



# Corporate Responsibility Assessment

A Corporate Responsibility Assessment provides external validation of your ability to manage risk related to corporate responsibility. It is a tool for communicating your performance within your company as well as to other stakeholders.

DNV's risk management expertise and investor insight is helping companies worldwide understand and manage their exposure to corporate responsibility risks. The assessment can help you manage shareholder and other stakeholder expectations; it also signals your commitment to national, international, and/or industry standards for corporate responsibility.

## What is a Corporate Responsibility Assessment?

A Corporate Responsibility Assessment analyses your company's risk profile and benchmarks your performance against industry standards and international best practice in four areas:

- Business ethics – business practices (e.g. business conduct, bribery, and corruption).
- Environment – impacts associated with operations, products, manufacturing, distribution, and packaging (e.g. use of natural resources, waste management, energy management, emissions and climate change).

- Society – impacts from operations and products on societies and communities where a company is present (e.g. community relations, human rights, product safety, and market place practices).
- Employment – impacts associated with the recruitment, protection and management of labour (e.g. working conditions, diversity, recruitment and retention, and industrial relations).

The assessment answers the question: "Is the company controlling and managing its major risks in a way that maximises its value and addresses reasonable stakeholder concerns?"

Your company's specific risks are identified and assessed for their potentially material impact on drivers of business value, including risks to your brand, reputation, human capital, organisational efficiency and market access. The assessment also identifies and evaluates risks of regulatory interference and legal action.

Why is a Corporate Responsibility Assessment good for my business?

Our assessment evaluates how your company is managing each risk, from development and implementation of policies to validation of management systems and quality of performance, disclosure, and stakeholder dialogue.

DNV can locate problem areas, which enables you to change them into strategic, organisational, and operational assets. Understanding business risks allows you to reduce response times and improve the balance between risk adversity and conscious risk taking. Communicating on corporate responsibility risks helps you build internal awareness and identify clear responsibilities for managing these risks.

How is the assessment carried out?

The assessment is an interactive process conducted together with your company. It comprises three steps:

1. Risk Identification: Identifying material corporate responsibility impacts and risks in company operations.
2. Risk Mapping: Assessing the short- and long-term probability of each risk and its potential effect on business value.
3. Risk Management Evaluation: Assessing and rating the quality of policies, management controls, performance, and disclosure.

The flexible process allows you to have the risk identification and mapping completed now and proceed to a full assessment of management systems at a later stage.

Once DNV has prepared and agreed on an assessment plan with your company, we undertake the risk identification and submit a due diligence and information request to your company. Our team of specialists will review information at your company's premises, conduct the risk mapping and interview senior executives and other relevant people.

After completing the risk management evaluation, we draft a report which is discussed with your company. Your feedback is incorporated as appropriate, and a final assessment report is submitted to DNV's internal assessment committee for approval. It is presented in confidence to your company.

At the end, you receive a comprehensive report on the quality of your company's management and reporting of corporate responsibility risks. The report includes individual sub-ratings, analytical commentary as well as an overall rating. You decide whether to publish the report or only use it internally to strengthen your corporate responsibility performance.

Our expertise

DNV's solid competence in the area of Enterprise Risk Management has already helped large and small companies worldwide manage their changing risk profiles more effectively. In 2004 DNV acquired CoreRatings, a leading global provider of ratings on corporate responsibility and governance. The expertise of DNV, combined with methods and knowledge acquired through CoreRatings, offers the market a full range of services in the corporate responsibility and governance areas, satisfying the call for measurement of material business and investment risks.