



## Daikin Australia's small internal audit team delivers big insights with Diligent

### Company overview

Founded in Osaka in 1924, Daikin is the world's largest air conditioner manufacturer and one of Australia's most trusted names in air conditioning. With over 50 years of heating and cooling Australian homes under its belt, Daikin Australia has grown rapidly organically and through acquisition. In turn, the audit work of the Risk and Assurance team has grown exponentially.

The Australian audit team's scope extends across three companies: Daikin Australia, Airmaster and Conserve It. Vincent Verlinde, National Risk and Assurance Manager at Daikin Australia, leads a small internal audit team of three in assessing internal controls and compliance for the company's 39 offices, factories, warehouses and trade centres across Australia.

**Company:** Daikin Australia

**Industry:** Air Conditioning

**Location:** Australia

### Key takeaways

- ✓ **50% reduction** in resource spend on repetitive audits
- ✓ **50% less site travel time** for sample selections
- ✓ **Ability to deliver greater insights** to the board, audit committee and broader organisation

Daikin Australia's internal audit team has an expansive audit plan that includes assessing the organisation's compliance against:

- A complex array of local regulations, including Australia's National Greenhouse and Energy Reporting (NGER) scheme, the Corporations Act and the Modern Slavery Act;
- Japan's Financial Instruments and Exchange Act (J-SOX) as Daikin is publicly listed on the Japanese Stock Exchange;
- ISO standards to maintain the certifications that Daikin holds; and
- Numerous Australian standards in safety, packaging and refrigeration.

Beyond these regular assessments, the team also conducts special one-off audits where no predefined risks, control objects or control activities exist. This places a significant burden on the audit team to not only assess a large volume of controls each year, but also present insightful reporting and have the agility to address unexpected risks that may emerge during the year.

In today's dynamic business landscape, where new organisational risks are always emerging, the audit team is stepping into the strategic role of providing continuous insights and recommending solutions to ad hoc concerns.

“Over the last eight years that I've worked at Daikin, the size of the audit team has remained fairly stable – but the company has grown and we've got more subsidiaries to service. By using [Diligent] to optimise the efficiency of our audit process, we've been able to maintain the same number of resources in our team.”

---

**Vincent Verlinde**  
National Risk and Assurance  
Manager at Daikin Australia



## Quick facts

- Daikin celebrates its 100th anniversary in 2024
- Facilities in every major city across Australia, with the head office and manufacturing facility based in Sydney
- 2,000 employees in over 20 locations across Australia
- AUD1 billion in revenue in FY2022
- Audit and Assurance function annually manages 45 ISO audits, 17 site audits, 15 J-SOX assessments, 6 operational audits and more

## Solution

When Vincent first joined Daikin Australia in 2015, the Risk and Assurance team was in the midst of a transition. The electronic workpaper tool that they were using was no longer supported and they were scouting for an alternative.

At that time, the Diligent One Platform and Diligent ACL Analytics were in their early stages of development and this innovative technology caught their attention due to its modern interface, cloud capabilities and integration with analytics.

“Daikin was one of the first users of [Diligent] in Australia. We started with a three-month trial and frankly, we have never looked back since,” said Vincent.

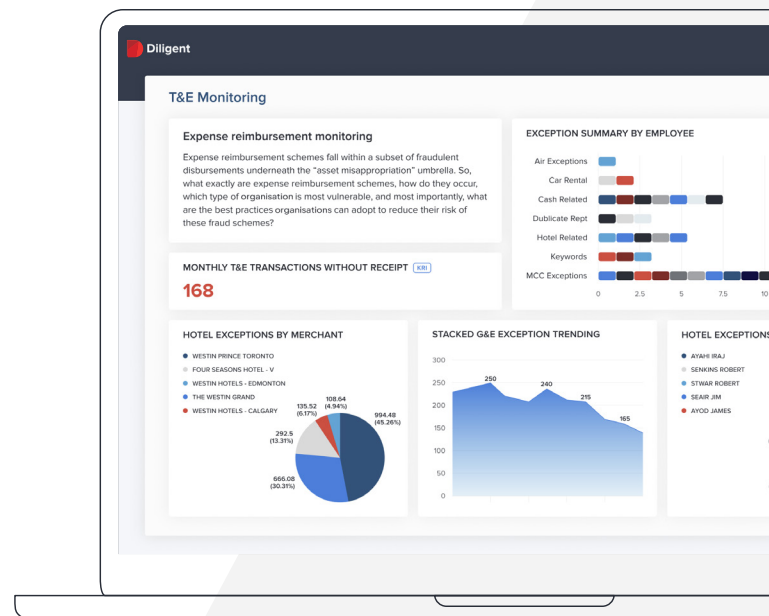
Diligent Internal Audit Management offered a centralised, automated and collaborative way for the team to document and process audit results. As a web-based tool, it gave them the efficiency and flexibility to follow up on audits both from the office and on mobile platforms.

## Results

Automating processes with Diligent has empowered the Risk and Assurance team to halve the resource time they used to spend on repetitive audits. This equips them with the bandwidth to perform continuous risk assessments and provide on-demand insights, giving the business an edge in today’s fast-evolving risk landscape.

“We have developed our procedures to make sure we use the best features of the platform and we get the best possible outcomes with the least amount of effort.”

**Vincent Verlinde**  
National Risk and Assurance  
Manager at Daikin Australia



“One of our favourite features to use is **Frameworks** as it **allows us to set up templates for audits** we perform every year and repeat them over and over. Apart from **saving us a lot of time**, this enables us to analyse control performance of all the audits over the years.”

From sampling to reporting, Vincent’s team has used Diligent to optimise efficiencies at every step of the audit process. Through the easy-to-use Robots app, for instance, they can automate sample selection without the help of a data analytics expert. By streamlining sample selections with self-assessments through the platform, the team has reduced their travel and on-site time by half, enabling them to invest more time in investigating any exceptions found.

“The time we save allows us to do things we previously weren’t able to do. **Previously, we would be busy with the J-SOX audit, ISO audits and so forth and there wouldn’t be much time left in the audit plan. Now, these only take up half of our resource time** for the year, which means we can use the other half to work on ad hoc issues that come up or concerns raised by management.”

With Diligent centralising all available data in one place, the team has been able to produce and present more strategic insights to the board and audit committee. Powered by ACL Analytics, the platform offers a clear picture of control performance across time. This makes it easy to pinpoint where control deficiencies occur the most and prioritise areas for improvement, providing greater assurance on key risks.

Daikin Australia’s internal audit team have levelled up their reporting to the audit committee by making full use of Diligent’s ready-to-use dashboards. They can also consolidate their findings into impactful, board-ready reports with the click of a button. Thus far, their reports have received great feedback from the board.

“Overall, **having all this information in one solution** – rather than spread across various workpapers – **allows us to respond to ad hoc questions** such as ‘How often has this happened in the past? What did we previously do to solve this problem?’ and ‘How can we do this better?’ This has been very important in **ensuring that the board has bought into our solution** and the way we do our audit methodology.”



Beyond their relationship with the Board, Vincent finds that their relationship with auditees has been enhanced as well. By setting up audits as frameworks in Diligent, the team can share the audit programme with auditees and provide full transparency into the testing process. This fosters a more collaborative relationship, where auditees have better insight into the requirements and can open a discussion with auditors on how to achieve them.

The clarity and transparency enabled by Diligent makes it easy for Daikin Australia's small internal audit team to tap external support. With the Frameworks and mapped controls in Diligent, any outsourced auditor or temporary assistance that the team brings in will benefit from full documentation of their methodology and testing processes. This reduces the time they need to spend on getting the newcomer up to speed, simplifying the handover of the audit process at any stage.

“ We feel that with [Diligent], we've evolved as an audit team. It's not that we do more audits, but that we can provide better information. I think the journey has made a very big impact on the business, regarding our credibility and also our accuracy.”

---

**Vincent Verlinde**  
National Risk and Assurance  
Manager at Daikin Australia



## About Diligent

Diligent is the leading governance, risk and compliance (GRC) SaaS company, empowering more than 1 million users and 700,000 board members to clarify risk and elevate governance. The Diligent One Platform gives practitioners, the C-suite and the board a consolidated view of their entire GRC practice so they can more effectively manage risk, build greater resilience and make better decisions, faster. Learn more at [diligent.com](https://diligent.com).

Learn more

[info@diligent.com](mailto:info@diligent.com) | [diligent.com](https://diligent.com)

© 2025 Diligent Corporation and its affiliate companies. Diligent® is a registered trademark owned by Diligent Corporation registered in the US and other jurisdictions. Diligent Boards™ and the Diligent logo are trademarks of Diligent Corporation. All third-party trademarks are the property of their respective owners. All rights reserved.

1616970534