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ISO 14001:2015 Environmental Management

How the new standard can help build a better business

Whitepaper

Introduction

ISO 14001 – Environmental Management Systems was the world's first international environmental standard. It has been adopted by over 300,000 companies around the world, delivering a wide range of tangible benefits.

Over 90% of BSI customers certified to ISO 14001 say they've benefitted from certification; specifically they say they've reduced their environmental footprint (87%) and operational risk (80%) while improving their business reputation (77%).³

To ensure that ISO 14001 continues to serve organizations and maintain its relevance in today's marketplace, the standard has been revised. The new version addresses the change in environmental pressures and practices. Key improvements include:

- Greater protection for the environment, with a focus on proactive initiatives that consider the requirements of internal and external stakeholders and interested parties
- Life-cycle thinking, considering each stage of a product or service, from development to end-of-life
- An increased alignment with strategic direction
- A greater commitment from leadership
- More effective communication.



Finance

65% reported first year savings of up \$25,000¹

- **27%** reported savings of up to \$100,000¹
- **66%** agree that ISO 14001 reduces operating costs²
 - Positive impact onthe bottom line



Operations and Facilities

98% of companies improved in emergency preparedness²

Reduced costs, effective operational and controls to manage impacts



Legal

84% indicated a reduction in permit violations²

Reduced risk of litigation and fines

 1 Wharton Risk Management & Decision Process Centre Study 2007. 2 NetRegs Survey 2007. 3 BSI Voice of the Customer Research 2015.

Working harder for your business

A major benefit of ISO 14001 is that it provides a clear framework for an organization to have a far more robust but flexible environmental management system (EMS) that will help it become more resilient and sustainable.

The new standard encourages organizations to identify the requirements of interested parties and stakeholders; both internal and external. This is known as the 'context of the organization.' The context of the organization will be the foundation for the EMS as an organization works through the stages of design and development.

The introduction of this clause will help organizations to be more aware of relevant stakeholder requirements and how they need to be managed within the system. The new standard is designed to deliver an EMS that is more reflective of the entire organization and encourage it to consider its purpose in more detail.

The structured approach recognizes and accommodates the complexity of the demands that are placed on organizations from their relevant interested parties and stakeholders.

These could be regulatory, legal or even driven by customer requirements. Organizations need to identify, prioritize and manage the needs and expectations of interested parties and balance them against any potential related risks or opportunities.

"The opportunity that the new standard gives is ensuring that the environmental management system is part of the overall strategy of the organization. Alignment with the corporate strategy makes a massive difference in terms of environmental impact."

> Toby Robins, Sustainable Development Director, Wiles Greenworld Watch the Wiles Greenworld case study video



One business working towards common objectives

ISO 14001 now requires top management to demonstrate that they take a strategic approach to the management system. The standard defines top managers as 'the person or group of people who direct and control an organization at the highest level'. They are the people who decide on the strategy for the organization and therefore play a crucial role in setting and agreeing policy and objectives in line with that strategy.

Top management are also responsible for the effectiveness of the EMS which should no longer stand alone, but be part of the organization's processes and management systems. This focus on leadership means that environmental impacts and sustainability are no longer owned purely by a single team or representative.

Top management need to be part of the planning process so that the EMS is aligned with the organization's short and long-term goals. They also need to ensure that all members of the organization understand that everyone contributes to the successful implementation, maintenance and achievement of the EMS if the business is to achieve its intended outcomes. Top management need to be part of the planning process so that the EMS is aligned with the organization's short and long-term goals

To understand more about the value of leadership, read 'The Importance of Leadership in the new ISO revisions'.

Improved risk management

One of the new benefits is the concept of risk-based thinking. Implicit throughout the standard, it encourages organizations to move away from the idea that risks are always negative. Instead, it suggests that they further categorize risks into the sub-categories of threats and opportunities.

Issues may present opportunities as well as risks. Under the new standard organizations can also consider the possibility of how a threat can be turned into an opportunity and vice versa.

Risk management is also enhanced by the new version's process-based approach. This encourages organizations to integrate the risk-based thinking behind the EMS into the "We identified that our supply chain was potentially a risk but also an opportunity. If we were able to upskill them we would be in a strong position to win more work" Liz Collett, Environmental Manager, Overbury Watch the Overbury case study video

day-to-day processes of the organization. This results in more consistent output from the environmental management system which, ultimately, should improve environmental performance.

Streamlined and integrated approach

More and more organizations are implementing multiple management systems. Annex SL is a common framework within all new or revised ISO management system standards. It is a universal high level structure (HLS), that ensures ISO standards use identical core text and common terms and definitions across all management system standards.

When an organization is implementing or transitioning both 9001 and 14001 at the same time, they can streamline their approach and take advantage of efficiencies, opportunities to reduce duplication and potentially make savings via greater ease of operation.

Other standards that have already adopted the high level structure include:

- ISO 9001 Quality Management Systems
- ISO 20121 Event Sustainability Management systems

- ISO 22301 Business Continuity Management Systems
- ISO 27001 Information Security Management Systems
- ISO 39001 Road Traffic Safety Management Systems
- ISO 55001 Asset Management Management Systems

Interested in learning more about the HLS? 'Introducing Annex SL' provides an in-depth review.

More **opportunities** for improvement you can't afford to overlook

Life Cycle Perspective

Adopting a life cycle perspective can offer organizations multiple benefits including identifying new designs, materials and processes and can clarify where an organization can exert influence and help determine the scope of an EMS. To learn more read BSI's whitepaper '<u>A management perspective</u> <u>on life cycles</u>.'

Early Transitions = Early Benefits

The transition to 14001:2015 can provide a number of key benefits; The sooner an organization transitions, the sooner they are on the road to realizing them. <u>The benefits of an early</u> <u>transition</u>' whitepaper explains this in more detail and can help you set the process in motion.

Enhanced Communications and Transparency

Improved communications can deliver enhanced environmental performance by ensuring all members of the organization are aware of the importance of the EMS and helping them to understand their roles and responsibilities.

Prepare Yourself and Your Organisation

Looking for some guidance on what to expect during your audit? The BSI whitepaper '<u>How your audit will be different</u>' can you help you prepare your organization.



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To find out more about BSI's solutions to help you with the new ISO changes visit: **bsigroup.com**