



MANAGING RISK

DNV

Risk Based Certification™



Beyond Compliance

December 2008

Agenda



- Dealing with risk
- Why trust is key
- Risk Based Certification
- A typical certification process

Dealing with risk



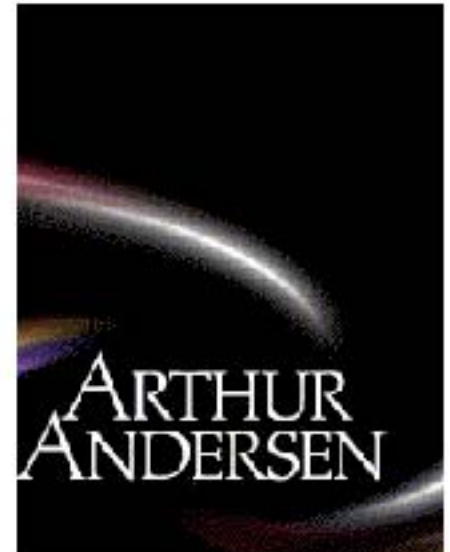
Standards like ISO 9001, ISO 14001 and OHSAS 18001 used to be the ceiling - now they are the platform.



- Risk is part of companies' normal business life
- It has impact on profits and shareholder value
- Understanding the risks a company faces helps to:
 - Balance risk adversity tendency
 - Create a conscious risk taking culture



Risks are not just financial



Losses can be due to internal processes, systems...

Risks are not just financial



... and external events.

Why trust is key



We see an increased level of **scrutiny** from all stakeholders

There is a demand for **transparency** on how companies account for impact in society.

Communication on how you manage risk is key to building trust and confidence.



Trust and confidence are essential when companies are evaluated on:

Past performances (financial ratios)

Future ability to meet challenges (strategies and business sustainability)

Clockwise from upper left corner: Police guarding Nike Town shop, American organic trust mark, Havelaar fair trade trust mark and GMO meat marked by Greenpeace.



Risk Based CertificationTM

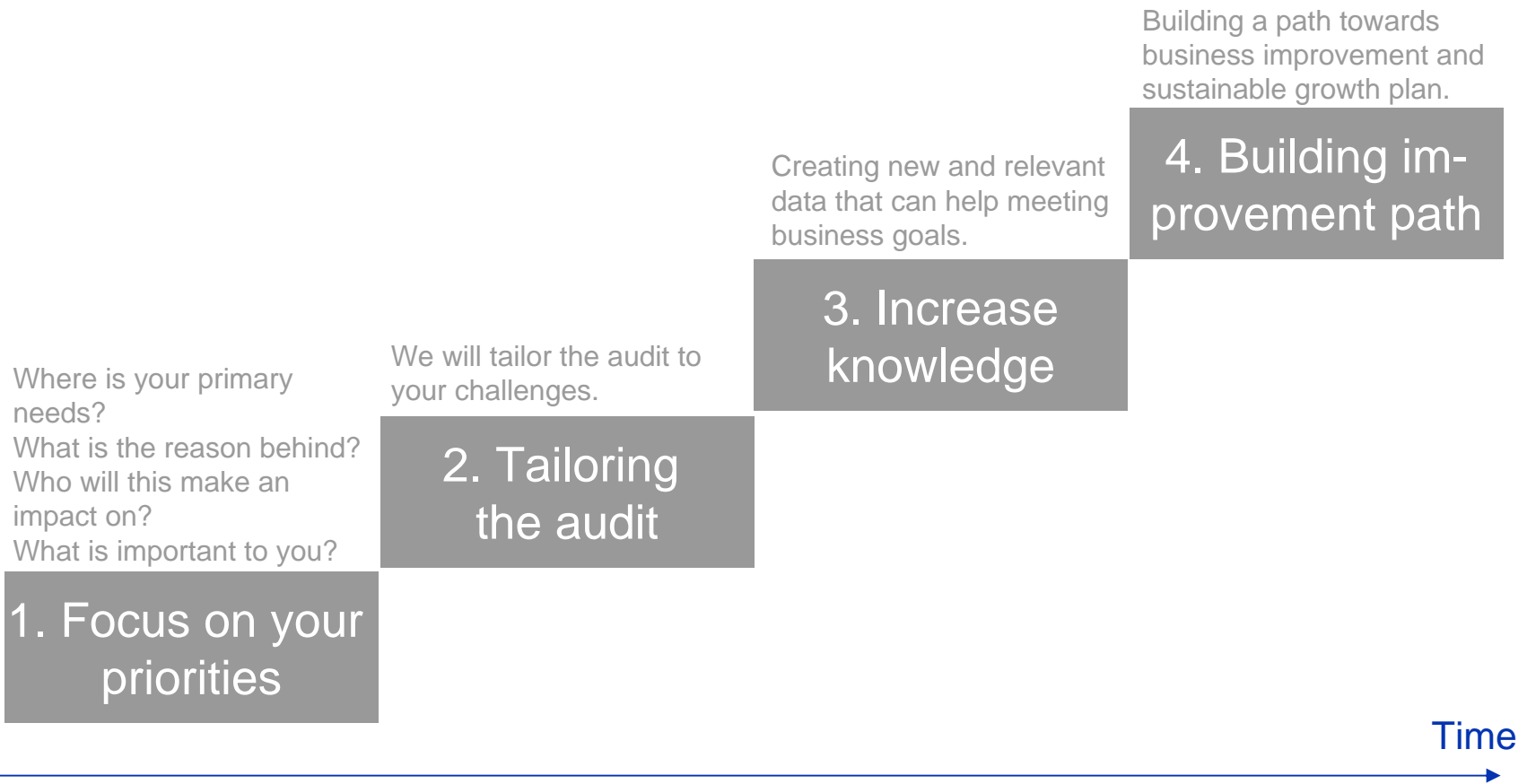
DNV's approach to management systems

What's in it for you?

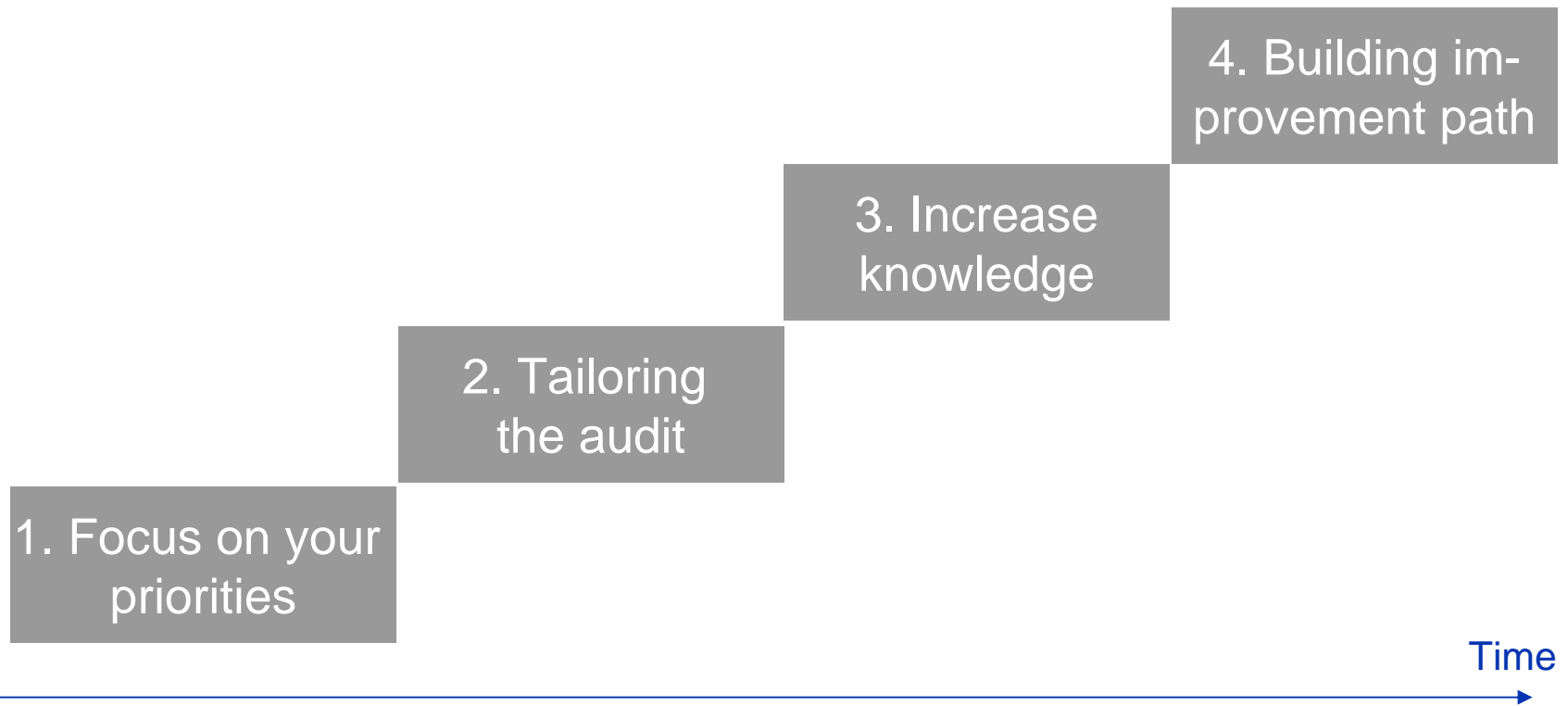
- It's tailored to focus on your business' operational processes
- It focuses on the relationship between your business goals and existing operational processes
- It focuses on your organisation's ability to meet your strategic objectives
- It supports your executive decisions

How? Have a look here...

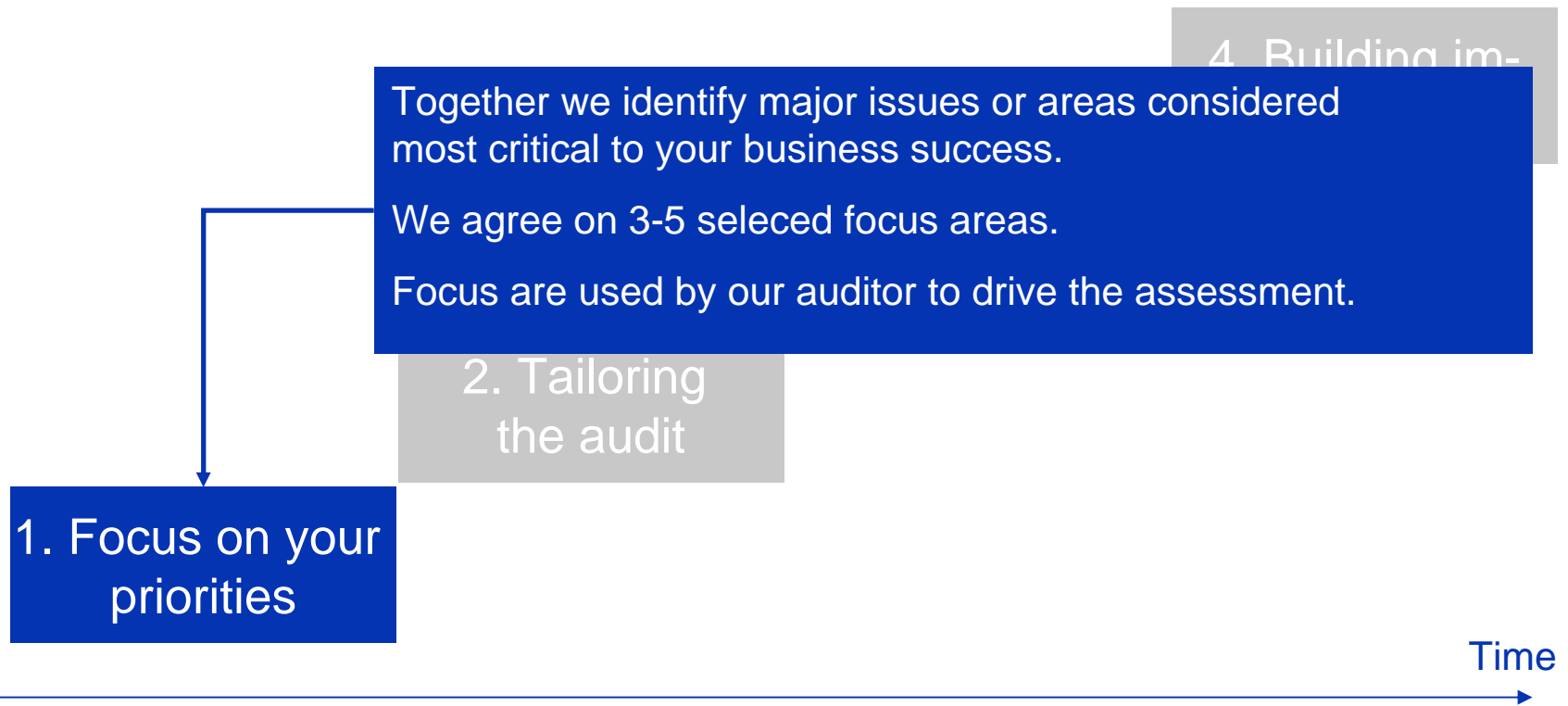
A typical Risk Based Certification process



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A typical Risk Based Certification process

We focus on your challenges while checking compliance.

We assess the management system's capability to address your challenges.

We evaluate focus areas against processes and organisational areas.

We use the previous audit to build a baseline for evaluating your improvements.

We incorporate new challenges.

2. Tailoring the audit

1. Focus on your priorities

Time

A typical Risk Based Certification process

We help you to:

- better understand how your challenges may impact daily operation.
- gain more knowledge on how the challenges might be linked, and the overall potential impact on company goals.
- move beyond compliance evaluation to compete in a dynamic and changing business environment.

1. Focus on your priorities

3. Increase knowledge

4. Building improvement path

But how to do that?

Time

■ Increase **knowledge**:

Your company status

Overall Summary

List of key points observed during audit, divided in to two categories:

Positive indications

Highlighting things
you do best

Main areas of improvement

Giving an independent
overview of your own areas
of improvement in your
business language.

A typical Risk Based Certification process

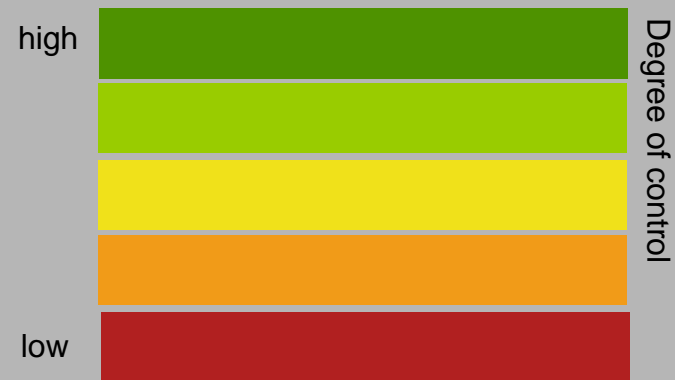
■ Increase **knowledge**:

Your company status

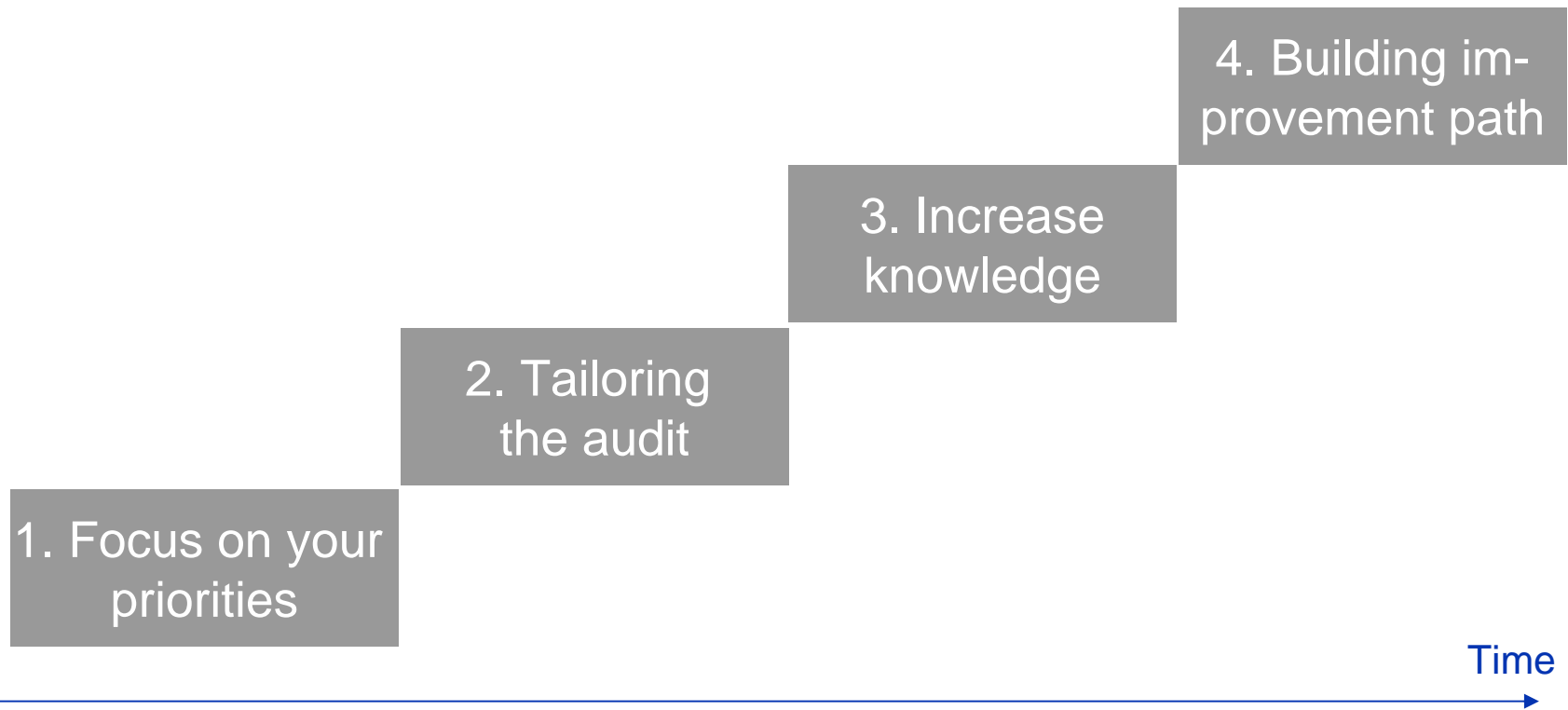
Focus Areas: Your input becomes our guiding star during the assessment

- Overall evaluation of your ability to manage what is really important for you, across processes and physical locations
- Your best practices in managing what is important for you
- Where you should improve if you really want to get into the green

Heat map



A typical Risk Based Certification process



A typical Risk Based Certification process

There is no limit to improvement.
Risk Based Certification assesses your critical issues, allowing you to streamline your own resources and processes.
You can reduce time spent reacting to events, and define your own customised path towards business improvement and sustainable growth.

1. Focus on your priorities

2. Tailoring the audit

3. Increase knowledge

4. Building improvement path

Time



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