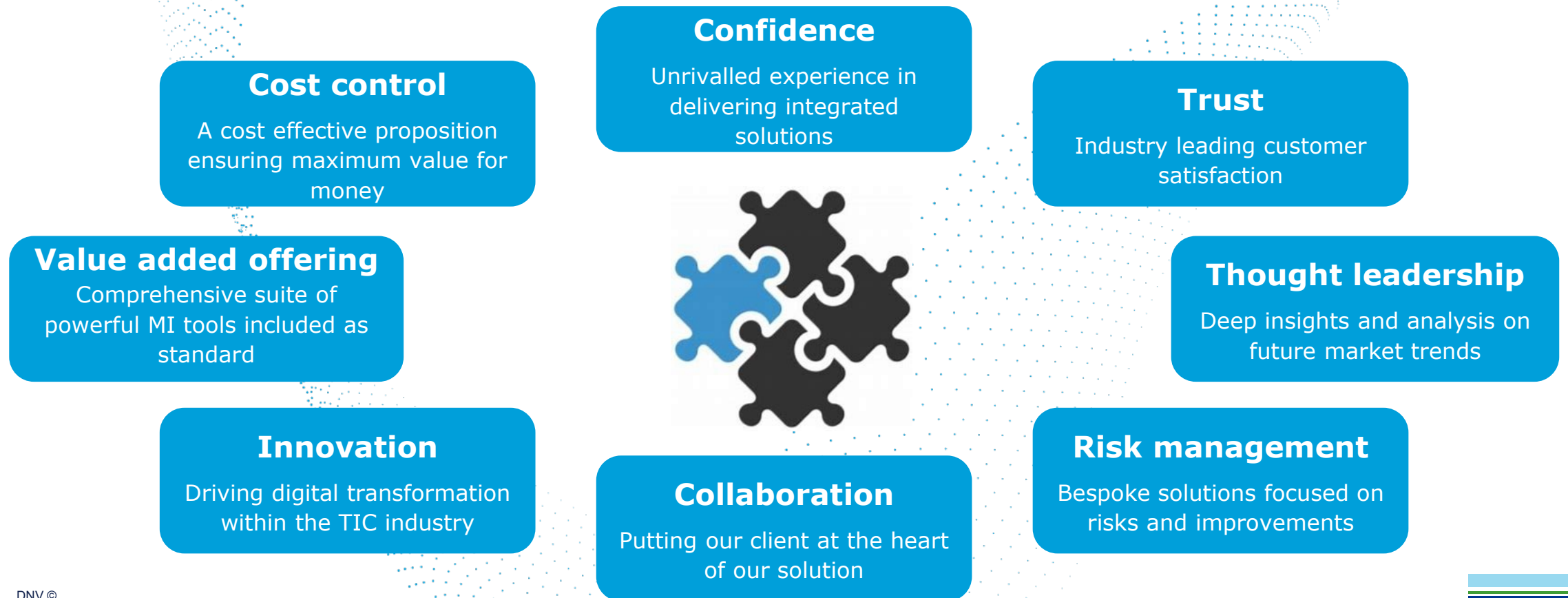
+3400 Auditors globally

+90K Issued certificates

+30 Accreditations

1.2 DNV value proposition

The approach adopted by your certification body (CB) can be a **critical factor** in the calculation of audit durations. If like DNV, the CB **works closely with their client** to fully consider all the applicable adjustments, this will result in the **most efficient and cost effective solution available unique to them**. DNV always adopt a **'partnership approach'** with our clients. This involves us working closely with you to **support your business objectives** by providing an expert service, ensuring **maximum business benefit and value is gained from our engagement**.





2. Audit duration optimization

2.1 Key drivers for determining certification audit durations

There are a number of factors to consider when calculating the amount of auditing time required for a particular organisation. These include the overall governing rules associated with the various schemes, accreditation rules, and the particular details associated with the organization seeking certification.

Accreditation & oversight body/s rules

The majority of ISO schemes are underpinned by a series of documents published by the International Accreditation Forum (IAF). These documents provide the central guidance that all certification bodies must follow, and are enforced by the accreditation bodies.

Scheme specific rules

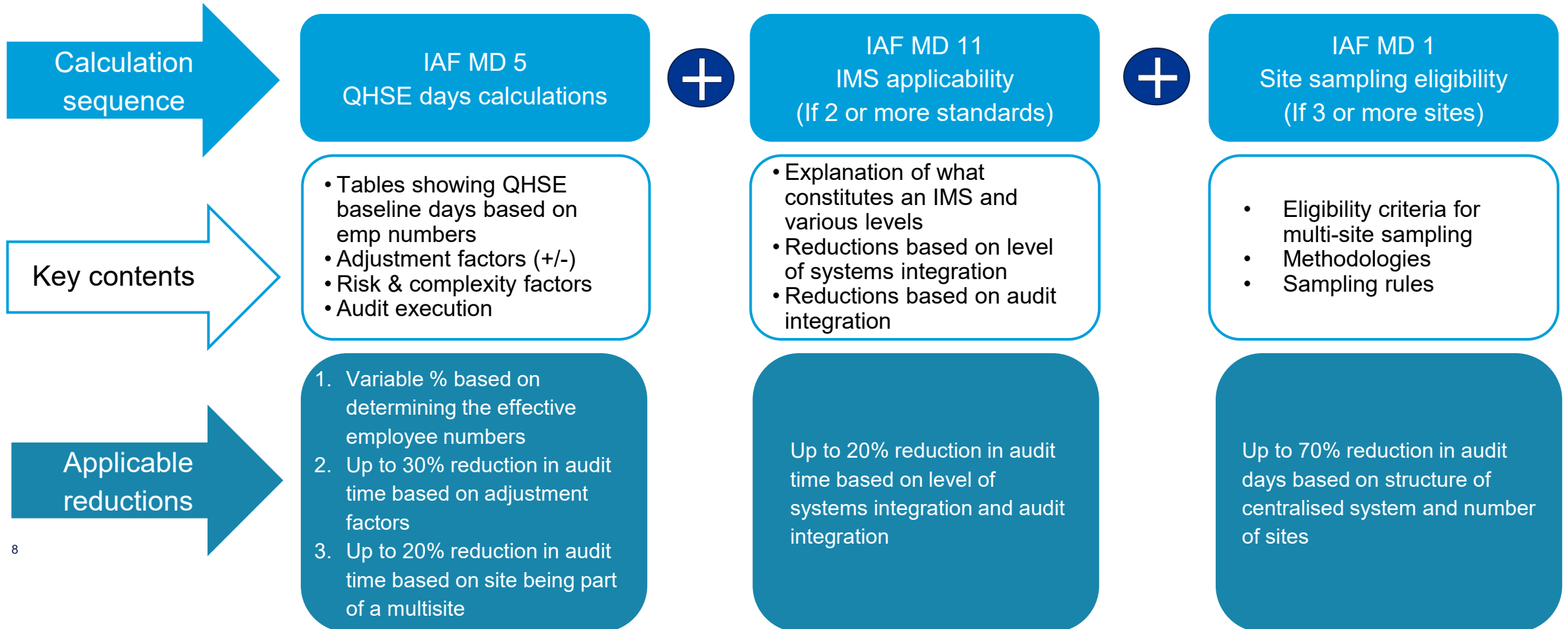
In some cases specific rules and guidance's have been developed for certain sector and industry standards, which must be strictly adhered to by the certification body (i.e. Food, Aerospace, Automotive etc.)

Clients' business

In-line with the previous scheme governances mentioned; a critical consideration is the structure, systems, size, operations and scope of the organisation wishing to be certified.

2.2 Main IAF documents key features

The calculation of audit durations follows a particular sequence. In the case of QHSE standards, the below highlights the steps, reference documents, and associated levels of adjustments available to the certification body:



2.3 Cost reductions and efficiencies illustrated:

The below illustrates the considerable cost savings which can be realised by applying the various applicable reductions*, and adopting combinations of group / integrated systems. This hypothetical scenario is based on a company with 10 sites and requiring a baseline of 12 days annually per site @ \$1000 per audit day.

Systems structure	Baseline days with no reductions	Reductions based on identifying effective number of employees	Reductions based on adjustment factors	IMS / Separate systems	No IMS / Group systems	IMS / Group systems
IAF Ref. Doc.	IAF MD5	IAF MD5	IAF MD5	IAF MD11	IAF MD1 IAF MD5	IAF MD1 IAF MD5 IAF MD11
Sites	Days	Days	Days	Days	Days	Days
Site 10	12	9.6	6.7	5.4		
Site 9	12	9.6	6.7	5.4		
Site 8	12	9.6	6.7	5.4		
Site 7	12	9.6	6.7	5.4		
Site 6	12	9.6	6.7	5.4		
Site 5	12	9.6	6.7	5.4		
Site 4	12	9.6	6.7	5.4	5.4	4.3
Site 3	12	9.6	6.7	5.4	5.4	4.3
Site 2	12	9.6	6.7	5.4	5.4	4.3
Site 1 (HO)	12	9.6	6.7	5.4	6.7	5.4
Total annual days	120	96	67	54	23	18
Total annual cost (\$1000 day rate)	\$120,000	\$96,000	\$67,200	\$53,760	\$22,848	\$18,278
% Reductions		-20%	-44%	-55%	-81%	-85%
Cost reduction		-\$24,000	-\$52,800	-\$66,240	-\$97,152	-\$101,722

* Best case scenario – dependent on various factors



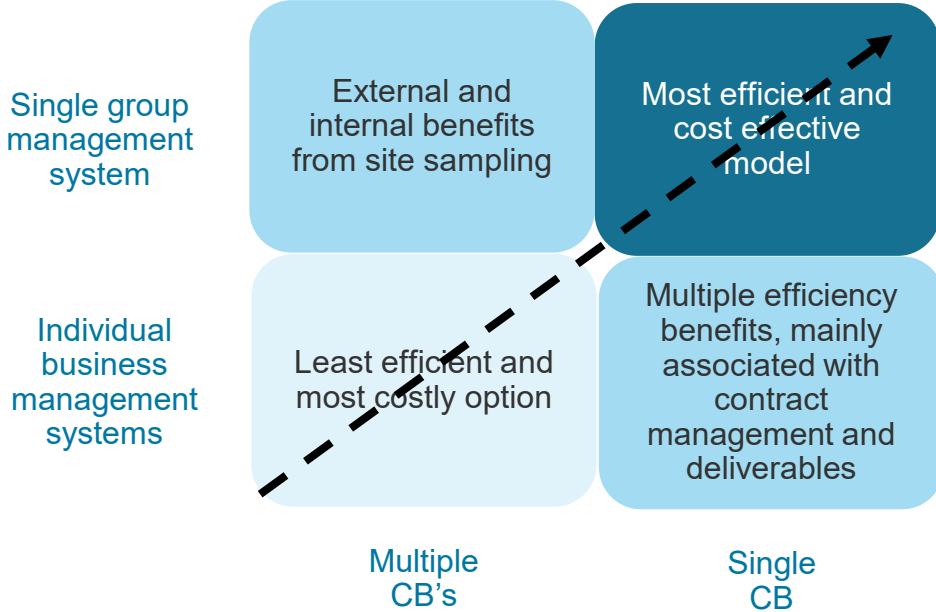
3. Certification consolidation

3.1 Consolidation - Summary of benefits

Certification consolidation benefits overview

Reduced external costs	<ul style="list-style-type: none"> • Preferential rates • Consolidated fees • Integrated / sampling approach to auditing
Reduced internal costs	<ul style="list-style-type: none"> • Single contract management & interface • Decreased internal resource costs based on integrated / sampling approach
Improved risk management	<ul style="list-style-type: none"> • Focus on corporate themes • Provide a holistic view of compliance • Risk based auditing
Improved MI	<ul style="list-style-type: none"> • Dedicated tools for the analysis and reporting of systems performance data, at group, regional, BU and site level
Improved audit consistency	<ul style="list-style-type: none"> • Standardisation of audit approach and reporting • Consistent auditor training and calibration
Improved business control	<ul style="list-style-type: none"> • Robust project management • Unified delivery model • Single contract with defined KPI's

Group vs separate certification structure matrix



DNV is committed to providing a **'best in class'** service that seeks to **drive tangible business improvement and supports our clients' business goals**. By working in collaboration with our clients, our aim is to be considered a **trusted strategic partner**.

DNV
a trusted voice to tackle global
transformations

Thank You

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