# bsi.

# Sustainability

Newsletter





Welcome to the first BSI
Sustainability Newsletter
aimed to give you the latest
information in the
Sustainability area...

...as well as sharing some of our client's experiences and best practice. At BSI, we recognize that sustainable practice is the path to success now and for the long term, whatever your industry or country.

All companies, organizations and society have a global responsibility to grow without compromising resources for future generations. The consequences of consuming finite resources at the current rate means we have no alternative but to change to a greener and more sustainable business model.

BSI is committed to helping our clients on their sustainability journey, whatever their starting point. Our range of products and services combined with our expertise and thought leadership in this area make us the ideal partner.

In the ever changing sustainability environment, BSI is at the fore-front of developments not only in the latest industry thinking but also responding to our clients needs. I hope you find this newsletter informative and thought provoking.

#### **David Horlock**

Regional Managing Director, BSI APAC Region

#### In this issue:

- The latest information about ISO 14001 revision
- The new PAS 7000 focusing on Supplier Pre-Qualification
- Latest services available from BSI
- Latest Client achievements
- BSI's commitment to an endangered species



# The world's most popular Environmental Management Systems standard, ISO 14001, is being revised

BSI was at the forefront of environmental management, producing the world's first environment standard, BS 7750 back in 1992 at the same time as the Earth Summit in Rio. ISO 14001 was developed from BS 7750 and enables organizations to establish the systems and processes necessary to manage their environmental risks. Globally there are now over 285,000 companies certified to ISO 14001 in 167 countries.

ISO 14001 is now under review to ensure that it that remains relevant to today's challenging environment and to provide a basis for the next 10-15 years. The standard is being revised using the new High Level Structure (HLS) which is common to all management systems standards allowing for easy integration when implementing more than one management system. One of the key changes is the strengthened focus in management of supply chain and subcontractors environmental performance.

The Draft International Standard (DIS) is expected to be available in July 2014 with the final standard expected mid 2015.

BSI will be keeping all our clients updated with the latest information on the revision as it happens.

View of latest resources here:

ISO 14001 webinar bsiedge.bsi-global.com/iso-14001-revision-update-1/

ISO 14001 video update www.youtube.com/watch?v=1UU-508VKAU





# PAS 7000:2014 – The new standard for 'Supplier Pre-Qualification' addressing Governance, Risk and Compliance (GRC)

BSI launches PAS 7000, a universally applicable supplier pre-qualification standard for compliance and procurement professionals, supplier and buyer organizations of all sizes.

PAS 7000 is designed as a best in class supplier pre-qualification standard to provide living and transparent profiles to help answer the three basic questions relating to any organization's supply chain partners "Who are they? Where are they? Can they be relied upon?"

As organizations become exposed to increased reputational risk and demands for organizational behavior and supply chain transparency rise, brands are more exposed than ever before. It's no wonder why 70% of executives consider supply chain risk management important or very important.

Created in response to industry demand and developed with international consensus by 240 supply chain and procurement professional from global industry associations and organizations in Europe, Americas and the Asia Pacific region, PAS 7000 Supply Chain Risk Management – Supplier Pre-Qualification establishes a model of governance, risk and compliance consisting of 9 core modules and 6 additional modules:

- The 9 Core Modules Organizational Profile, Supplier Capabilities and Capacities, Financial Information and Insurance, Business Governance, Employment policies, Health and Safety, Data protection, Environmental Management, Quality Management
- The 6 Additional Modules Business Ethics, Supply Chain Traceability, Supply Chain Security, Equal Opportunity and Freedom of Association, Disciplinary Practice and Abuse, Business Continuity Management

PAS 7000 is defining what good looks like today with regards to supply chain behavior. The benefit of this new standard is that it help organizations and brands to align their supply chain with their corporate values by adopting an internationally defined framework of good practice. In addition to this it helps organizations:

- To increase transparency and trust in the supply chain thereby helping organizations make informed decision about whether or not to engage with a potential supply chain partner
- To mitigate risks and reputational damage as it addresses product, process and organizational behavior standards along the supply chain
- To mitigate risk by focusing on a wide and relevant range of governance, risk and compliance topic for today's modern and global market place
- To save time, money and effort by replacing multiple and singularly focused programs which do not necessarily focus on a sufficiently broad range of relevant governance risk and compliance topics for today business needs

<u>www.bsigroup.com/en-AU/About-BSI/Media-Centre/Press-Releases/2013-News/12/How-well-do-you-know-your-supply-chain-Introducing-PAS-7000-Supply-Chain-Management</u>

BSI is the leading Certification Body for ISO 50001 Energy Management in APAC BSI achieves accreditation for International Sustainability & Carbon Certification (ISCC)





Latest information in April 2014 from the Germany Federal Environmental Agency shows that BSI is the number 1 certification body in the Asia Pacific region.

ISO 50001 Energy Management, is a best practice framework to manage energy performance, reduce costs and ensure sustainability. It outlines the best way to achieve energy efficiency whatever the size or nature of your business. The standard will help you meet your environmental and carbon reduction targets as part of improving energy performance. ISO 50001 will pave the way to improved performance, lower energy bills and reduced carbon emissions — all at the same time.

BSI has been providing certification services since the standard was first published as BS EN 16001 in 2009 and are accredited by ANSI-ASQ National Accreditation Board (ANAB).

To find out more about how BSI can help you, please contact Wilfred Chan at Wilfred.Chan@bsigroup.com

BSI is pleased to announce that we have received provisional accreditation as a Certification Body for the Biofuel Sustainability Ordinance from the Germany Federal Ministry for Food and Agriculture (BLE).

This milestone means our ISCC certification services are now available for our clients in the Biomass and Biofuels sector. BSI achieved accreditation in a response to our existing Roundtable on Sustainable Palm Oil (RSPO) clients in South East Asia who have asked for RSPO and ISCC combined audits. We will be contacting all our clients shortly to explore how we can help with this service

For further information about BSI's ISCC services, please contact Samuel Chan at: <a href="mailto:Samuel.Chan@bsigroup.com">Samuel.Chan@bsigroup.com</a>

# BSI achieves accreditation for RSPO Supply Chain Certification Systems (RSPO SCCS)



RSPO Supply Chain Certification program is a brand new service from BSI. Companies who need supply chain certification in order to make RSPO claims will need to demonstrate to an RSPO accredited certification body that they comply with the requirements of the RSPO Supply Chain Certification Standard.

Oil Palm products may go through many production and logistical stages between the grower and the producer. Any individual batch of palm oil and palm kernel can be traced through one of four supply chain mechanisms that are approved by RSPO:

- 1) Identified Preserved
- 2) Segregated
- 3) Mass Balance
- 4) Book and Claim

Obtaining RSPO Supply Chain Certification links your palm oil business with environmentally and socially responsible supply chain participants who are seeking responsibly sourced products.

For more information about BSI's RSPO services, please contact Samuel Chan at: Samuel.Chan@bsiqroup.com

# Material Flow Cost Accounting (ISO 14051 MFCA)



MFCA is a management tool to better understand the potential environmental and financial consequences of material and energy use practices, and seek opportunities to achieve both environmental and financial improvements.

MFCA is a management tool that will help organizations to obtain a win-win outcome between environmental protection strategies and economic benefits. Getting transparency in your organization to measure and report on consumption of natural resources, will help you assess the role you are playing in key environmental and social issues as well as achieve financial improvements.

In applying MFCA, cost calculation shall no longer consider only cost of input materials, but also cost of material loss (waste), which significantly changes operation behaviour and improves business efficiency. For more information about BSI's MFCA services please contact: Coco Lin at Coco.Lin@bsigroup.com

#### The ISO 14001 Revision

#### What are the new changes?

#### Establishing the unique context for your organization

The new draft standard requires the organization to determine not only internal but also external issues that are relevant to its EMS purpose. In environmental terms, this means considering factors previously seen as outside the scope of the system such as climate volatility, resource availability, pre-existing land contamination, raw materials, recycling, renewable resources, etc.

#### Enabling organizations develop and integrated business management system with High Level Structure (HLS)

The new draft standard can now be easily integrated with other management systems by following a new format structure, i.e. Introduction, Scope, Normative references, terms and definitions, context of the organization, leadership, planning, support, operation, performance evaluation and improvement. This structure change gives a stronger logical flow to help build and maintain the Environment Management System. Organization shall expect a reformatting of their system so to meet the new document structure requirements.

#### Leadership and role of top management

On top of demonstrating top level commitment, the top management now needs to have a full understanding of the organization's environmental management system. Not only a superficial 'Yes, I am supporting our EMS!', the top management is now subject to be audited and tested for a comprehensive understanding of your own organization. He/she needs to have a grasp of the internal strengths and weaknesses so as to manage, reduce or transfer the risk related to the environment. More proactive engagement is expected by the top management in setting directions for environmental objectives, KPIs, and monitoring action takings, etc.

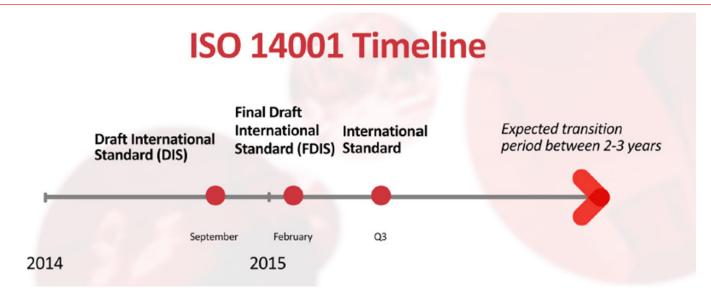
#### Relationships with interested parties

The new draft standard requires a much stronger linkage among the organization's environmental management and expectations from interested parties. The organization shall identify the needs and expectations from stakeholders (including but not limited to) customers, communities, suppliers, regulators, NGOs, investors, employees, etc. By opening up your radar coverage, your EMS is therefore not only about yourself, but rather an all-rounded system to cover concerns or expectations from your neighbors, supply chain community and other interested stakeholders. Hearing and knowing their voices you shall then have your operations (planning, control measures, mitigations, etc) satisfying those concerned.

#### Understanding the evolving opportunities and challenges to integrate your risk management process

To catch the changing environment, the new draft standard talks about identify and assess risks that give 'negative threats' and also 'positive opportunities'. Organizations need to understand that risks are not solely generated by environmental aspects and impacts, but can also be associated with legal and other requirements (i.e. Compliance Obligations). The evaluation of risks & opportunities shall need to address a wider range of coverage to include for example regulatory risks, reputational risks, supply-chain risks, cross-frontier management risks, community risks, cultural risks, recycling operations risks, etc... Regular evaluations and updates on risks & opportunities to reduce, reuse, recycle, and replace shall therefore be critical to ensure matching with the changing market environment.





#### How does it affect me?

If your organization is already certified, your first concern will be establishing the length of the transition period you will be allowed to move from the existing standard to the new one. Although this period has not yet been agreed officially, the current indications are that organizations will be allowed between two and three years from the date of the new standard's final publication. You may see the ISO 14001 revision timeline, and stay tuned with BSI to know the latest update.

#### What do I need to do?

At this stage, if you wish to be proactive and prepare your organizations, you could draw up an outline implementation plan based on what you know, while your examination of the standard is still fresh. The plan will help to identify a critical path, timescales and important dependencies. Once created, you can refer back to this as the timeline to final publication of the standard in 2015 becomes clearer. If you already hold an ISO 14001 certificate, it's likely that the period allowed for transition will be three years.

#### Carry out a gap analysis audit?

Whether you are a new user or an old hand, a structured gap analysis relating to the new requirements in the draft standard will help clarify how many changes to working practices you might need to make, how long it might take and the resources necessary to implement a system to the requirements of the new standard. **BSI is available to conduct a gap analysis for you against the proposed ISO 14001 draft revision.** 

#### Want to know more? Sign up for training

- Now would be a good time to start talking about the revision in your business and educating those who need to be aware or involved in the transition you may want to start thinking about who may require training for example, anyone involved in the implementation process or internal auditing
- BSI now offers various training courses along with the revision progress. These will include 'requirements' workshop/training and lead auditor transition training
- Please remember to talk to your BSI Client Manager, who will be working closely with you to track how they are progressing and to analyze the need for training and supporting materials

#### The BSI ISO 14001 Whitepaper is available for FREE download at

http://www.bsigroup.com/en-HK/ISO-14001-Environmental-Management/ISO-14001-Revision1/

#### And, visit the BSI website for more updates

#### **BSI Featured clients**

#### Australia

Australian Food Industries Pty Ltd achieves RSPO Supply Chain certification



BSI conducted a successful RSPO Supply Chain audit in Melbourne, Australia in March this year. The client was Australian Food Industries, a manufacturer of bakery and confectionery products to major supermarkets and distributors throughout Australia.

The certification was for a confectionery product that uses chocolate made from palm oil and was audited to the "Segregation method". BSI's RSPO audit helps prove AFI "Made Excellence a Habit" as a responsible company sourcing through traceable supply chains.

BSI wish to congratulate Australian Food Industries for "Making Excellence a Habit" in food safety management system.

For further information about BSI's food certification services, please contact Todd Redwood at <u>Todd.Redwood@bsigroup.com</u>.

#### **BSI Featured clients**

#### Singapore

Ardentec Singapore Pte Ltd achieves ISO 14064-1 Carbon Footprint Verification



BSI helped Ardentec to be the first semiconductor testing company in Singapore to achieve ISO 14064-1 Carbon Footprint Verification and establish a sound carbon management system.

Founded in 1999 in Taiwan, Ardentec has attained remarkable achievements and has risen as one of Taiwan's top wafer test service providers. The company understands that Greenhouse Gas emissions (GHG) will negatively impact the environment and were keen to demonstrate their social responsibility and commitment. Ardentec has focused on GHG management and continuous improvement towards reducing carbon emissions, inventory and controls

Ardentec has once again chosen BSI to be their preferred Certification Partner on ISO 14064-1 Carbon Footprint Verification for their facility in Singapore.

BSI wish to congratulate Ardentec for demonstrating industry sector leadership in carbon footprint verification.

For further information about BSI's carbon footprint verification services, please contact Jason Kong at <u>Jason.Kong@bsigroup.com</u>.

# BSI joins the Orangutan Land Trust charity for orangutan adoption



As part of BSI's commitment to the environment and sustainability, in addition to WaterAid social program, BSI Asia Pacific is now also supporting the Orangutan Land Trust.

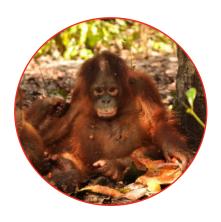
Their mission is to enable sustainable solutions for the long-term survival of the orangutan in the wild by securing safe areas of forest for their continued existence. The Orangutan is a top rainforest species and protecting this species has a huge impact on the biodiversity and sustainability of the ecosystem and rainforest.

BSI is actively involved in Sustainability through many of the services we offer in protecting and improving the environment such as Roundtable for Sustainable Palm Oil (RSPO), Environmental Management (ISO 14001), Energy Management (ISO 50001), Water Management (ISO/DIS 14046), Sustainable Events Management (ISO 20121), Carbon Neutrality (PAS 2060), Global GAP and others.

Each of the 12 BSI Asia Pacific Countries has adopted an Orangutan and we contribute an annual fee to support the baby Orangutan in feeding, maintenance and rehabilitation back into the wild. In addition to this every Country is committed to purchase one (1) hectare of land per month which is secured in an Orangutan Land Trust. This land provides protection to the Orangutan and all other forest species. All BSI offices look forward to being updated monthly on their new adopted Orangutans.

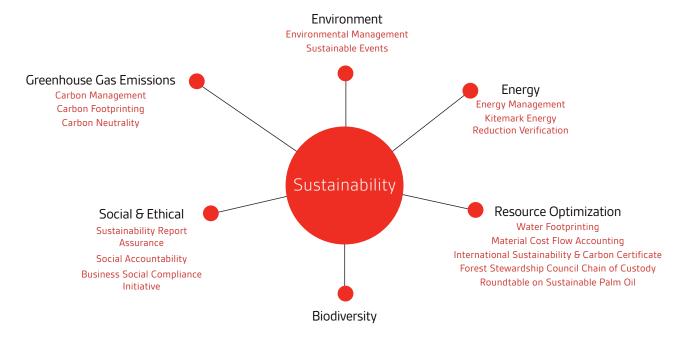
In doing this BSI help make the world a better place and contribute to not only making "Excellence a Habit" but we can also help "Make Excellent Habitats".





Each of the 12 BSI APAC countries have adopted an orangutan

## BSI sustainability solutions



# Sustainable practice is the path to success now and for the long term.

BSI has been leading the sustainability agenda for years and bring together experts and innovators to tackle the ever-changing issues of sustainability.

We have worked with organizations to help them gain considerable environmental and financial benefits by adopting frameworks for managing sustainability whatever their size, sector or geographical location.

BSI's expert tutors and assesors have gained a deep understanding across thousands of organizations globally in sustainable best practice. Their ability to transfer this knowledge into actions will enable your business to grow in a sustainable way.

#### Environment

Understand the impact your products, services and supply chain have on the environment



#### Energy

Introduce actions to systematically reduce energy consumption



#### Greenhouse Gas Emissions (GHG)

Manage your Greenhouse Gas (GHG) Emissions as a result of activities, product or service



#### Resource Optimization

Evaluate, measure, report on consumption of natural resources



#### Social and Ethical

Demonstrate social responsibility through activities that have a positive impact on society



#### **Biodiversity**

Measure the health, maintenance and improvement of a defined ecosystem



### Meet the BSI AsiaPac Team

BSI's management team in AsiaPac is committed to helping and supporting our clients make excellence a habit by helping them to perform better, reduce risk and achieve sustainable growth. Please feel free to contact any of the team if you have any queries.



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