



Practical Tips for Using ISO 14001:2015  
to Integrate Environmental Compliance,  
Risk Management, and Sustainability Objectives

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## AGENDA

1. Drivers behind the 14001 Standard Changes
2. Value of a Systems Approach
3. Key Concepts in ISO 14001:2015
4. Key Concepts in ISO 14001:2015
5. Strategies for Implementation

# Traditional Environmental Responsibilities



- Air and water pollution control
- Waste management and recycling
- Chemical handling/storage/use
- Remediation
- Spill control and Emergency response



- ✓ Compliance Assurance Tools
  - Compliance Audits
  - Information Management Systems
  - Training
  - ISO 14001

# Expanding Environmental Responsibilities



- Sustainability Data & Reporting
- Carbon & Water Footprints
- Product Stewardship
- Supply Chain
- Green Buildings
- Energy Management
- Biodiversity
- Community Affairs
- Stakeholder Engagement



# Have You Heard These Questions?



- What is the environmental impact of your product and associated packaging?
- What is the carbon footprint of your product?
- Is this product better for the environment than your competitor's?
- What is your company doing about climate change?
- What are you doing to address water scarcity?
- Are your products socially responsible?
- Are your suppliers socially and environmentally responsible?

# Why Are These Questions Being Asked?



- Supply-Chain Sustainability Audits and Scorecards
- Sustainability Reporting
- Concerned Consumers/NGOs/Communities
- Social Media
- Anti-Bribery and other Governance Legislation
- Investor Scrutiny of Non-Financial Risks



# Drivers Behind the Content Changes

- “Future challenges” study group of ISO/TC 207/SC 1 established in 2008
- Explored 11 themes around future challenges facing environmental management systems
- Considered new approaches and methods in the field of EMS.
- Drafted final report in 2010



# Drivers Behind the Content Changes

1. EMS as part of sustainability and social responsibility
2. EMS and (improvement of) environmental performance
3. EMS and compliance with legal and other external requirements
4. EMS and overall (strategic) business management
5. EMS and conformity assessment
6. EMS and the uptake in small organizations
7. EMS and environmental impacts in the value/supply chain
8. EMS and engaging stakeholders
9. EMS and parallel or sub systems (GHG, energy)
10. EMS and external communication (including product information)
11. Positioning of EMS in (inter)national policy agendas



# Drivers for Structural Changes

Recognition that integration of management systems requires alignment:

- High level structure
- Identical definitions
- Similar requirements
- Comparable text



# High-level Structure for ISO 14001:2015

- Clause 1: Scope;
- Clause 2: Normative references;
- Clause 3: Terms & Definitions;
- Core Clauses
  - Clause 4: Context of the organization;
  - Clause 5: Leadership;
  - Clause 6: Planning;
  - Clause 7: Support;
  - Clause 8: Operation;
  - Clause 9: Performance evaluation
  - Clause 10: Improvement
- Annex A: Guidance on the use of this International Standard;
- Annex B: Correspondence between ISO14001:2004 & 2015

# Standard Structure Comparison

## ISO 14001:2004

## ISO 14001:2015

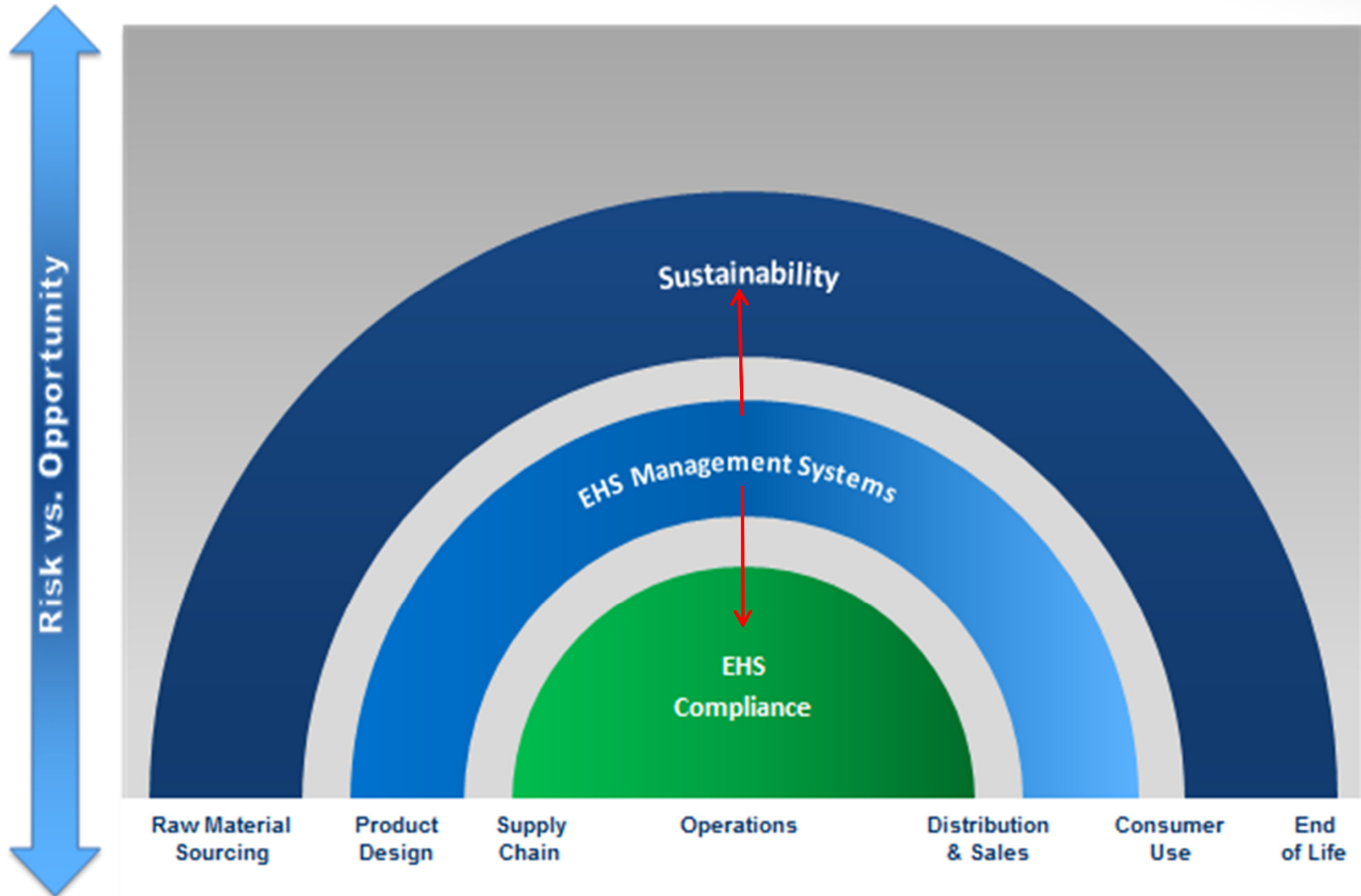
4.1 General Requirements	4. Context
4.2 Policy	5. Leadership
4.3 Planning	6. Planning
4.4 Implementation & Operation	7. Support 8. Operation
4.5 Checking 4.6 Management Review	9. Performance Evaluation
	10. Continual Improvement

# Value of a Systems Approach

- Risk Management
  - Focus organization's resources on significant risks
  - Prioritize capital across organization
- Customer Requirements
- Brand Enhancement Efficiencies
  - Provide a consistent approach globally – effective across cultures
  - Eliminate redundancy/leverage resources
- Support company values
  - Align Environmental goals with company Vision, Mission, Values
  - Build the business case for Environmental initiatives
- Supply chain impacts
  - Promote better environmental performance by integrating suppliers into the organization's business systems

*Improve performance and achieve organizational objectives*

# Value of a Systems Approach...



# Parallels to ISO 26000 – Social Responsibility

- Provide practical guidance related to
  - operationalizing social responsibility
  - identifying and engaging with stakeholders and
  - enhancing credibility of reports and claims made about social responsibility
- Not for 3<sup>rd</sup> party certification
- 7 Core Subjects – including Environment



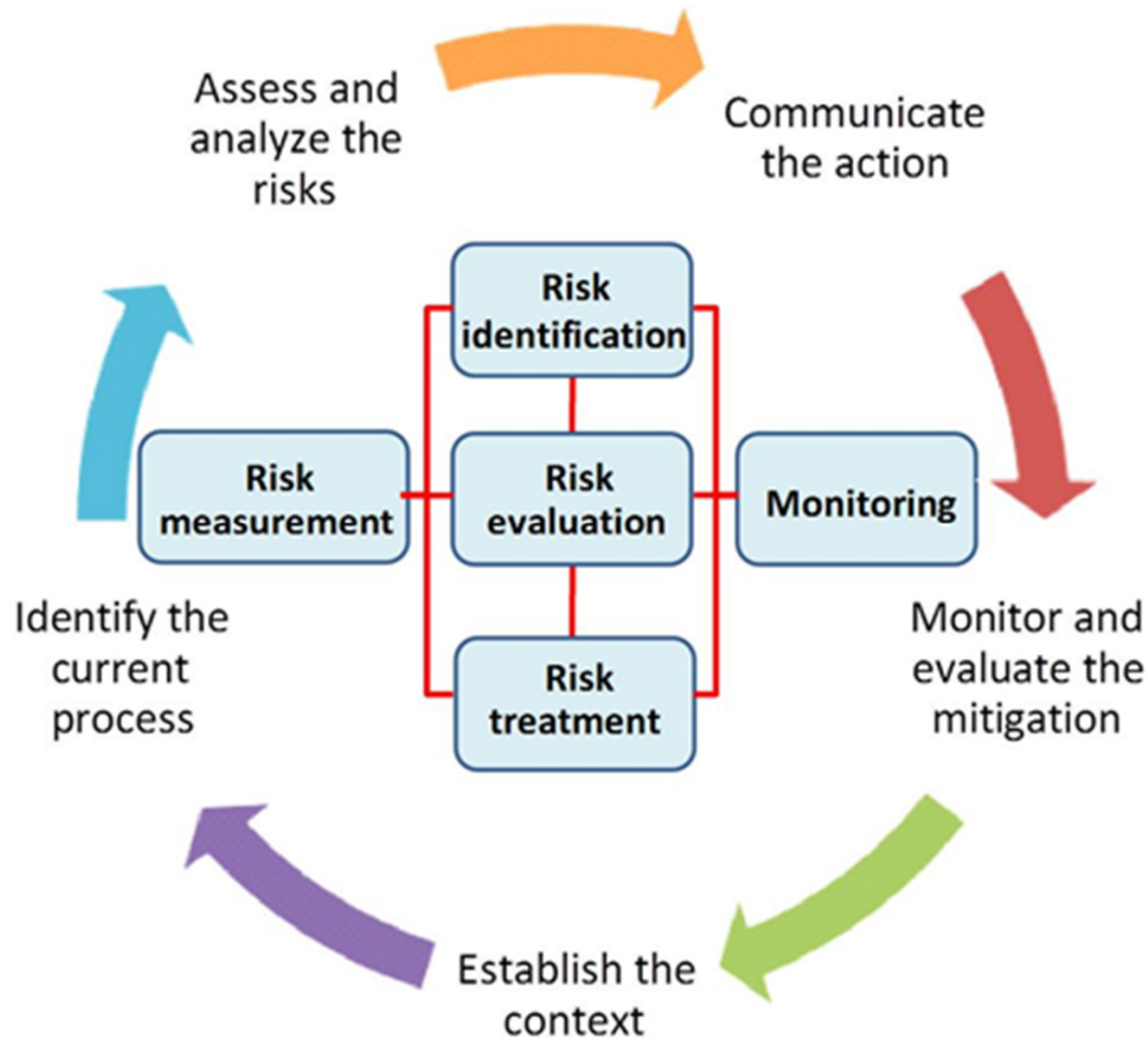
# Parallels to GRI Reporting Principles



- Stakeholder Inclusiveness
  - identify stakeholders, and explain the organization's response to reasonable expectations and interests
- Sustainability Context
  - present performance in the wider context of sustainability
- Materiality and Completeness
  - cover Aspects that
    - reflect significant economic, environmental and social impacts; or
    - substantively influence the assessments and decisions of stakeholders
    - enable stakeholders to assess the organization's performance in the reporting period.



# Parallels to ISO 31000 – Risk Management





# Key Concepts of the New Standard

- Incorporate Strategic View
  - Understanding of organization's context
  - Requirements of interested parties
  - Integration with business processes
- Risk Based Thinking
- Performance Based Outcomes



# Context of the Organization

- Ensure organization's context is considered – internal and external risks, opportunities and stakeholder expectations
- Assess effect of environmental conditions on the organization
- Consider internal and external context relevant to achieving intended outcomes
  - enhancement of environmental performance
  - fulfilment of compliance obligations and
  - achievement of environmental objectives



## Context – Using the Results

Use results of the context assessment to assist in:

- setting the scope of the EMS;
- determine risks and opportunities to be addressed;
- establish environmental objectives;
- develop or enhancing the environmental policy;
- determine the effectiveness of an organization's approach to fulfil its compliance obligations.

# Leadership

Top management shall demonstrate leadership and commitment with respect to the EMS by:

- Taking accountability for the effectiveness of the EMS
- Ensuring the environmental policy and objectives are compatible with the strategic direction of the organization
- Ensuring integration of EMS into the business processes
- Ensure adequate resources are available
- Communicate the importance of effective environmental management
- Ensuring the EMS achieves its intended outcomes
- Promoting continual improvement

# Planning, Support and Operation

- Identify risks and opportunities
  - Aspects and Impacts
  - Compliance obligations
  - Other issues and requirements
- Environmental Objectives
  - Performance Indicators
- Support
  - Competence, Awareness, Communication
  - Documented Information
- Operational planning and controls
- Emergency preparedness and response



# Compliance

- Voluntary commitments are obligatory once adopted
  - Based on a determination of *relevant* interested parties and their *relevant* requirements
- Evaluate compliance at pre-determined frequencies
- Take necessary action to address non-compliance, actual or potential
- Maintain knowledge and understanding of compliance status. In addition to periodic audits:
  - Site inspections/observations
  - Review of records
  - Compare results of monitoring to regulatory requirements

# Value Chain Perspective

- Address life cycle thinking and incorporate the identification and evaluation of environmental aspects related to products and services more clearly
- Incorporate guidance related to strategic considerations in design, purchasing, marketing and sales activities
- Does not require LCA's to be conducted

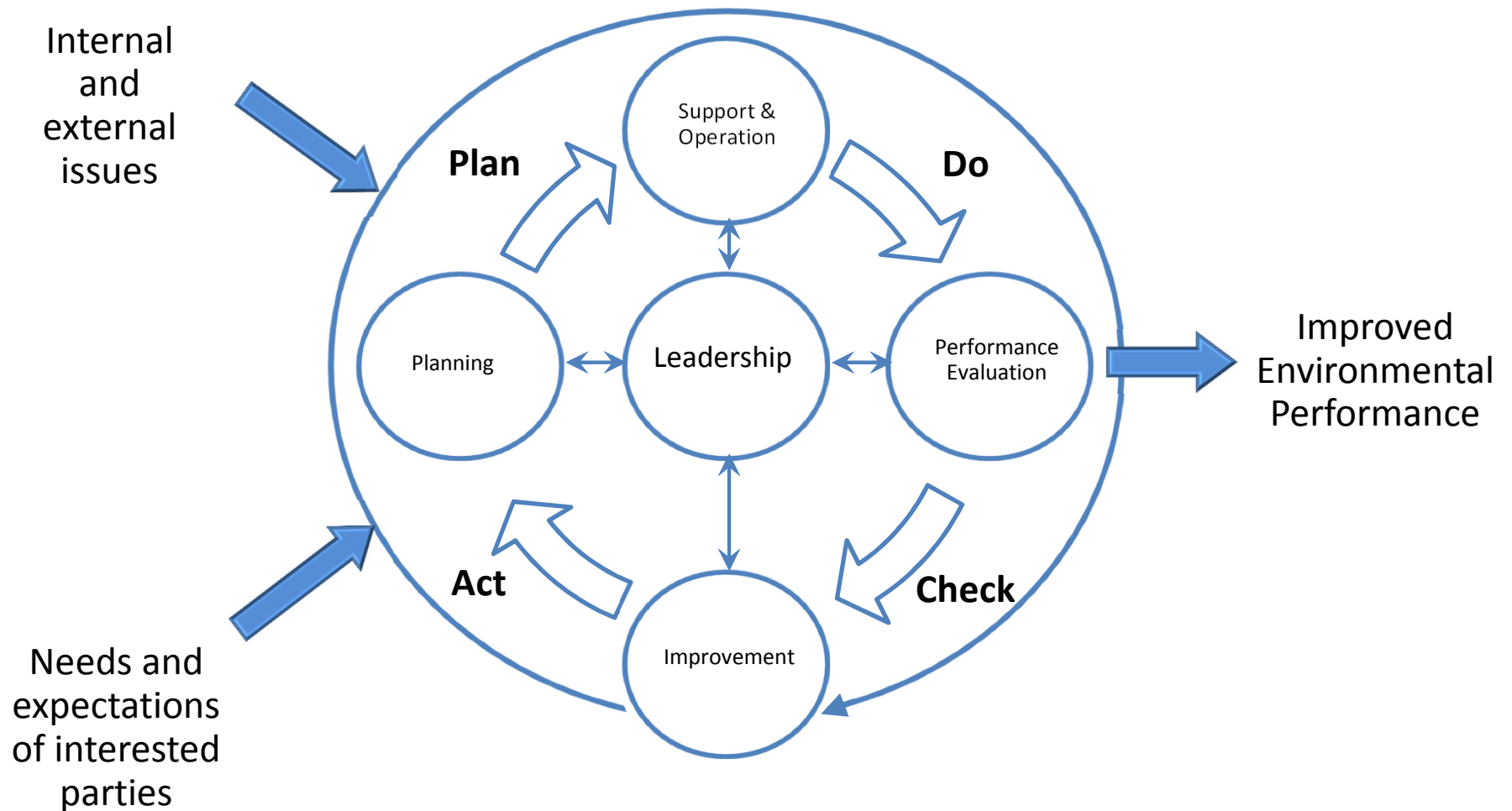


# Performance Evaluation and Continual Improvement

- Measure and analyze organizational performance, compliance status, services and value chain controls
- Manage change
  - Control planned changes
  - Review consequences of unintended changes, mitigate adverse effects
- Focus is on continually improving environmental performance
  - reducing adverse environmental impacts
  - increasing beneficial impacts
  - use of performance indicators



# Overview of the New Standard



# Tips for Implementing 14001:2015

Conduct Gap Assessment against final standard

- Integrate internal auditors into the gap assessment process for training purposes



# Tips for Implementing 14001:2015

Develop a timetable for implementation and certification

- Incorporate the results of the gap assessment to establish a roadmap, milestones and resource commitments for implementation of the revisions.
- Confirm the implementation plan/timetable with your Registrar.



# Tips for Implementing 14001:2015

Align management review process with senior leadership goals and objectives

- Educate the senior leadership team on new standard requirements
- Align the EMS objectives/targets and communications with your sustainability strategy, objectives and reporting



# Tips for Implementing 14001:2015

Develop schedule and forum for management review

- Integrate relevant internal functional groups and external stakeholder perspectives
- Plan for more pervasive integration of the EMS into product design, end-of-life and material procurement



# Tips for Implementing 14001:2015

Consider impacts on other management systems and integration strategies

- ISO 9001 (Quality) was also revised in Sept 2015
- ISO 45001 (Health & Safety) is anticipated in 2017
- Organizations have 3 years after the revisions are published to transition to the new standard



# Documented Information



- The scope of the EMS (4.3)
- Environmental Policy (5.2)
- Identified risks and opportunities to be addressed (6.1.1)
- Processes needed in 6.1.1 to 6.1.4 *to the extent necessary to have confidence that these processes are carried out as planned* (6.1.1)
- Environmental aspects and associated impacts (6.1)
- Significant environmental aspects and criteria used to determine (6.1.2)

# Documented Information



- Compliance obligations (6.1.3)
- Information on the environmental objectives (6.2.1)
- Information related to the operational control processes needed to meet EMS requirements, *to the extent necessary to have confidence that the processes have been carried out as planned* (8.1)
- The processes needed to prepare for and respond to potential emergency situations identified in 6.1.1 *to the extent necessary to have confidence that the processes are carried out as planned* (8.2)



# Documented Information – Evidence

(e.g., records)



- Competence, as appropriate (7.2)
- Communications, as appropriate (7.4.1)
- Monitoring, measurement, analysis and evaluation results, as appropriate (9.1.1)
- Compliance evaluation results (9.1.2)
- Implementation of the audit program & audit results (9.2)
- Results of management reviews (9.3)
- Nature of identified nonconformity and any subsequent actions taken, and the results of any corrective action

# Integrating the EMS into the Business



Goal: Improved Environmental Performance through a Management System that is Integrated into the Business

- Environmental objectives incorporated in the vision or strategy
- Policy commitments in the governance of the organization
- Processes for determining environmental risks/opportunities into standard business risk management process(es)
- EMS responsibilities within job descriptions
- Environmental performance indicators within business performance systems, (e.g., department or employee appraisals)
- Environmental performance in external reporting





## BOTTOM LINE

Leverage the EMS as a tool to bridge compliance and sustainability objectives and to manage risk/opportunity throughout the business

- Identify and involve other functional groups early
- Link objectives and targets to overall business goals
- Align management review, objectives, targets & programs with business budget cycle
- Focus on environmental performance improvements – not paperwork

Thank you

## Questions?

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