ENVIRONMENTAL MANAGEMENT SYSTEMS FOR RETAIL

A PRACTICAL APPROACH TO MANAGING ENVIRONMENTAL RISKS AND REQUIREMENTS

BY THE CENTER FOR RETAIL COMPLIANCE

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ABOUT THE RETAIL COMPLIANCE CENTER

The Retail Compliance Center (RCC), an initiative of the Retail Industry Leaders Association (RILA), is focused on helping improve environmental performance in the retail industry. The RCC provides tools, resources, and networking opportunities focused on environmental compliance and sustainability. The RCC is open to all types and sizes of retailers. Retail professionals new to environmental compliance and sustainability will find valuable introductory information while experienced professionals will benefit from detailed regulatory resources and innovative tools to enhance performance.

For more information on the RCC and how it can help your compliance and sustainability programs contact Tiffin Shewmake (tiffin.shewmake@rila.org) or Kaela Martins (kaela.martins@rila.org) or visit the RCC website at https://www.rila.org/retail-compliance-center.

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INTRODUCTION

Environmental management systems (EMS) have been a part of the business management toolkit for more than 20 years. This systematic approach helps companies comply with regulations, align actions with their environmental vision and policies, and improve environmental performance. An EMS can also help an organization identify and capitalize on environmental and business opportunities that go beyond compliance with environmental regulations. EMS is an internationally recognized approach that has been implemented by thousands of companies. One national retailer defined an EMS as "a framework of processes and tools that ensures a business meets its environmental and business goals."

This guidance is designed to help retail organizations develop or optimize an EMS, or to identify the elements of an EMS that would help improve the performance of their programs. There are many EMS approaches that retailers can use; the RCC does not specifically endorse any one EMS model or standard. Most references begin with the International Organization for Standardization (ISO) 14001 standard, which includes specific components that should be in an EMS and is based on the Plan – Do – Check – Act process of continuous improvement. ISO is an international organization that sets standards in many areas, including quality and environmental management. Other sources used to develop this EMS guidance include input from national retailers and a basic environmental management system template from the U.S. Environmental Protection Agency.

There are many good reasons for a retailer to implement an EMS. An EMS can reduce the potential for noncompliance with environmental requirements, the cost of which can be significant, even running into millions of dollars. An improved "risk profile" can lower costs associated with regulatory compliance, health and safety, and incident response giving investment in an EMS a high rate of return. An EMS can also have non-monetary benefits such as improved public opinion and employee satisfaction. Overall, the benefits of implementing an EMS far outweigh the costs. This is especially true today, as investors are increasingly looking at the performance of companies through the Environmental, Social, and Governance (ESG) lens and EMS implementation communicates a company's dedication to improving environmental performance.

FREQUENTLY ASKED QUESTIONS ABOUT EMS

1. WE ALREADY HAVE A COMPLIANCE PROGRAM, WHY DO WE NEED EMS?

An EMS can help your organization comply with regulations more consistently and effectively, because it provides a framework for managing regulatory requirements, responding to changing obligations, and documenting your program. It also can help you unearth and capitalize on environmental and business opportunities that go beyond compliance. Most importantly, an effective EMS should connect business leaders with the organization's current performance and improvement plans, ensuring appropriate prioritization and resource allocation.

2. HOW BIG DOES AN ORGANIZATION NEED TO BE TO SUCCESSFULLY IMPLEMENT AN EMS?

EMSs have been implemented by organizations ranging in size from a couple dozen to thousands of employees. The elements of an EMS are flexible and can accommodate a wide range of organizational types and sizes.

3. TO IMPLEMENT AN EMS, DO WE HAVE TO START FROM SCRATCH?

Everything you have in place now for environmental management can probably be incorporated into an EMS. For example, you most likely already have an approach, whether documented or not, for identifying new regulatory requirements. There is no need to "start over."

4. HOW WILL AN EMS AFFECT MY EXISTING COMPLIANCE REQUIREMENTS?

An EMS should improve your efforts to comply with legal requirements and help improve your credibility and negotiations with regulators and prosecutors, should you become subject to enforcement actions. A well-documented EMS can help demonstrate that company management and the board of directors are taking appropriate steps to ensure compliance, thereby protecting themselves as well as the company from potential legal repercussions of inadequate compliance.

While an EMS will not directly result in less stringent legal compliance requirements, it can help indirectly. If, for example, the EMS helps reduce the volume of hazardous waste generated at your facilities, it will indirectly reduce compliance obligations because large quantity generators of hazardous waste have more legal requirements than small quantity generators.

5. DO WE NEED TO BE 100% COMPLIANT TO HAVE AN EMS?

No. The basis of an EMS is continual improvement, meaning that an EMS helps an organization improve its environmental management practices consistently over time. Therefore, the concept of continual improvement assumes that no organization is perfect and that there is always room to improve performance.

While an EMS should help your organization improve compliance and other measures of environmental performance, problems may still arise. However, an effective EMS should help you more efficiently find and fix these problems and prevent recurrence.

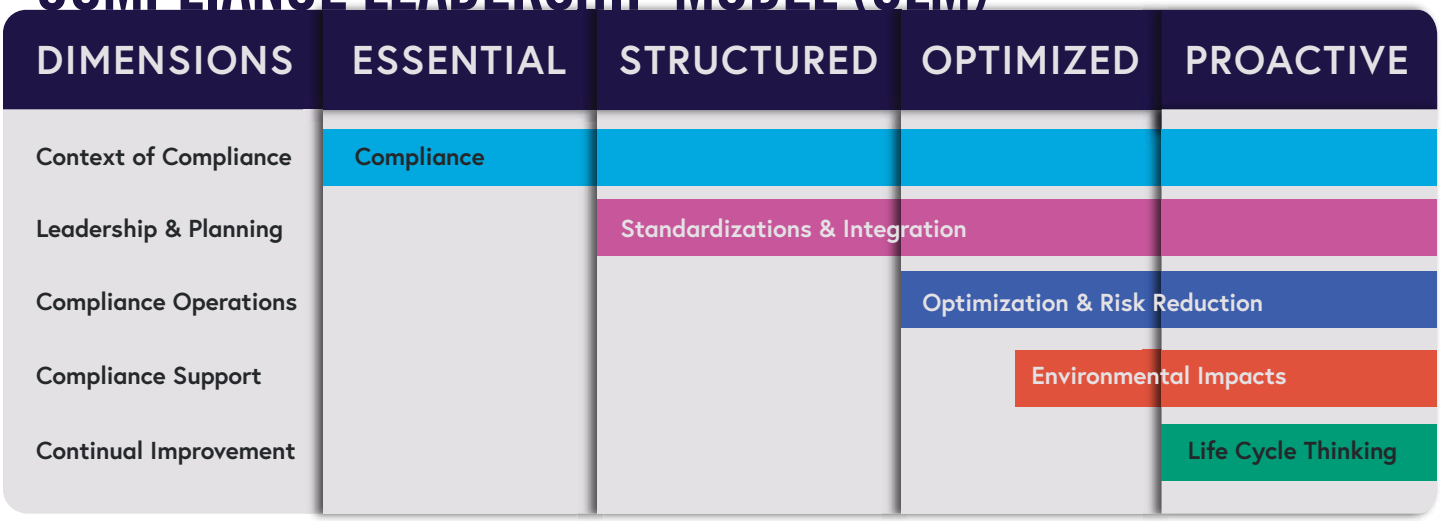
HOW TO USE THIS GUIDANCE

This consists of this introductory Getting Started section and three EMS guidance sections (Planning, Doing, and Checking). The section is designed to help you prepare for successful EMS implementation. It introduces key EMS concepts and provides information on approaches to help streamline your EMS implementation process. The guidance sections contain specific information on each of the ISO 14001 elements, including details on what is required, retail-specific examples, and implementation guidance.

Every organization's EMS is unique, just like its operations, facilities, and culture. In the same way, there is no "right" way to develop an EMS, even within an industry. Consultants and other outside resources can provide help and guidance, but only the organization itself, through commitment and key internal stakeholders, can build an optimal EMS.

Tools and sample procedures that can help you get started more efficiently are included in the appendices. These resources include questionnaires to help you evaluate your current practices, which will likely form the basis for a comprehensive EMS or identify gaps in an existing EMS. The tools also include worksheets and sample logs to help with your planning and implementation and can also serve as part of your EMS documentation. In addition, the sample procedures in Appendix 2 can be modified for your EMS.

COMPLIANCE LEADERSHIP MODEL (CLM)



IMPLEMENTATION

The exact structure of your EMS, or any compliance program, depends on factors such as the level of regulatory risk, potential environmental impacts, and corporate goals and culture. The best program for a retailer that has stand-alone stores that include gas stations may be very different from the program implemented by a mall-based clothing retailer. The RCC has developed several tools to help retailers design and evaluate programs to ensure that their program is optimized for their specific operations.

The RCC Compliance Leadership Model (CLM), based on the EMS structure, provides a framework for different levels of a retail compliance program. The CLM lays out 4 program levels, from Essential to Proactive, for each element of an EMS. Retailers can use the CLM for program evaluation and planning. The CLM levels are described below; the full CLM can be accessed here.

LEVEL 1: ESSENTIAL

Organization has basic elements needed to meet all regulatory requirements. Responsibility is distributed to individuals, resulting in site-specific implementation. A lack of programmatic processes means that practices are inconsistently applied and vary across the organization, based on local management and experience. All organizations should, at a minimum be at the Essential Level. Retailers who are unsure if they are at this level can download the RCC Essential Level guide for a quick program evaluation.

LEVEL 2: STRUCTURED

Structured regulatory programs are coordinated and consistently applied across different sites. Responsibility for compliance is centralized into one or several dedicated experts, resulting in more efficient systems. Compliance programs provide sites with a common set of practices and procedures, but allow for variation due to local circumstances and regulatory differences.

LEVEL 3: OPTIMIZED

Standardized, systematic compliance activities (e.g. training, auditing, reporting, and management review) are integrated into existing business processes and applied across all compliance programs. Responsibility for compliance is shared among facility managers working together on implementation and continuous improvement. A hallmark of this level is using data and analysis to optimize efficiency, prevent and reduce risk and regulatory obligations, and minimize environmental impacts.

LEVEL 4: PROACTIVE

Compliance is integrated into the business strategy and overall organizational culture. Responsibility for compliance resides with top management and compliance risk is considered along with other business risks. Proactive methods are used to predict compliance challenges and enhance environmental sustainability. Life cycle thinking is used to engage value chain partners and capitalize on business value from environmental compliance activities, including opportunities for innovation, competitive advantage, and brand enhancement.

GETTING STARTED

CHAPTER 1: EMS CONCEPTS

An EMS consists of specific elements to help companies identify and control their environmental impacts and regulatory requirements, set goals to reduce the impacts, and implement systems to document and report on environmental performance. As you review the elements, you will probably realize that your company already has some foundations in place. One value of the EMS approach is that these existing pieces can be incorporated into the EMS.

You do not have to have all of these elements in your EMS. However, most are valuable in helping improve compliance and environmental performance, so carefully consider your company's operations before excluding any elements. The elements are briefly described below and presented in more detail in the guidance.

Organizational Context	Understanding the company business, key stakeholders' interests, and organizational constraints within which the EMS must function.
Environmental Policy	A policy outlining the company's commitment to compliance and reducing environmental impact; provides a framework for planning and action.
Environmental Aspects	The ways that a business's activities, products, or services could potentially impact or do impact the environment. For example, waste generation or air emissions.
Compliance Obligations	Laws, regulations, and other requirements, such as internal policies or voluntary standards, that address environmental management.
Objectives and Planning	Environmental goals to help your organization improve compliance and environmental performance.
Organizational Roles & Responsibilities	Individuals and groups responsible for specific EMS elements, activities, and environmental management.
Competency & Awareness	Identification and tracking of training related to environmental aspects, regulatory requirements, and the EMS.
Communication	Processes for internal and external communications on environmental management issues.
Documents	EMS and related environmental documentation outlining what should be done to maintain the EMS and to manage the documents (e.g., version control, distribution).
Operational Planning & Control	Procedures and tools to implement environmental management.
Emergency Preparedness and Response	Documentation and plans for preventing and responding to emergencies that have the potential to impact the environment.
Monitoring and Measurement	Monitoring strategies and metrics for evaluating key activities and tracking EMS performance, as well as compliance with legal requirements.
Performance Evaluation & Auditing	Periodic verification of EMS operation and performance.
Management Review	Periodic review of the EMS by top management.
Continual Improvement	Process to evaluate compliance, correct problems, and prevent recurrence.

EMS CONCEPTS AND CONSIDERATIONS

PLAN - DO - CHECK - ACT

The ISO EMS approach follows the Plan – Do – Check – Act management cycle of continuous improvement. This approach has been used in quality management for many years and is a systematic way to implement processes and improve performance. The steps are:

Plan – Identify issues and decide what needs to be done. In an EMS, this means understanding environmental and regulatory issues and setting goals for the organization's performance.

Do – This step involves developing the structure for implementing solutions (for example, defining responsibilities and specific tasks) and implementing processes. In some cases, this step is viewed as an opportunity to test a solution before fully implementing it. For example, an organization may initially select one store to test a zero waste approach, rather than trying to implement this goal across all of their stores at once.

Check – This is a critical component of any quality system – gathering data and information on performance and communicating the results. If a store sets a goal to be 100 percent in compliance with hazardous waste regulations, then employees need a way to measure the results or they will not know if they have succeeded (and might be unpleasantly surprised in a regulatory inspection).

Act – In the Act phase, an organization uses the information and experience from Check to go back to the Plan step and make adjustments to ensure that their goals will be achieved or to set new goals. The Act phase may also be the process of expanding a successful project. In the landfill-free example above, the process used is that the first store could be improved based on the initial experience and then implemented more widely. By evaluating goals and updating them as milestones are achieved or situations change, the organization's performance improves over time and is responsive to outside influences.

ROLE OF HEALTH & SAFETY IN EMS

Environmental concerns and requirements in Health and Safety (H&S) programs may be similar or overlap and some requirements may addressed concurrently. Some companies find that integrating H&S and EMS efforts can improve compliance and/or save money. In developing your EMS, actively consider how the EMS might complement your H&S programs, and at a minimum, refer to relevant H&S programs in your EMS.

To improve environmental management, your organization needs to focus not only on what happened, but also on how and why it happened. Over time, the identification and correction of systematic deficiencies leads to better environmental and overall organizational performance.

ISO CERTIFICATION

Organizations following the ISO 14001 standard can choose to have their EMS ISO-certified based on third- party audits. Certification can increase confidence in a company's ability to manage environmental compliance and potential risks. However, certification adds additional steps and costs to developing and maintaining an EMS and many retailers do not see a need for or significant benefit from certification. Retailers that might benefit from certification include those whose primary branding relies heavily on an environmental reputation or those recovering from a negative environmental event.

CHAPTER 2: GETTING STARTED

This chapter presents common-sense steps to help lay the groundwork for successful EMS implementation. While the exact steps you follow will depend on the status of your current environmental management activities and processes, reviewing these steps can help you develop your internal plan for moving forward. Key steps for getting started with your EMS implementation are below.

KEY STEPS

DEFINE THE ORGANIZATION'S GOALS FOR THE EMS.

A first step in EMS planning is to define why you are developing an EMS. Are you trying to improve environmental performance (for example, reducing risk associated with regulatory non-compliance or increasing pollution prevention)? Are you trying to promote involvement throughout the organization? Write down your goals and refer to them regularly as you move forward. As you design and implement the EMS, always ask: How is this task going to help us achieve our goals for the EMS?

This also is a good time to start considering the scope of the EMS to explicitly define what the EMS will cover. The scope of the EMS has a major bearing on the time and cost of implementation, as well as the effectiveness of the EMS in reducing environmental impacts. Chapter 3 covers the EMS scope.

OBTAIN TOP MANAGEMENT COMMITMENT.

One of the most critical steps in the planning process is gaining the commitment of top management for EMS development and implementation. Management needs to understand the benefits of an EMS and what it will take to implement the EMS. Explain the strengths and limitations of the organization's current approach to environmental management and how those limitations can affect environmental, financial, and business performance. Then, explain how an EMS can help address these limitations. Management also has a role in ensuring that the goals for the EMS are clear and consistent with other organizational goals. Management's commitment should be communicated across the organization.

SELECT EMS LEADERSHIP.

This step involves identifying the EMS champions who will be responsible for implementation. Larger organizations will usually have two levels of EMS leadership, while small organizations may have a single person.

The EMS Manager should be from the organization's high-level management and will be responsible for the EMS (i.e. making sure that all tasks relating to the EMS are identified and completed). The EMS Manager is also responsible for reporting to senior management on the progress of the EMS. The second staff person is the EMS Coordinator, who is responsible for working closely with the EMS Manager and the EMS Team (see below) to identify, assign, schedule, support, and ensure completion of all EMS-related tasks. It is important for this person to have the time to commit to the EMS-building process. In a smaller organization, the EMS Manager and the EMS Coordinator may be the same person.

BUILD AN IMPLEMENTATION TEAM.

An EMS Team with representatives from key functions (e.g. engineering, finance, human resources, and service) can identify and assess issues, opportunities, and existing processes. Consider including contractors, suppliers, or other external parties as part of the EMS Team, where appropriate. The EMS Team should meet regularly, especially in the early stages of your EMS efforts. An EMS Team can help ensure that EMS procedures are practical and effective and members can build commitment to and ownership of the EMS among other employees.

HOLD A KICK-OFF MEETING.

Once the EMS Manager has organized the EMS Team, hold a kick-off meeting to discuss the organization's goals in implementing an EMS, the initial steps, and the roles of team members, among other topics. If possible, get top management to participate in the meeting and describe its commitment to the EMS. The kick-off meeting is also a good opportunity to provide EMS training for EMS Team members. Follow this meeting with a communication to employees throughout the organization about the EMS process and goals, what you may need from them in the future, and how they can get involved.

CONDUCT A GAP ANALYSIS.

An important component of laying the groundwork for an EMS is conducting an initial review or "gap analysis" to evaluate your current processes and specific needs. In this step, the EMS Team compares the current compliance and other environmental programs/systems to the criteria for your EMS (such as ISO 14001). Evaluate your organization's structure, procedures, policies, environmental impacts, training programs, and other factors. If you have a current EMS, determine which parts are in good shape and which need additional work.

The gap analysis can be counterproductive if you only focus on what is missing. In practice, a gap analysis should identify both the strengths and weaknesses of existing programs. In this way, you can recognize what your organization is already doing well and evaluate ways to build on existing programs and activities.

Some organizations may find that they already perform many of the activities related to an EMS and do not need to develop many elements from scratch.

Looking outside the environmental arena can also provide inspiration. For example, a quality management system may not be strictly environmental, but it may help with your EMS. If a process you already have in place helps you manage important facility activities, it can probably help in environmental management as well.

A gap analysis is designed to answer the following questions:

- How well are the organization's environmental programs performing?
- Has the organization defined the environmental goals it hopes to achieve?
- What are the gaps between existing programs and the elements and criteria for an EMS?
- What existing programs, processes, and activities can serve as the best foundation for improved environmental performance?

PREPARE AN IMPLEMENTATION PLAN WITH A BUDGET AND SCHEDULE.

Based on the results of the gap analysis, prepare an implementation plan with a budget and schedule. The plan should identify what key actions are needed, who will be responsible, what resources are needed, and when actions will be completed. Think about how you will maintain focus and momentum over time. Before developing your implementation plan, it is useful to review the modules in the second section of this guidance to understand the full extent of what will be needed.

SECURE RESOURCES AND ASSISTANCE.

The implementation plan and budget should be reviewed and approved by top management, with a commitment from them to provide the necessary resources. If necessary, revise the implementation plan to fit the resources that you will have, otherwise success may be elusive.

ENGAGE EMPLOYEES.

Employees are a great source of knowledge on environmental issues related to their work areas, as well as on the effectiveness of current processes and procedures. They can also help the EMS team in drafting procedures. By involving employees in the EMS development process, you can create a greater feeling of organization-wide EMS ownership and commitment. Ways to involve employees include having the EMS Team members seek input and feedback from employees in their functional groups, conducting surveys, conducting focus groups, and informally interviewing key employees during facility visits.

MONITOR AND COMMUNICATE PROGRESS.

As you build the EMS, be sure to regularly monitor your progress against your implementation plan and communicate progress throughout the organization. Be sure to communicate accomplishments and describe next steps. Build on small successes to get employees excited about the EMS. Also, be sure to keep top management informed and engaged, especially if additional resources might be required.

NEXT

Now that you know the key elements of approaching EMS implementation, you can conduct a gap analysis to evaluate the current status of your facility. Before starting the gap analysis, you should read the other chapters to better understand the most common elements in an EMS. You will also need to track your implementation efforts and your progress in developing the specific EMS elements.

PLANNING

CHAPTER 3: CONTEXT OF THE ORGANIZATION

This chapter outlines what you, the retailer, need to consider as you plan and develop an Environmental Management System, such as: business priorities (including risks and opportunities), key issues across your supply chain and internally, and what general areas require environmental management. This chapter also includes questions to help you better understand your environmental risks and possible solutions. By completing the sections in this chapter, you will have a high-level overview of the environmental aspects and impacts that are important to your stakeholders and should be considered for your company's environmental policy.

One of the first steps in planning is to define why you are developing an EMS, asking questions such as how are you trying to improve environmental performance? By reducing risk associated with regulatory non-compliance? By improving logistics? By selling more sustainably sourced products? Are you trying to promote involvement across the supply chain? Are you responding to known compliance issues or perhaps even an official Notice of Violation? Write down your reasons for developing an EMS, as well as your overall goals for the EMS (not to be confused with the environmental goals that you will be developing as part of the EMS). Refer to these goals frequently as you move forward and for every task and activity ask - how is this going to help us achieve our EMS goals?

HELPFUL TIPS

Before you start, think about what you already have and can use:

» Build your company's existing systems, programs, tools, or other resources into your EMS. These may include: merchandise planning and optimization systems, vendor management programs, retail planning software, databases, and checklists.

» Use samples provided in Appendix 2: Sample Procedures "as is" or as a starting point for developing your own.

» Refer to the Compliance Leadership Model (CLM) matrix to optimize your EMS planning.

UNDERSTANDING THE ORGANIZATION AND ITS CONTEXT

Your business does not exist in a vacuum. Internal and external issues influence commercial and environmental performance and ultimately success. Some issues are general to the retail sector such as water and energy consumption, waste, packaging, take-back, and disposal. Others may be specific to your organization, for example, old refrigeration units may contribute to higher energy use or your product mix may result in more hazardous waste than other retailers or be subject to additional regulatory requirements, such as sales of pesticides or pharmaceuticals. External issues such as customer requests, community concerns (e.g. distribution center traffic flow), and supply or logistics issues can influence internal actions such as prioritization of issues, decision-making, and budget and resource allocation. Any of these issues can cause a sudden major shift, disrupting your business and may result in loss of revenue or reputation.

Organizations use different processes to identify, prioritize, monitor, and manage their environmental issues. Typically, an EMS is used as the overarching process governing these activities. In addition, some companies conduct a "materiality assessment" to understand what issues are most important to its key stakeholders both externally (e.g. customers, suppliers, regulators, investors) and internally (e.g. leadership team, business managers, procurement staff, legal staff, other employees). A materiality assessment identifies and prioritizes the most crucial issues for a company to address. The process generally follows this line of questioning:

- What environmental issues does your business monitor?
- What is your company's current response to each issue?
- Which of these issues poses the greatest risk to your business – now and in the future?
- Which of these issues provide business value?

- How does your company currently identify, prioritize, and monitor which environmental issues require immediate attention?

UNDERSTANDING THE NEEDS AND EXPECTATIONS OF INTERESTED PARTIES

Part of planning a successful EMS includes understanding which stakeholders have the greatest influence or pose the biggest threat to your business. Realistically, some key stakeholders "carry greater weight" – especially around business decisions. It is these key stakeholders with whom your company should be concentrating – to understand which issues are most crucial to them and to capture their views on how these might be addressed. Who are the key stakeholders for your company? In retail, customers are generally among the most important stakeholders; others with significant influence can include investors, regulators, suppliers, and in some cases NGOs. Internally your key stakeholders may include the leadership team, heads of business functions (e.g. buying, logistics, building and asset management, legal, corporate affairs, accounting, sales, marketing, public relations), line managers, distribution center supervisors, and in-store staff.

Good questions to begin your inquiry regarding interested parties include:

- Who are my key stakeholders?
- How does my business identify its key stakeholders?
- What are the needs and expectations of each of these stakeholders?
- Which of these expectations are regulatory requirements for my business?

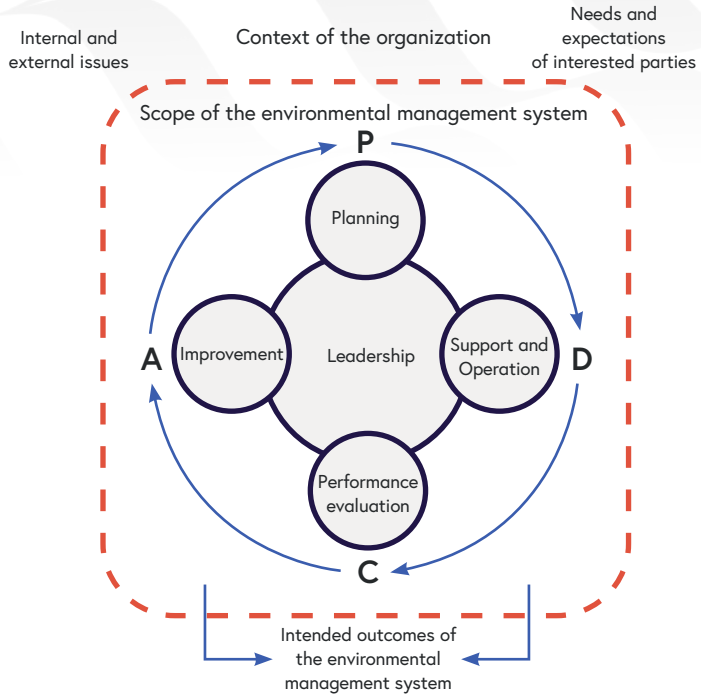


Figure 1: Relationship between Plan-Do-Check-Act cycle and ISO 14001 standard. Source: ISO 14001:2015

ENVIRONMENTAL MANAGEMENT SYSTEMS

An EMS is a systematic approach for your business to actively manage environmental compliance issues and business risks, as well as moving beyond these towards business value (such as financial and operational benefits via stronger brand and reputation). Importantly, the EMS is not a thing by itself – any document is only a representation of what happens day in and day out – but rather is the way people within the organization work together. See Figure 1 above and Chapter 1 for an additional overview of an EMS.

DETERMINING THE SCOPE OF THE ENVIRONMENTAL MANAGEMENT SYSTEM

The scope of your EMS needs to be defined early, as it drives much of the EMS design. The scope includes both the physical area that the EMS will apply to, as well as the functional aspects of the organization that it will cover.

The physical scope of the EMS could be the entire company including all stores and distribution centers, an individual store or distribution center, or a specific region like the Northeast or Mississippi. The functional scope relates to

the operational areas covered under the EMS. For example, does the EMS apply only to retail operations, or does it include logistics and transportation, or perhaps just dot-com operations. Your documentation should also define what is not covered; for example, an EMS could cover the entire organization except for private-label manufacturing (which is likely to have different issues and perhaps its own EMS). One national retailer began with its core-brand stores and distribution centers and each year added one or more business units, with a six-year goal of incorporating its entire organization into the EMS.

As you define your EMS scope – whether it is the entire company, a division or a single store/facility – you should also consider items such as:

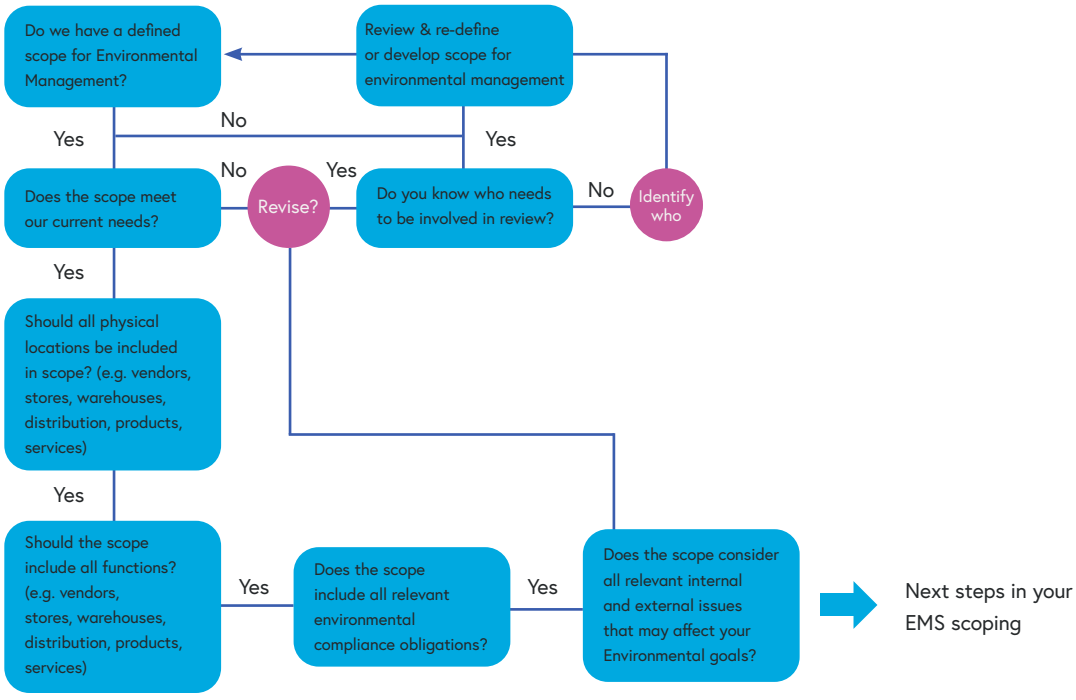
- The boundaries of environmental licenses, permits, or approvals;
- The extent of authority to determine how the environmental policy is implemented; and
- The extent of authority to allocate resources.

Initially, your organization may want to limit the scope of the EMS to activities within the physical property limits or on adjacent property that is impacted as a direct result of your operations (e.g. storm water runoff). Later, you might wish to expand the scope to include other areas such as:

- Transportation to and from your facilities;
- Post-consumer disposal and other life cycle considerations; and
- Purchasing.

Temporary activities, such as construction sites, should be covered by the EMS, if the organization has management control over them.

Example Scope from a Hypothetical Retailer



THE GOOD GROCER COMPANY'S EMS SCOPE EXAMPLE

The Good Grocer Company is a regional grocery chain with operations in Michigan, Illinois, Indian, Kentucky and Ohio. The chain operates 320 stores under three brands/formats: 40 Best Gourmet Foods (boutique specialty stores), 100 Good Grocer SuperMarkets (full-service grocery stores), and 180 Good Bargains (economy warehouse-format stores). Each brand operates as a separate business unit, and other business units include Logistics, Dairy and Bakery divisions. All business units are supported by Corporate Support Services (CSS), which includes Accounting, Human Resources, IT, Compliance, Facilities Management and other support and management functions. The company decided to implement an EMS to fulfill their commitment to improving their environmental performance.

The Good Grocer Company decided to implement their EMS in a phased approach by division, beginning with its core store brands: Good Grocer SuperMarkets and Good Bargains. In Project Year 1, the company's EMS will cover those two business units and include all retail operations and direct facility support in the business units and their retail facilities. Business unit management located in CSS facilities will be covered in the EMS only in their operational roles-for example, in their review and management responsibilities related to environmental programs and the EMS itself. The plan is to cover CSS and its facilities under the EMS in subsequent project years.

The initial focus of the EMS is to manage environmental compliance, and it addresses emissions and discharges regulated through environmental permits and other legal requirements. The company also has ongoing Sustainability Programs covering energy management, water use conservation and waste reduction and recycling, as well as supply chain and other indirect environmental aspects. The EMS will refer to the appropriate Sustainability Program for managing those aspects, and to the extent those aspects are related to regulatory compliance, the EMS will relay upon the Sustainability Program to manage those aspects. The EMS includes only environmental aspects that the business units within the scope can control or influence.

For example, Facilities Engineering manages all store refrigeration systems, including selection/design, installation, maintenance, repairs, replacements and remote monitoring. Outside service providers perform all activities. The Sustainability Programs related to Facilities Engineering responsibilities include energy conservation and greenhouse gas (GHG) reporting. Many refrigerant compounds ("Freon") the company still uses are ozone-depleting substances (ODS), which are GHGs with high global warming potential. ODS management to prevent releases has been federally regulated since the 1990s, and Facilities Engineering has a program for managing ODS legal obligations. GHG reporting is a company commitment, but it is not currently required by law. In this case, the EMS will rely on Facilities Engineering for managing all aspects of the refrigeration systems, including GHG reporting. The EMS will include Facilities Engineering's ODS management, but the management role and responsibility will remain with them.

NEXT

As you implement the EMS elements, keep referring to the environmental policy (see the next section) to make sure that your EMS supports the goals laid out in the policy. The company's performance will be compared against the policy during periodic management reviews.

TOOLS & SAMPLE

Tool 3-1: EMS Scope Tool

Tool 3-2: (text was crossed out with no replacement text)

CHAPTER 4: LEADERSHIP

There are two overarching elements that need to be in place before you get started on the EMS. The first is an overall policy – a written statement on your company's position on environmental issues and a commitment to manage these. The second element is a commitment on this policy that is backed by leadership and includes aspects on responsibility, accountability, and oversight from a person or group within senior management. A weak policy or lack of leadership will result in an uncoordinated, and eventually unsuccessful, EMS. A well-articulated policy with visible leadership and commitment is the first step toward successful and meaningful environmental management for your company.

By completing the sections in this chapter, you will have the guidance to develop your company's environmental policy, as well as to identify and assemble your core environmental compliance team (who will drive your EMS) and the appropriate top management representative to actively lead this overall effort.

LEADERSHIP AND COMMITMENT

While the success of an EMS often involves responsibility and action by many people within the organization, solid involvement by top management (e.g. CEO, VP Sustainability, Head of Regulatory Affairs, Head of Retail Operations) is critical to ensure that the requirements are integrated into the company's processes and that the policy and objectives are compatible with the strategic direction. Top management is also responsible for driving continual environmental improvement via the EMS.

The person or group within your company's senior management with overall accountability for your EMS will be responsible for assigning and communicating specific roles related to the EMS. This person or group will also need to ensure that your EMS meets the requirements of the business including regulatory and other compliance obligations. Lastly, the responsible person or group will also need to report on the performance of your EMS and environmental performance to your company's top management.

ENVIRONMENTAL POLICY

An organization's environmental policy is at the heart of the EMS and is a required element under the ISO EMS standard, ISO 14001. The policy should reflect the environmental goals supported by top management and serve as a guide for how to develop and implement the EMS. Rather than a vague statement of support for the environment, the policy should lay out the desired environmental performance of the company and senior management's vision for the organization. Staff implementing the EMS should be able to refer to the environmental policy to understand what they need to implement to achieve management's vision. The policy is articulated in a formal written environmental policy statement.

ISO ENVIRONMENTAL POLICY ELEMENTS

» The policy much come from the top and be defined by top management.

» The organization must have a policy or commitment statement that is appropriate to the "nature, scale and environmental impacts of its activities, products and servies."

» The policy must include commitments to:

  – Compliance with legal and other requirements;
  – prevention of pollution; and
  – continual improvement

» The policy must provide a framework for setting environmental objectives and targets

» The policy must be communicated to all employees and others working on behalf of the organization

» The policy must be available to the public.

The ISO standard lays out specific elements for the environmental policy, all of which are required for organizations seeking ISO certification. However, whether you are pursuing certification or not, you will probably want to include these elements in your environmental policy, as they lay the groundwork for a policy that supports an effective EMS. The way you go about developing your environmental policy depends on your organization. You may be starting from scratch, but more likely you already have a policy, although it may need to be updated to fully support the EMS. Some companies find that a consultant or facilitator is valuable in providing an objective view in developing their environmental policy. Whatever you decide, you should consider the following items:

- The views of important stakeholders. For example, if your customers are looking for more sustainable companies, you may want to strengthen the sustainability aspects of your policy.
- Look at the environmental policies of similar retailers. Do not copy their policies, but consider what you like or do not like.
- The environmental policy should be short and clearly written; "fluff" may sound good, but it will muddy the desired outcome.
- Environmental policies can include specific goals, for example, to reduce greenhouse gas emissions, implement zero-waste distribution centers, or provide greener products. Where possible, quantify the goals to make the policy more actionable and serious.
- Make the statement realistic. Do not state that you will be an environmental leader, unless that is what you intend to do.

Top management should sign-off on your environmental policy statement before it is finalized.

NEXT

The next step is for your leadership team to appoint a senior manager or group of senior managers to have oversight and accountability for your company's EMS. The leadership team should also assign responsibility for an individual or small group to draft or update the environmental policy for your company. This person or group will likely need to consult with several functions within the organization to ensure that the draft policy language is realistic and aligns with the company's strategic vision and business goals. The environmental policy's development will need to be monitored and drafts reviewed by the senior manager with oversight for the EMS. Once the draft is ready, it should be presented to the leadership team for review and comment. The final draft should then be signed by the most senior person in the company (e.g. President, CEO, or Chairman of the Board), along with the senior manager with oversight for the EMS.

Once the environmental policy is signed, it should be communicated to all company staff, along with clear expectations on what they need to do to follow it. The senior manager with oversight for the EMS should coordinate the external communication of the policy and ensure that it is on the company's website. The environmental policy may also need to be provided to suppliers and referenced in product and service procurement contracts.

Over time, the policy should be updated to reflect changes in the company's operations, vision, and environmental information.

HELPFUL TIPS

Before you develop your environmental policy and create new roles for you EMS:

- Identify the senior manager within your company with oversite and responsibility for compliance management to determine if they may also be suitable for leading your EMS
- Try to find an existing statement on environment or sustainability (even a draft) that may be referenced, updated, or re-purposed as your environmental policy
- Review environmental policies of other retail organizations for ides on structure and content
- Use samples provided under Appendix 2: Sample Procedures "as is" or as a starting point to develop your own.
- Refer to the Compliance Leadership Model (CLM) to fine-turn your environmental policy, EMS roles and responsibilities

CHAPTER 5: RISKS AND OPPORTUNITIES

A key element of an EMS is identifying how your operations impact the environment and planning how to control and reduce these impacts. Identifying and managing environmental 'aspects and impacts' (defined below) in a systematic way can bring positive benefits to the organization along with significant environmental improvements.

This chapter provides guidance on how to identify environmental aspects and understand their associated impacts. By completing the section below, you will have an in-depth understanding of the potential environmental risks and opportunities specific to your company's operations and products; and will be ready to further evaluate which aspects are tied to legal requirements to prioritize action and resources.

ENVIRONMENTAL ASPECTS AND IMPACTS

Understanding the cause-and-effect relationship between your facility and the environment is a foundational concept for building an EMS. To start, you need to understand how your operations affect the environment – the impacts. Stated another way, how do the activities, products, and services of your facility - the aspects - interact with the environment? Once you have identified the impacts, you can then decide which should be addressed in your EMS. This is typically done by determining the significance of the impacts, which is related to the potential for harm to the environment and human health, as well as regulatory and other requirements. The aspects, impacts, and significance form the basis for setting goals and objectives in the EMS and improving environmental performance.

Environmental Aspect – An element of a facility's activities, products, or services that can or do interact with the environment. This interaction can be continuous, periodic, or associated only with events such as emergencies. In retail operations, a common environmental aspect is the generation of solid waste or garbage. The environmental aspects consist of the process that generates the solid waste, the garbage itself, and the garbage dumpster.

Environmental Impact – Any change to the environment resulting from a facility's activities, products, or services, in other words from the facility's aspects. Environmental impacts are typically considered adverse, but they can also be beneficial. For example, an environmental aspect such as a white-colored roof can lead to the environmental impact of reduced energy consumption from less need for air conditioning. Environmental impacts from the solid waste example above could include greenhouse gas emissions from waste decomposition, water contamination from landfill runoff, as well as air pollution and greenhouse gas emissions from waste transportation and landfill or incinerator operations.

The table below lists examples of environmental aspects and impacts that may occur in a retail setting.

EXAMPLES OF ENVIRONMENTAL ASPECTS & ASSOCIATED IMPACTS	
Environmental Aspect	**Environmental Impacts**
Emissions of volatile organic compounds (VOCs) from vehicle fueling	Air pollution including ozone and smog
Storm water runoff from parking lots into streams	Erosion, impaired water, quality, damage to wetlands
Spills and leaks from petroleum storage tanks	Soil and groundwater contamination, harm to aquatic habitat
Electricity use	Air pollution including ozone and smog, climate change, habitat destruction
Use of recycled paper	Conservation of natural resources; reduced water, air pollution, and greenhouse gas emissions

IDENTIFYING ENVIRONMENTAL ASPECTS AND IMPACTS

Identifying the environmental aspects associated with your facility is the basis for your EMS. Overlooking an aspect means missing opportunities to reduce environmental impacts and improve performance, as well as missing potential risks to the business. There are many approaches to identifying environmental aspects, the right one for you will probably be based on the size and complexity of your operations, as well as how much you already know about your facilities. In general, identifying your environmental aspects and impacts will involve:

1. Selecting and documenting your approach for identifying environmental aspects and impacts;
2. Convening a work group – usually the EMS team or a subset;
3. Identifying the activities, operations, and services in your facility within the scope of your EMS; and
4. Identifying the environmental aspects and impacts associated with those activities, operations, and services within your EMS scope.

Depending on the complexity of your operations and the level of existing environmental programs, the simplest approach may be to collect information from each department in your facility and/or to use existing information. Information sources could include environmental permits, required reporting such as hazardous waste reports, Safety Data Sheets, monitoring records, and reports on incidents.

In some situations, a more systematic approach may be needed. This could be for specific parts of thebusiness that are more complex or have a greater potential for environmental impacts, such as a transportation or a distribution center or special activities such as construction.

POTENTIAL RETAIL ENVIRONMENTAL ASPECTS

- Hazardous Waste
- Fuel Storage
- Electricity Use
- Solid Waste
- Air Emissions from idling trucks
- Noise from delivery trucks to stores in residential areas
- Discharge of fats, oils, and grease into municipal wastewater
- Water Consumption
- Specialty Products and Services (e.g. pharmacy, gas station, pet supplies) with unique environmental requirements
- Products requiring special labelling, performance standards and disclosure requirements
- Other issues related to environmental regulations regarding fleet, maintenance, parking lots, refrigeration, emergency equipment, etc.

One retailer's approach was to evaluate all company operations and facilities for environmental areas (such as air, water, waste, etc.). An example for two environmental areas, air and water, are in Figure 3 and Figure 4. The leftmost box is the environmental area and the subsequent columns are increasingly detailed environmental aspects. If you use this approach (depending on the scope of your EMS), you may also need to complete similar evaluations for waste, hazardous materials, and product characteristics. You could also flip this approach by starting with your facilities and activities on the left and drilling down to the environmental areas from there.

EVALUATION OF COMPANY OPERATIONS AND FACILITIES BY ENVIRONMENTAL AREA – AIR

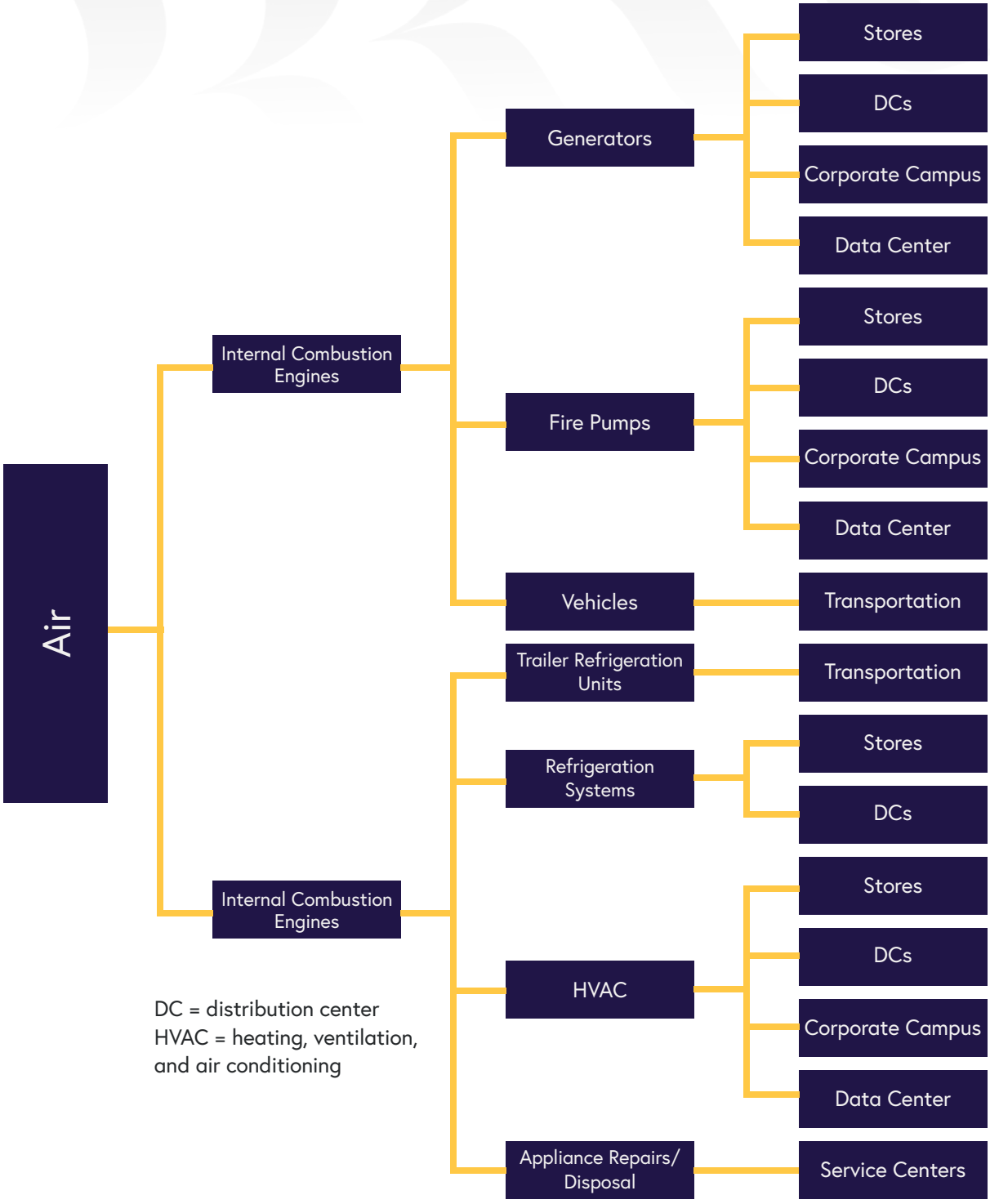


Figure 3: Example aspects and impacts evaluation for air illustrating the identification of operations and facilities that may require operational control in order to maintain compliance and improve performance.

EVALUATION OF COMPANY OPERATIONS AND FACILITIES BY ENVIRONMENTAL AREA – WATER

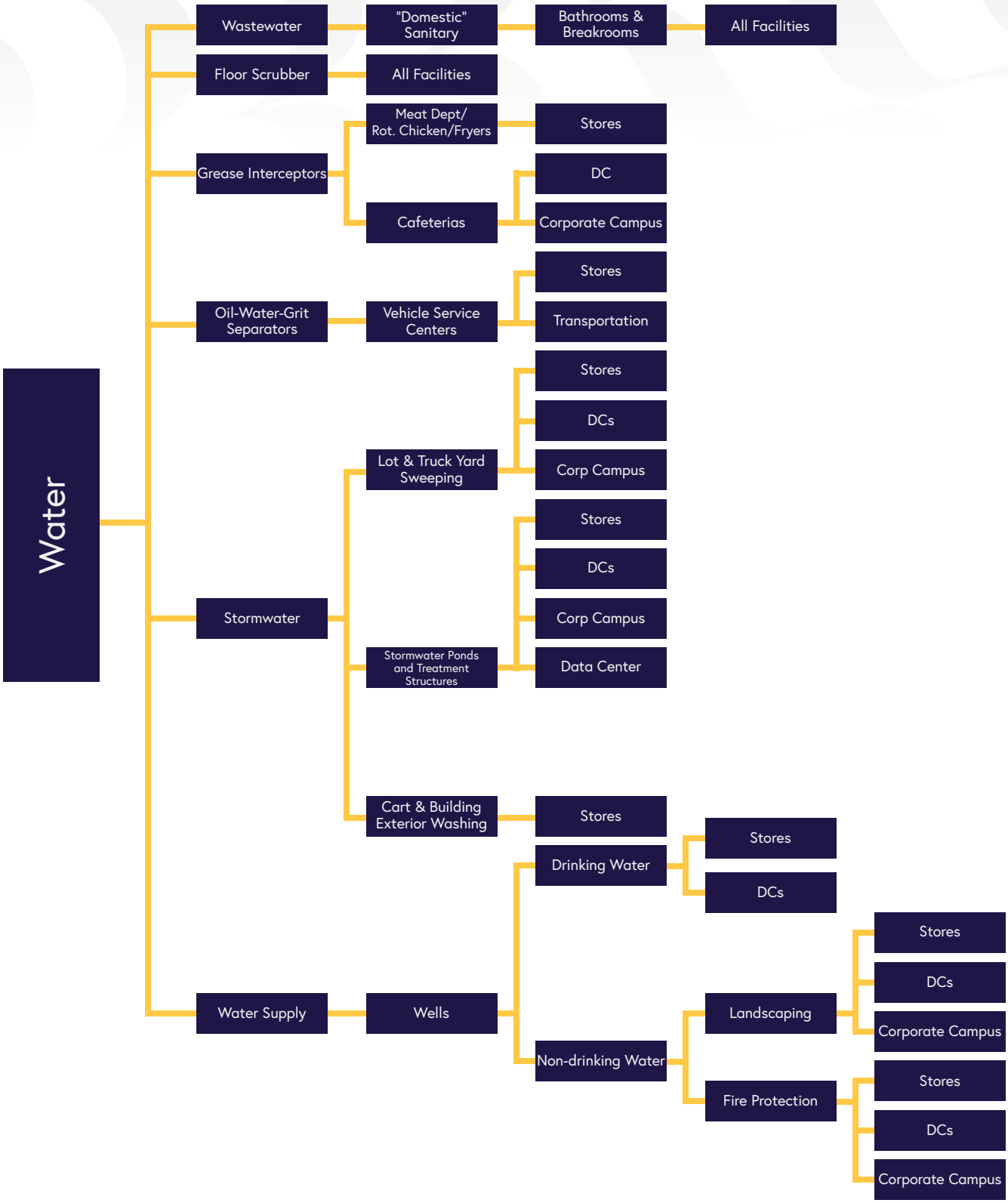


Figure 4: Example aspects and impacts evaluation for water illustrating the identification of operations and facilities that may require operational control in order to maintain compliance and improve performance.

ADDITIONAL POINTS TO CONSIDER

In-Store and Off-Site Services

Services can have environmental impacts, as well as regulatory issues. In addition, the environmental aspects of vendors, service providers, and contractors should also be considered.

Examples include:

- Transportation of merchandise to the store;
- In-store services, such as one-hour photo processing, meat cutting and packaging, food preparation, take-back of appliances, acceptance of customer items for recycling, product returns and recalls; and
- In-home services, such as delivery and installation of merchandise (e.g. home electronics and appliances) or home improvement services.

Construction and Past Environmental Obligations

Don't forget to consider areas such as your company's current construction activity, as well as past activities, including legacy environmental obligations from spills and historical/acquired brownfield sites (sites with contamination or potential contamination, such as a former gas station that had underground tanks). Look at your EMS scope to evaluate how these types of activities fit in your EMS.

Incorporating a Life Cycle Perspective

Your company may want to consider a life cycle perspective when determining environmental aspects. While this does not require a full life cycle analysis (LCA), it does depend on thinking carefully about life cycle stages that can be controlled or influenced by the organization. Typical life cycle stages are shown in Figure 4 below.

Figure 5: The Product Life Cycle – an important consideration when determining significant environmental aspects.

A full LCA can be used for a deeper analysis of your products' or services' environmental impacts. In retail, this may not be the most practical approach given time and resources required to conduct LCAs on a company's products and services. However, there are other tools which can provide greater insight on life cycle impacts that require fewer resources and less time than a full LCA. An example is a hotspots analysis, which quickly helps a retailer screen the environmental (and broader sustainability) impacts across the life cycle of products. Hotspots analysis is a framework that allows the rapid assimilation and analysis of a range of information sources, including life cycle based studies, market, and scientific research, expert opinion and stakeholder concerns. Outputs can be used to identify potential solutions and prioritize actions around the most significant economic, environmental, ethical and social sustainability impacts or benefits associated with a specific country, industry sector, organization, product portfolio, product category or individual product or service. Hotspots analysis is often used before developing more detailed sustainability information. (Source: UNEP/ SETAC 2014, UNEP/SETAC Life Cycle Initiative - Flagship Project 3a (Phase 1) Hotspots Analysis: mapping of existing methodologies, tools and guidance and initial recommendations for the development of global guidance).

Once you select an approach to identifying environmental aspects and impacts, document the approach in a written procedure to include in your EMS documentation. This will be help if questions about the process are raised and it also ensures consistency when new processes are reviewed.

Once you have identified your aspects and impacts, you can combine related ones to simplify your EMS. For example, you may have storm water aspects from several outside areas or operations that can be combined into one aspect. This makes sense if the related items are all covered by the same regulations, have the same type of controls, or are in the same department.

DETERMINING SIGNIFICANCE

Determining which aspects have significant impacts and should therefore be included in your EMS as significant environmental aspects (SEAs) is an important step in EMS planning. The specific SEAs affect other EMS elements, including the objectives and targets, operational controls, monitoring needs, and ultimately environmental performance. The significance of an aspect is related to its environmental and health impacts, as well as natural resource concerns, regulatory requirements and concerns of the business, stakeholders, and the community. Determining significance is more than just understanding environmental impacts, it involves weighing the criteria and comparing the relative impacts of different aspects. There are many different approaches to determining significance, some of which involve ranking criteria to identify the impacts that are most severe and are most likely to occur.

Techniques for Identifying and Prioritizing Environmental Aspects

Tool	Description	Used For
Process Hazard Analyses	Used to identify and assess potential impacts associated with unplanned releases of hazardous materials; methodology commonly from OSHA Process Safety Management regulations	Areas with the potential for spills or other releases of hazardous material
Failure Mode and Effects Analyses	Commonly used to identify and prioritize potential equipment and process failures and establish corrective actions; often a precursor to formal root cause analyses	Any equipment or business process
Process Flow Diagrams	A tool to help an organization visualize and understand how work gets accomplished and how work processes can be improved; can help an organization understand its environmental aspects and reduce pollution and operating costs by identifying unnecessary activities	Any business process
Environmental Impact Assessments	Used to satisfy National Environmental Policy Act (NEPA) requirements by evaluating environmental impacts associated with proposed projects; not typically used to assess environmental impacts associated with existing operations	Construction projects; if NEPA does not apply, similar state programs may

Tool	Description	Used For
Life Cycle Assessments (LCA) or Life Cycle Analysis	Used to assess the cradle-to-grave (e.g., from raw material to disposal) impacts of products or processes; can be time-consuming and expensive but is perhaps the most comprehensive approach to understanding and comparing environmental aspects and impacts	Typically used for products but can also be used for services and processes
Risk Assessments	Used to assess potential health and/or environment risks typically associated with chemical exposure; can be performed using variety of common qualitative and quantitative methodologies	Typically used with chemicals that are considered to be potentially hazardous
Project Safety/ Hazard Reviews	Used to assess and mitigate potential safety hazards associated with new or modified projects	Projects (do not commonly focus on environmental issues, but can)
Emission Inventories	Used to quantify air pollutant emissions; some data on emissions or chemicals of concern may already be available based on Emergency Planning and Community Right-to-Know Act (EPCRA) requirements and Clean Air Act (CAA) Title V permitting program data requirements	While usually associated with major sources of air pollution, can be useful with smaller air pollution sources such as generators
Pollution Prevention or Waste Minimization Audits	Rigorous assessment of facility operations to identify opportunities to reduce or eliminate pollution at the source and to determine recycling options	Can be used with any business process, but most often used for processes that generate a lot of waste or use hazardous materials
Environmental Property Assessments	Used to assess potential environmental liabilities associated with facility acquisitions or divestitures; typically does not cover impacts associated with products or services	The purchase of land or a business that owns land, or construction projects on brownfields
Environmental Cost Accounting	Used to assess the full environmental costs associated with activities, products or services; emerging protocols require comprehensive assessments to quantify such costs	All products and services
Environmental Compliance Audits	Used to assess compliance with federal, state and local environmental regulations; while not typically directed at examining environmental impacts, it does help determine significance	All products and services, but usually areas with regulatory requirements

Some of the criteria used to determine significance include:

- **Severity** - potential impact on human health and the environment (e.g. release of ammonia gas from the refrigeration system at a grocery distribution center, which poses serious risks and could be fatal)
- **Quantity or Volume** - amount or size of the aspect (e.g. the greater the capacity of a fuel storage tank, the greater its potential significance)
- **Prevalence** - the number of facilities where the impact occurs (e.g. if a grocery chain sells rotisserie chicken and butcher's meat on site at every store, each store has a potential to discharge fats, oil, and grease in its wastewater, meaning that the combined potential for impact is large)

- **Frequency and Duration** - how often an environmental impact occurs and how long it lasts (e.g. solid waste generation occurs daily, while a store reset may occur infrequently)
- **Probability** – how likely is the environmental impact to occur (e.g. air pollution from delivery trucks, has a higher probability than a spill from a fuel storage tank, which may only occur from an accident or equipment failure)
- **Subject to Regulations, Policy, or Voluntary Commitments** – such as health and safety regulations, public commitments, and goals (e.g. GHG reduction targets, waste reduction goal)
- **Stakeholder Concern** - investors, customers, business partners, and suppliers can all provide insights into your environmental aspects and help you identify actual, potential, or perceived issues (e.g. shareholder initiatives driven by advocacy groups have resulted in companies participating in voluntary reporting programs such as the Carbon Disclosure Project (CDP), even when the initiative failed to pass a shareholder vote)
- **Community Issues** - impacts that the surrounding community considers important (e.g. noise level from trucks unloading and idling at stores near residential neighborhoods, increased traffic caused by business operations, outdoor lighting, storm water management, and landscaping)
- **Pollution or Risk Reduction Potential** – the return on investment (ROI) in both financial and environmental terms (e.g. demolition and construction of a new vehicle maintenance area may be a large expense, but the risk reduction of properly designed sumps and drains can prevent major environmental impacts and associated regulatory problems)
- **Business Issues** - a specific aspect may make good business sense outside of the potential for environmental impacts (e.g. reducing energy use and waste can save money, minimizing truck idling and noise can improve relations with neighbors, and sourcing more sustainable products can improve a company's reputation)

Every company will choose a slightly different approach towards determining significant aspects based on their specific business situation. It is important to clearly document the process chosen so that future revisions can take the process into account and easily understand how conclusions were reached.

NEXT

At this point in the EMS process, you will have documented the significant environmental aspects and impacts and the regulatory requirements that apply to your facility.

At the end of this part of the EMS process, you should have a list of the aspects associated with your facility and have ranked them to identify the SEAs. The next section provides guidance on developing an objective for each SEA to either control or improve the aspect or investigate leading to improvements. In addition, you will need to identify key characteristics of your SEAs to monitor and measure; these measurements will be the basis for determining where operational controls are required and whether they are working properly.

A REMINDER!

» Use your company's existing systems, programs, tools, or other resources to support environmental compliance obligations and determine their significance to your business.

» Use samples provided under Tools & Procedures "as is" or as a starting point to developing your own.

» Refer to the Compliance Leadership Model (CLM) matrix to fine-tune support of environmental complianceobligations and determine their significance to your business.

CHAPTER 6: COMPLIANCE OBLIGATIONS

Compliance with legal requirements is a central pillar of an environmental policy and an EMS. Not only are businesses obliged to follow legal requirements, the potential cost of non-compliance (e.g. damage to the environment, fines, enforcement actions, revenue loss, and impact on brand reputation) can be very high. Legal requirements include federal, state, and local requirements, as well as permit conditions. Your facility may also be responsible for complying with other requirements such as company policies, industry codes of practice, and pledges or commitments made voluntarily by your company.

In completing this chapter, you will be able to identify which of your company's environmental aspects have regulatory or legal requirements; determine the significance or the "degree of impact" of each environmental aspect; and finally prioritize the ones that may pose key business risk or represent a significant opportunity for your business.

ENVIRONMENTAL LAWS THAT APPLY IN RETAIL

- Clean Air Act (CAA)
- Clean Water Act (CWA)
- Emergency Planning and Community Right-to-Know (EPCRA)
- Federal Insecticide, Fungicide and Rodenticide Act (FIFRA)
- Safe Drinking Water Act (SDWA)
- Toxic Substances Control Act (TSCA)
- Oil Pollution Act (OPA)
- Resources Conservation and Recover Act (RCRA)

THE COMPLIANCE FRAMEWORK FOR YOUR EMS

Most likely you already have some form of an EMS or management system with the most developed elements related to compliance. Your EMS should build on what you already have and include processes to:

- Identify and communicate applicable compliance obligations; and
- Ensure that these requirements are factored into the organization's management efforts.

Identifying legal and related requirements is a key piece of information determining the significance of environmental aspects and setting EMS objectives and targets. Anticipating new requirements could help avoid future compliance obligations and their costs or potential violations. A thorough understanding of environmental requirements may enable you to develop strategies to reduce or even eliminate regulatory burdens. For example, a facility might reduce hazardous waste generation to avoid going into a higher generator category and triggering additional requirements or a distribution center may choose to cover outside storage areas to eliminate the need for a storm water permit.

GETTING STARTED

Identifying and interpreting regulations and determining which requirements apply to your operations can be time-consuming. This is especially true considering that three levels of regulation – federal, state, and local – must be considered.

The RCC website at https://www.rila.org/retail-compliance-center has information on environmental regulations relevant to retail. Other sources include:

- Commercial services with databases of regulations;
- Federal, state, and local regulatory agencies;
- Trade and professional groups and associations;
- Seminars and courses;
- Newsletters and magazines;
- Consultants and attorneys; and
- Vendors and service providers.

The applicable requirements, as well as the process you use to keep updated, should be documented in your EMS. As a first step, you need to understand your facility's current process for tracking regulations. A comprehensive approach may already be in place or there may be gaps that leave the facility open to potential non-compliance.

ENVIRONMENTAL REQUIREMENTS THAT APPLY IN RETAIL

- Requirements from governmental entities or other relevant authorities;
- International, national, and local laws and regulations;
- Requirements specified in permits, licenses, or other forms of authorizaccction;
- Orders, rules, or guidance from regulatory agencies;
- Judgements of courts or administrative tribunals;
- Agreements with community groups or non-governmental organizations;
- Agreements with public authorities or customers;
- Organizational requirements;
- Voluntary principles or codes of practice;
- Voluntary labelling or environmental commitments;
- Obligations arising under contractual arrangements with the organization;
- Relevant organizational or industry standards.

Next, you need to identify the requirements that apply to your specific operations. Remember every situation is unique based on variables such as type and size of facilities, operations, company policies, jurisdictions, and more. For your EMS, you need to document a formal procedure for compliance obligations. This may be a matter of documenting your current process or developing a new process.

Once you have identified all the applicable environmental compliance requirements, you will need to ensure that all the related obligations (e.g. monitoring and inspections, record keeping, employee training, agency reporting) have been incorporated into the business processes.

NEXT

Your next step is to begin "operationalizing" all the requirements you've organized within the Planning Action phase. This effort will primarily focus upon engaging people who are already doing the tasks necessary to prevent compliance problems, but may not always be doing them entirely correctly. Bringing these people on-board of the EMS effort is the most critical key to success!

A REMINDER!

- Use your company's existing systems, programs, tools, or other resources to identify and evaluate environmental aspects and impacts, risks, and opportunities.
- Use samples provided under Tools & Procedures "as is" or as a starting point to developing your own.
- Refer to the Compliance Leadership Model (CLM) matrix to fine-tune the identification and evaluation of environmental aspects/impacts, risks and opportunities.
- Refer to your environmental policy to ensure that risks and opportunities identified are aligned with the goals of this policy.

CHAPTER 7: ENVIRONMENTAL OBJECTS

In this chapter, you will learn how to set appropriate and achievable environmental objectives and targets for each of your company's significant environmental aspects.

Objectives and targets help an organization translate purpose into action. They also help develop a picture of the business's overarching goals and communicate what is important to the organization. Environmental objectives and targets should be factored into your business plans and can help you integrate environmental management with your organization's other management processes.

In the EMS world, the words "objective" and "target" have specific meanings and are defined in ISO 14001 as follows:

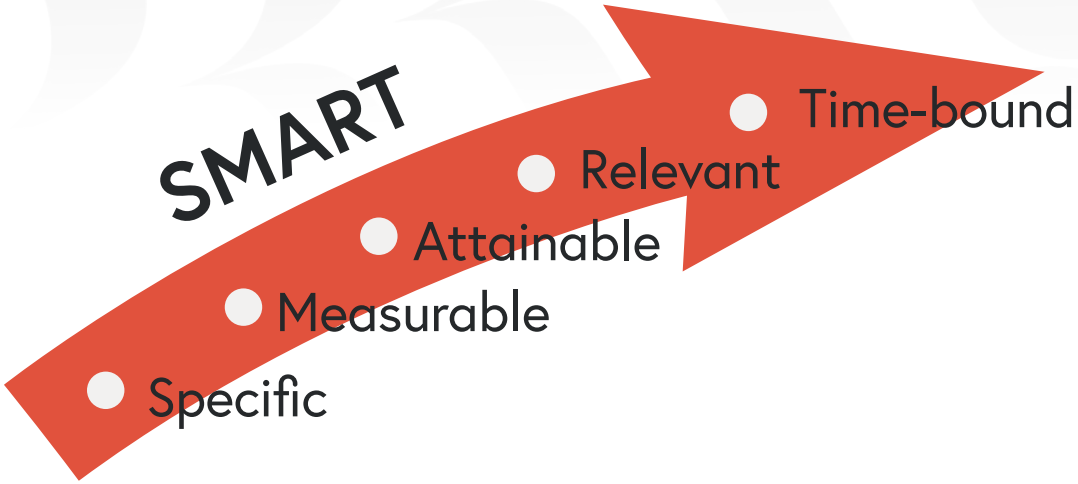
Environmental Objective: "Overall environmental goal, arising from the environmental policy, that an organization sets itself to achieve, and which is quantified where practicable."

Environmental Target: "Detailed performance requirement, quantified where practicable, applicable to the organization or parts thereof, that arises from the environmental objectives and that needs to be set and met to achieve those objectives."

The word "goal" is sometimes used interchangeably with "objective" or sometimes used to refer to a much higher-level goal. Targets should roll up to achieve the related objective. The objectives and targets should align with your organization's environmental policy.

Many considerations are factored into setting objectives. Your environmental policy commitments, significant environmental aspects (SEAs), legal and related requirements, stakeholder views, technological options, and your financial, operational, and other organizational considerations must all be balanced. There are no "standard" environmental objectives that make sense for all organizations. Your objectives and targets should reflect what your organization does, how well it is performing, and what it wants to achieve. As always, your process for identifying objectives and targets should be documented.

GOOD ENVIRONMENTAL OBJECTIVES



Well-defined objectives and targets will set you up for success, while vague objectives will result in little to no improvement. A good starting point is to set objectives and targets that are SMART.

Specific: Setting an objective to "reduce your regulatory risk" is a great intention, but what does that actually mean? Examples of more specific objectives might include "remain in the small quantity generator category for hazardous waste" and "identify all waste related compliance obligations and assess if the company has a program or process in place to manage them."

Measurable: If you can't measure your objectives or targets, then it is hard to evaluate your progress or declare success. Not only do your objectives and targets need to be observable and concrete, they also must be measurable within your budget and time constraints. For example, it may a good idea to reduce contaminated storm water runoff, but how will you measure that? Are you going to set up a monitoring and sampling program? That is an expensive and complicated effort. Perhaps a better objective would be to identify and measure the factors that affect storm water quality at your facilities. Are they implementing best management practices? Are the practices and frequency appropriate for the regional climate? Is the storm water infrastructure maintained and working as designed? Once that has been done, you can identify specific objectives and targets that will improve water quality like "all storm water zone contracts will be regionally tailored and will incorporate local requirements with best management practices [by the end of the third quarter of the year]."

Attainable: Your objectives should be ambitious enough to improve your environmental performance, but not impossible to achieve. You may want to become a zero-waste facility (which could be your longterm goal), but a more realistic immediate objective might be to reduce waste by 20% in the first year.

Relevant: Your objectives and targets need to relate to what you are trying to achieve; that is, they should be in line with your environmental policy and company commitments.

Time-bound: Your objectives and targets should have defined timeframes such as "by the end of the fiscal year" or by a specific date. You should include milestones to measure progress along the way, especially for longer-term objectives.

The table below shows some example objectives and targets for a retail operation.

OBJECTIVE	TARGETS
Reduce waste sent to landfill by 25% in 2021 as compared to 2018.	Increase recycling by 15% in 2019 based on weight compared to 2018.
	Implement pilot composting program in 2019.
	Reduce shipping packaging by 10% in 2020 compared to 2018 based on periodic review of packaging and weight of cardboard
Improve compliance with hazardous waste determination based on internal waste audit results.	Reduce incorrect waste determination in the non-hazardous or hazardous category by 75% based on waste audit results.
	Improve waste determination training programs based on feedback collected in employee surveys.
	Increase Store Inventory Leaders' Hazardous Waste Program knowledge to 95% minimum score on quarterly computer-based assessments by Q2 of fiscal year. Reassign Hazardous Waste Program computer-based learning to individuals not achieving 95%.
Develop diesel aboveground storage tank (AST) inspection and monitoring program at distribution centers(DCs) and achieve 100% compliance with regulations.	By Q1, create an inventory of all ASTs and AST details (e.g.size, construction, secondary containment, location, gauge, automatic monitoring type, manual/visual monitoring) by DC.
	By Q1, identify DCs requiring SPCC plans under federal regulations or similar plans under state, local, or regional law.
	By Q2, develop DC-specific inspection and monitoring programs
	By Q3, train DC Facility Maintenance Managers on their AST monitoring, inspection and recordkeeping requirements.
Develop and implement Spill Prevention, Control, and Countermeasure (SPCC) plans (and/or state, local, and regional equivalents) for all DCs where required.	By Q2, obtain Management and legal approval to either self-certify SPPC plans or engage consultant to develop SPCC plans.
	By Q3, complete SPCC site visits and draft SPCC plans.
	By Q4, obtain feedback and concurrence from logistics function on: 1) any capital expenditures (CapEx) required for SPCC compliance (e.g.tank replacements, painting,repairs, gauges); and 2) approach for meeting obligationsfor all SPCC plans.
	By Q2, complete CapEx
	By Q2, implement final certified SPCC plans.
Improve execution of compliance tasks by implementing an Environmental Compliance Tracking System	By Q2, identify outside service providers and in-house capabilities and systems that can be used to manage compliance obligations at the task level.
	By Q3, define capabilities, conceptual cost estimates, and implementation capabilities of options.
	ByQ4, define/identify/establish company needs, priorities, system, and IT requirements and budget.
	By Q1 of following year, select option and establish development and rollout schedule.

There are other considerations in setting objectives and targets. Some of these are listed below.

- **Involve relevant people** – Setting objectives and targets should involve people in relevant functional areas, as they are positioned to establish, plan for, and achieve these goals. In addition, involving more people in the EMS process helps build commitment and accountability.
- **Get management support** – Get top management buy-in for your objectives. This should help ensure adequate resources and support the integration of EMS objectives with other organizational goals.
- **Link objectives to improvements** – In communicating objectives to employees, link objectives to the actual environmental improvements being sought to give them something tangible to work toward.
- **Follow environmental policy** – Objectives should be consistent with your overall mission and the key commitments established in your environmental policy (e.g. pollution prevention, continual improvement, and compliance).
- **Be flexible** – Be flexible in your objectives. Define the desired result and let the people in the relevant functional area be responsible for determining how to achieve it.
- **Maintain and improve performance** – Objectives can be established to maintain current levels of performance, as well as improve performance. For some SEAs, you might have both maintenance and improvement objectives.
- **Involve the community in which you operate** – To obtain the views of interested parties, consider holding an open house or establishing a focus group with people in the community.
- **Start simple, then expand** – The number of objectives and targets will vary. It is usually best to start with a limited number of objectives in your EMS (say, three to five) and expand the list over time. Keep your objectives simple initially, gain some early successes and then build on them.

Note: If your facility has few or no environmental compliance programs, you may find it difficult to limit the number of objectives while developing a program to address all compliance needs. In this situation, you might consider one or two larger overarching goals. For example, "Develop environmental programs for complying with regulations applicable to the facility's operations and facilities." Subordinate objectives or targets might include identifying your greatest risk areas, prioritizing programs, and establishing a schedule and strategy for program development.

- **Consider suppliers** – Keep in mind that your suppliers can often help you in meeting your objectives and targets. For example, suppliers could provide more "environmentally friendly" products or they could help improve regulatory compliance by providing you with more detailed invoicing or other data for reporting.
- **Expand what works** – In some cases it may make sense to roll-up objectives and targets from individual processes, departments, or functions to an organization-wide level.

Some companies use consultants or facilitators to help set EMS objectives and targets. An objective third party can often help balance the needs and viewpoints of different groups in the company. A consultant with EMS experience can usually help identify pitfalls and make the process more efficient. However, as noted before, this process cannot be totally outsourced to a consultant as it requires the involvement of staff to make the objectives fit the company.

PLANNING ACTIONS TO ACHIEVE ENVIRONMENTAL OBJECTIVES

When finalizing your company's environmental objectives, there are some practical considerations. For each environmental objective, you will need to determine:

- what will be done (types of actions, programs) to achieve it?
- what resources (both financial and people) will be required?
- who will be responsible?
- when will it be completed?
- how will the results be evaluated, including indicators for monitoring progress toward achievement?

HELPFUL TIPS

As you set your environmental objectives and actions to achieve them:

» Engage managers and staff within key business functions across your company early in the process to provide input on environmental objectives and help to better align with the company's vision and business goals. These functions may include: procurement, logistics, building and asset management, legal, corporate affairs, accounting, sales, marketing, public relations, line managers, warehouse supervisors, as well as in-store staff. This helps not only with input, but it serves to communicate direction on objectives and can help with internal "buy in" and ownership which is necessary to success.

» Use samples provided under Appendices 1 and 2 "as is" or as a starting point to developing your own.

» Refer to the Compliance Leadership Model (CLM) matrix to fine-tune your environmental objectives and actions.

» Refer to your Environmental Policy to ensure that environmental objectives and associated actions are aligned with the goals of this policy.

NEXT

The next step is to identify the resources needed to carry out the actions to meet your environmental objectives. This will be much easier if you have created well-defined objectives and targets and designated the appropriate staff to be responsible for reaching the targets – both to make sure that the targets are achievable, but also to build support.

DOING

CHAPTER 8: RESOURCES, ROLES & RESPONSIBILITIES

An important task in environmental management system (EMS) implementation is establishing the roles and responsibilities associated with EMS leadership, implementation, and technical support. This chapter covers how to create a structure to ensure that the organization has sufficient personnel, resources, and processes to meet its environmental objectives, targets, and compliance obligations. The organization should also provide incentives (financial and/or non-financial) for staff to meet the EMS requirements and achieve the objectives.

ASSIGNING RESPONSIBILITIES

These roles are touched upon across this e-book, but here we discuss EMS specific roles, which are often added to provide guidance and support to line staff.

The EMS Manager, EMS Coordinator, and Environmental Compliance Team all play important roles in developing and promoting the EMS and should be designated at the beginning of the EMS planning process. In a small business or facility, the EMS Manager and EMS Coordinator may be combined. While these roles are not explicitly specified by International Organization for Standardization's (ISO) 14001, they are critical for implementation. Your organization should build its Environmental Compliance Team and roles based on what is most suitable, given its size, structure, resources, etc.

The EMS Manager is the leader of the Environmental Compliance Team and is responsible for overall EMS implementation and management. The EMS Manager must be in a position, or report to a position, that is sufficiently senior to effectively communicate and engage with the facility's senior management team and the many stakeholders and "owners" of operations and activities related to significant environmental aspects.

In a retail company, the EMS Manager role may be filled by a corporate compliance manager or similar position with environmental compliance responsibility. In smaller companies, the EMS Manager may be a member of the senior management team or an executive reporting to a senior manager.

The EMS Coordinator maintains the EMS documentation and is responsible for tasks such as scheduling and tracking EMS development, as well as providing support for EMS planning and implementation.

The Environmental Compliance Team can be broadly defined, but needs to include enough functions – both from internal positions, as well as external resources – to ensure that the organization has sufficient understanding of compliance requirements and actions necessary to ensure compliance. Traditionally, this team includes a designated environmental compliance manager, EMS manager or coordinator if these are not the same people, representatives of the legal team and/or outside legal counsel, and representatives from retail and other facility operations. The Environmental Compliance Team provides critical input regarding the feasibility of compliance requirements within current standard operating procedures and can work with the EMS Manager and/or Coordinator to determine ways to make smart changes that comply, but also work well in their operations.

A fundamental concept of an EMS is that the most important responsibilities are given to those people throughout the organization who are implementing operational controls, driving progress towards environmental objectives, and providing leadership around prioritizing environmental management. In many, if not most cases, these people are line managers, facility personnel, and other key staff who are not necessarily identified as "environmental" people. The table below provides examples of where needed EMS expertise can be found in a retail company.

EMS Expertise and Roles Across Different Retail Functions

Retail Function	Relevant Expertise	Possible Roles for the EMS
Top Management	Capability for ensuring continual improvement	Communicate importance of EMS throughout organization; provide resources; track and review EMS performance
Environmental	Management of environmental compliance and documented information	Provide an organizational and functional role in establishing and maintaining the EMS
Store and Facility Operations	Management of environmental aspects of store and facility operations	Help identify significant environmental aspects (SEAs); provide input on environmental objectives; participate in environmental programs; serve as EMS promoters; identify nonconformity and help implement corrective action
Maintenance	Management of environmental aspects of facility and equipment maintenance	Implement environmental programs; support identification of SEAs and nonconformity
Facilities Engineering	Management of environmental aspects of new construction and installation/ modification of equipment	Consider environmental impacts of new or modified products and processes; identify pollution prevention opportunities
Human Resources	Training program expertise; experience with employee incentives in performance measurement system	Define competency requirements and job descriptions for EMS roles; ensure awareness and competency of temporary workers and contractors; maintain documented information on training, integrate environmental management into appraisal process
Purchasing and Merchandising	Knowledge of procurement system (including screening of suppliers, material composition of components) and supply chain efforts	Develop and implement controls for chemical/ other material purchases and for communicating requirements to contractors and suppliers
Accounting and Finance	Systems for tracking costs of operations and evaluating cost/benefits for new projects	Track data on environmental-related costs (e.g., resource, material, energy, waste disposal); prepare budgets for environmental programs; evaluate economic feasibility of environmental projects
Operations Personnel/ All Employees	Knowledge of processes and operations	Provide first-hand knowledge of environmental aspects; support awareness training for new employees
Quality	Quality management system, including document control procedures	Support control of documented information and employee awareness and competency training efforts; support integration of environmental and quality management systems
Transportation, Logistics	Management of environmental aspects of logistics, reverse logistics and transportation; owners/operators of SEAs such as vehicle maintenance, fuel storage, fork lifts with large industrial batteries	Help identify significant environmental aspects; provide input on environmental objectives; participate in environmental programs; serve as trainers and internal auditors; identify nonconformity and implement corrective action

Retail Function	Relevant Expertise	Possible Roles for the EMS
Sales and Marketing	Knowledge of environment-related commitments to customers	Assist communications with external stakeholders
Public Relations	System for communicating with public on environmental issues	Assist communications with external stakeholders
Product Design	System for examining environmental aspects of new designs	Participate in product-related environmental objectives and environmental programs
Storage and Inventory	Management of environmental aspects of raw material and product storage and in-facility transportation	Help identify SEAs; provide input on environmental objectives; participate in environmental programs; serve as trainers and internal auditors; identify nonconformity and implement corrective action

THE GOOD GROCER COMPANY'S EMS SCOPE EXAMPLE

Consider the following sample descriptions of EMS responsibilities for a hypothetical regional grocery chain, The Good Grocer Company. Their hypothetical EMS scope was introduced in Module 1: *Planning – Scope and Policy*.

The Good Grocer Company is a regional grocery chain with 320 stores under three brands/formats: Best Gourmet Foods, which are boutique specialty stores; 100 Good Grocer SuperMarkets, which are full-service grocery stores and 180 Good Bargains, which are economy warehouse format stores. Each brand operates as a separate business unit. Other business units include its Logistics, Dairy and Bakery divisions. All business units are supported by Corporate Support Services (CSS), which provides Accounting, Human Resources, IT support, Compliance and other support and management functions.

The Good Grocer Company decided to implement their EMS in a phased approach by division, beginning with its core store brands (Good Grocer SuperMarkets and Good Bargains). The primary focus of the EMS is to manage environmental compliance.

The Good Grocer Company convened an EMS Team to be responsible for developing the EMS and integrating it into the company's business processes. The EMS team consists of the following members with the following responsibilities.

» *EMS Team*: With members from each business unit and support team, the EMS Team is a permanent cross-functional team with primary responsibility for developing and monitoring the EMS. The EMS Team meets to discuss the EMS on a regular basis.

» *EMS Manager*: The EMS Manager leads the EMS Team and has primary responsibility for EMS development and implementation. The EMS Manager must:

  – Report regularly to senior management and communicate/integrate management directives into the EMS process;
  – Ensure the EMS Team meets regularly to review the progress of EMS development
  – Ensure all EMS tasks are clearly identified, assigned and completed in a timely manner; and
  – Communicate the purpose, function and progress of the EMS to business unit and support team managers.

» *EMS Coordinator*: The EMS Coordinator supports the EMS Manager and the EMS Team. Specifically, the EMS Coordinator:

  – Schedules regular EMS Team meetings;
  – Maintains the EMS documentation;
  – Tracks EMS development and implementation tasks; and
  – Provides administrative support to the EMS Team.

» *EMS Team Members*: The EMS Team includes representatives from all departments, including Store Operations, Logistics, Transportation, Bakery, Dairy, Energy Management, Facilities Maintenance, Engineering, Training, Finance and Community Relations. The EMS Manager (Corporate Compliance) represents the Legal Department and will consult General Counsel as needed. EMS Team members represent their department to:

- Identify environmental aspects and determine significance;
- Set objectives and targets;
- Implement environmental programs;
- Review and track EMS internal audit results; and
- Serve as an information resource to their teams.

ROLES AND RESPONSIBILITY DOCUMENTATION

The EMS Coordinator typically maintains a current list of Environmental Compliance Team members. A letter or memo from senior management that assigns the current EMS Manager and their responsibilities should be maintained as part of the EMS documentation. In addition, your EMS documentation should include an organizational chart showing how the staffing of your Environmental Compliance Team fits into the organization.

EMS IMPLEMENTATION TRAINING

The Environmental Compliance Team's effectiveness is crucial to the EMS implementation and long-term success. Good training for Environmental Compliance Team members on how to plan and implement an EMS and integrate it with existing facility operations helps create a more effective team. Usually, this training is conducted before the team starts EMS activities such as drafting the environmental policy, reviewing environmental compliance requirements, identifying environmental aspects, and other planning and implementation tasks.

There are a number of training sources. The EPA and some state environmental agencies provide EMS training. Consultants hired to help develop an EMS often provide formal training and ongoing guidance and feedback to the Environmental Compliance Team. Environmental training and EMS auditing and certifying firms all offer EMS training courses. However, training that is adapted to your company will always be more effective.

HELPFUL TIPS

As you assemble your Environmental Compliance Team and assign roles and responsibilities:

» Review existing roles within the various levels of your company to compare skills, abilities, and current responsibilities to determine how some of these existing roles may be expanded or integrated to support your EMS Team.

» Use samples provided in appendices 1 and 2 "as is" or as a starting point to developing your own.

» Refer to the Compliance Leadership Model (CLM) to fine-tune your Environmental Compliance Team selection and assignment of roles and responsibilities.

» Refer to your environmental policy to ensure these activities and their intended outcomes are aligned with the goals of this policy.

NEXT

Like the other elements of your EMS, the roles and responsibilities need to be updated over time to reflect changes in staff and operations. It is particularly important to keep your EMS Team updated as staff move to other positions.

CHAPTER 9: COMPETENCE, AWARENESS & TRAINING

Every effective management system is dependent on competent people who are aware of their required tasks and responsibilities. While competence can be achieved in many ways, a good training program is almost always a key for a successful EMS, as well as for regulatory compliance. Training employees about environmental management in general and the EMS specifically is important because:

- All employees have impacts – negative or positive – on the environment and compliance requirements.
- Any employee can have good ideas about how to improve environmental management.
- Support from employees helps ensure a successful EMS.

As every person in the organization can play a role in environmental management, your training program should cast a wide net. At a minimum, every employee and manager should be aware of your organization's environmental policy, the significant environmental aspects (SEAs), environmental programs that apply to their work, and the overall importance of EMS requirements. Employees should also understand the potential consequences of not following EMS requirements, such as spills, fines, or penalties.

AWARENESS GUIDELINES

All employees need to be aware of the overall EMS. They also may need specific training on environmental areas that they might impact.

For example, all employees should have a general understanding of a company's hazardous waste program so that they know what constitutes hazardous waste and how best to handle it.

Individuals responsible for managing hazardous waste or waste storage areas, maintaining records, and signing manifests will need more detailed, task-specific training in order to perform their responsibilities and also to meet legal training requirements.

More specific training for staff responsible for environmental management should also be identified as part of the EMS training program. Training for some jobs may also be required by the regulations. Training is only one element of establishing competence; other elements include outside education, certifications, and experience. For certain jobs, particularly those involving tasks related to SEAs, you should establish criteria to measure the competence of individuals performing those jobs.

IDENTIFY, PLAN AND TRACK

To start, you should understand the current training situation at your organization. Once you have this information, review the action steps below to plan your training program. You can identify general training needs now, but as you proceed with the EMS, you will need to add specific technical training needs. For example, you will have specific training requirements associated with operational controls for SEAs, such as training required for individuals who handle the shipping of hazardous materials.

ACTION STEPS

1. Identify job functions that relate to the EMS and SEAs.
2. Identify current training related to environmental, health, and safety and determine if EMS information could be integrated with existing training or if there should be separate EMS training.
3. Identify other training materials or programs available outside your company. Places to check include:
    - » Trade associations;
    - » Small Business Administration;
    - » U.S. Environmental Protection Agency;
    - » State and local environmental agencies;
    - » Suppliers; and
    - » Contractors and consultants.
4. Develop your training program. You will want to document specific training requirements and program development in your EMS documentation.
5. Routinely review the effectiveness of your training program and update it regularly to reflect changes.

Don't overlook new employees. Incorporate EMS into orientation training or provide training on the EMS soon after they arrive.

Some regulations have required training, as well as specific requirements for documentation and records retention. Training documentation may include information about the content and delivery of the training, as well as documentation of who took the training (names, titles, dates, etc.). The table below shows examples of training requirements for a retailer.

TRAINING NEEDS EXAMPLE

A retail chain rolled out a hazardous waste management program for its stores along with a training presentation. However, state agency inspectors continued to find two kinds of violations at the stores:

1. Hazardous waste in the store's regular trash dumpster; and

2. Hazardous waste improperly stored in the hazardous waste storage area (HWSA).

The first violation suggests a need for improving or reinforcing the Hazardous Waste awareness training for all store employees.

The second suggests a need for improving or reinforcing the task-speciic training for the positions responsible for managing the HWSA as well as creating new aids such as signs

COMPANY TRAINING REQUIREMENTS

Course Name and Description	Required for	Legal req.	Source of Training	Duration (Hours)	Frequency
HAZWOPER: First Responder Operations Level	HazMat Team at DCs with ammonia refrigeration	Y	Logistics EHS Team	8	Annual
Stormwater Pollution Prevention Plan (SWPPP)	DC Facility Maintenance Mangers	Y	Logistics EHS Team	8 (initial) 2 (refresher)	Initial and 3-year refresher
Environmental & EMS Awareness Training: Waste Management ("When in doubt, DON'T throw it out") – State and RCRA Hazardous Waste; Universal Waste; Recycling; Spill Prevention, Control, and Countermeasure (SPCC); SWPPP; Integrated Emergency Response Plan	Facility-wide – all employees	N	Learning Management System	1	New hires and annually
Waste Management (function-specific): more detailed function-specific training requirements for waste management, including State and RCRA Hazardous Waste, Universal Waste, Organic Wastes Mgt. Plan, Recycling	Contract Janitorial Service Managers, Store & DC Managers, DC Facility Maintenance Managers, Inventory Control Coordinators (stores), Returns and Service Desk Clerks	Y	Learning Management System	4 (initial) 1 (refresher)	Initially, new hires, if changes, and annual refresher
SPCC, SWPPP, Integrated Emergency Response Plan	DC LP Managers, DC Facility Maintenance Managers, Regional EHS Managers, Grocery DC HazMat Teams	Y	Learning Management System	½ to 1½	Initially, new hires

NEXT

As you continue to implement your EMS and develop operations controls, make sure to update your training program with specific technical training, including training required by regulations. In addition, you will need to update your training program over time to reflect changes in the organization and new legal requirements.

HELPFUL TIPS

As you assess competence and awareness on environmental compliance among your staff:

» Use your company's existing systems, programs, tools, or other resources to assess staff, to build internal capacity and awareness.

» Use samples provided in appendies 1 and 2 "as is" or as a starting point to developing your own.

» Refer to the Compliance Leadership Model (CLM) to fine-tune your assessment activities and EMS and environmental compliance training procedures.

» Refer to your Environmental Policy to ensure the process for these activities and their intended outcomes are aligned with the goals of this policy.

CHAPTER 10: COMMUNICATION

Communication is a central pillar of EMS implementation. It allows your organization to provide and obtain information relevant to its EMS, including information related to significant environmental aspects (SEAs), environmental performance, compliance obligations, and recommendations for continual improvement.

Communication is a two-way process and your EMS should include a plan for internal and external communication about your organization's environmental commitments and processes.

The first step in developing a good communications approach is to clearly define your audience. This chapter will help you identify stakeholders who have an interest in your environmental performance or EMS or who can help make your EMS implementation a success. Knowing your audience helps you decide what you want to communicate and the results that you want from your communications, including actions you want people to take; and, develop a plan or procedure to document how and when to communicate.

Internal Communication

When establishing your company's internal communication process, it is important to think about the various levels and functions to determine the most effective format and depth of information to be communicated. Depending on the size and complexity of your company, a single approach (i.e. same format and level of detail communicated to everyone) may be adequate or perhaps multiple approaches (i.e. different formats and varying levels of detail) may be necessary. Internal communication should explain environmental requirements and voluntary commitments to all employees, on-site service providers, and relevant contractors.

External Communication

For your company's external communication process, it is important to think about the stakeholder groups across your value chain (i.e. customers, suppliers, regulators, NGOs, trade associations, etc.) to determine the most effective format and depth of information to be communicated. Your external communications may be a combination of a single approach (e.g. a general message to stakeholders on your corporate website or annual environmental or sustainability reporting) or a multiple approach (i.e. specific and more detailed or tailored communications to certain stakeholders). External communication should provide outside stakeholders with information on your environmental programs and accomplishments and can also be a way to get input from external parties.

STAKEHOLDERS

Stakeholders include anyone who has a stake or interest in your company's environmental performance. Clearly employees have a strong stakeholder interest in your company and their support (or lack thereof) plays a large role in determining the success of your EMS. If your facility is part of a larger organization, other operations or divisions of the company are also important stakeholders. In your communications plan, include company representatives and teams beyond those covered by your facility's EMS. What you do may affect them or their participation may be critical to EMS implementation. In addition, they may have already developed processes and procedures you can borrow or piggyback on.

Outside stakeholders are also important to consider. Customers, suppliers, and consultants can provide useful inputs from a different perspective, establishing partnerships with or seeking input from trade associations (e.g. Retail Industry Leaders Association and state retail trade associations), professional associations (e.g. Alliance of Hazardous Materials Professionals and National Association of Environmental Managers), may be useful in developing your EMS. In addition, non-governmental organizations with related environmental objectives – and even those that may be adversarial – can provide important insights; reaching out to them may even help improve relations with your company.

Identifying and Understanding Stakeholders

Almost every organization has a wide array of interested stakeholders. Each of these groups has their own priorities and perspectives and each has something different to contribute in support of your EMS and environmental performance. Part of developing an effective communication strategy is identifying and understanding these parties. Examples of internal and external stakeholders are listed below.

INTERNAL STAKEHOLDERS

- Employees
- Other facilities or divisions
- Shareholders
- Customers
- Suppliers
- Consultants
- Investors and insurers
- Trading partners

Stakeholder Roles

You may want to start by identifying stakeholders who have already expressed interest in your operations. To identify additional stakeholders, ask employees, including operations, store, distribution center and transportation managers, and public relations personnel.

EXTERNAL STAKEHOLDERS

- Trade and professional associations
- Non-governmental organizations (including environmental groups)
- Regulatory agencies
- Community organizations
- Other companies
- The media
- The general public

Before engaging stakeholders, be clear on your expectations, what you want from them, and what you want them to take away from your engagement. Consider the following possibilities:

- Internal stakeholder participation can facilitate implementation of environmental projects. Specifically, employees should be encouraged to "take ownership" of the EMS.
- External stakeholders bring useful perspectives to environmental issues, often identifying issues that might otherwise have been overlooked or by helping to prioritize issues.
- Participation by all types of stakeholders can add credibility, transparency, and value to your EMS.
- Involving external stakeholders can help them understand your company's operating constraints and recognize your commitment to operating with an environmental ethic.
- Being an environmental leader can enhance customer recognition and loyalty and involving customers in your EMS helps them recognize your leadership.
- Forming partnerships with customers can help identify shared concerns and establish ways of cooperating to resolve them. For retailers with business-to-business services, your company may be able to help your customers (e.g. building trades contractors and other small businesses) meet their own sustainability and environmental goals.
- Forming partnerships with suppliers may help you get important information needed for meeting EMS goals and requirements.

Being an environmental leader can enhance customer recognition and loyalty, and involving customers in your EMS helps them recocognize your leadership.

Getting Started

Create a list of all parties and individual contacts you can think of who would be interested in your environmental activities. Consider how you could reach each stakeholder and whether you already have established ways of communicating with a certain group. You can then decide where to begin. For example, you could start with the most relevant staff and later add other stakeholders. It is helpful to make your initial communication list as complete as possible and then prioritize your communication efforts. In other words, begin communication efforts with a smaller group of key stakeholders and use the list to expand your efforts when appropriate.

Remember, stakeholder concerns may be very different from what you expect and may be less difficult to resolve or implement than you may think. The only way to find out is to talk with them.

EFFECTIVE COMMUNICATION

When working with either internal or external stakeholders, including your Environmental Compliance Team, effective communication will facilitate your EMS implementation. Use the following key guidelines for effective communication:

1. **Communicate early.** For internal stakeholders, begin communication efforts early in the EMS implementation process. Let people know what you are doing. You will undoubtedly need their cooperation to gather information and implement your EMS. In all organizations, small and large, early communication gives stakeholders more time to get used to the new system and will pay off with increased buy-in and a greater feeling of ownership for the EMS.

2. **Set clear communication objectives and procedures.** Decide what you want to achieve through your communication efforts. Setting goals ahead of time will help you get the right message across without overwhelming people with too much information and without spending too much time developing and redeveloping the communication. Create an EMS communication procedure that outlines clear principles for communicating with your internal and external stakeholders. The procedure should outline what kinds of information will be communicated to which groups, effective methods and best practices for communicating with each group, and how the company will document and respond to responses to communications.

3. **Communicate regularly with internal stakeholders.** Communicate regularly and integrate EMS communication with other efforts. Regular communication can be accomplished without straining resources. For example, bulletin board postings, email messages, company intranet, or articles in the organization newsletter can all be effective. Don't forget the value of direct word-of-mouth communication, particularly in smaller organizations. Prepare talking points and 30-second and one-minute "elevator speeches" for Environmental Compliance Team members and update the talking points as the status of EMS implementation changes. Talking directly with key individuals and discussing the EMS at company meetings are effective ways to communicate.

4. **Communicate regularly with external stakeholders.** Consider the following opportunities for communicating your environmental performance to external stakeholders:

   - Update the company website and include EMS updates in your annual report or corporate social responsibility report;
   - Produce a fact sheet about the EMS that explains why and how your company wants to include external stakeholders;
   - Establish a phone line and online methods (e.g. an email address) for the general public to ask questions and voice concerns; and
   - Hold public meetings when appropriate.

5. **Foster dialogue with stakeholders**. Ensure that stakeholder dialogue is a two-way process. Stakeholders will want to know that their comments and concerns are being considered. You need to convey that the organization is genuinely interested in their input and explain how you will incorporate their suggestions.

6. **Track communication**. You should develop a procedure for documenting and responding to stakeholder communication and identify who is responsible for carrying out communication procedures.

Your communication efforts, including identification of stakeholders and communication plans should be documented. The level of detail will depend on the complexity of your EMS and operations.

NEXT

Like the rest of your EMS, the communication plan and approach should be flexible and updated in response to changing conditions and needs. An effective communication plan can make all the difference for your EMS. A well-implemented plan can help achieve the staff and management support required to meet your environmental goals, while a poorly-implemented plan can cause road blocks to improved environmental performance. Knowing this, keep communications in mind as you plan and implement all aspects of your EMS.

CHECKLIST!

How is your communication on environmental issues? Is it:

- ☑ Transparent – your company is open in what it reports
- ☑ Appropriate – information meets the needs of relevant interested parties, enabling them to participate
- ☑ Truthful – not misleading to those who rely on the information reported
- ☑ Factual – accurate and able to be trusted
- ☑ Relevant – includes relevant information
- ☑ Understandable – easily understood by your company's key stakeholders

HELPFUL TIPS

As you plan communications on environmental compliance:

- » Use your company's existing systems, programs, tools, or other resources to communicate with internal and external stakeholders.
- » Use samples provided in appendices 1 and 2 "as is" or as a starting point to developing your own.
- » Refer to the Compliance Leadership Model (CLM) matrix to fine-tune your communication protocols and messaging.
- » Refer to your Environmental Policy to ensure the process for these activities and intended outcomes are aligned with the goals of this policy.

CHAPTER 11: DOCUMENTATION & RECORDS

This chapter provides guidance on your EMS documentation, which is the information that explains the EMS. Someone from the outside should be able to look at your documentation and quickly understand your systems and approach to environmental management. EMS documentation may be limited to an EMS manual, which describes the core elements of the EMS and the documentation that directly supports it (e.g. listing of specific environmental compliance obligations and the person within your organization with responsibility for managing these. This may also include competence levels and training required to be effective in role). However, documentation can be broader than the EMS manual and include or reference more detailed material such as activity-level procedures, work instructions, or emergency plans. Whether to include additional documentation depends on the scope of your EMS, complexity of your organization, and whether other documentation is adequately managed elsewhere.

WHAT CONSTITUTES EMS DOCUMENTATION?

» Your environmental policy;

» Your organizational chart or list of key staff and responsibilities;

» A description or summary of how your organization satisfies EMS requirements (e.g., how environmental aspects are identified, how your organization identifies and complies with legal requirements and how documents are controlled);

» EMS procedures (e.g., the procedure for corrective and preventive action);

» Environmental programs; and

» Other EMS-related documents (e.g., emergency preparedness and response plans, training plans).

The extent of documented information on your EMS could vary based on:

- The size of the organization and type of activities, processes, products, and services;
- The need to demonstrate fulfilment of compliance obligations;
- The complexity of processes and the interactions between them;
- The competence (i.e. level of training or experience) of the people working under the organization's control.

EMS documentation includes records of what has happened within the system. The term "records" has been de-emphasized in the ISO standards, but is still an important concept. EMS documentation describes your system (e.g. what you do and how you do it), while EMS records demonstrate that you are doing what the documentation says you will do. In other words, records capture information on the implementation of your EMS.

Records management is straightforward. You need to identify what records to keep, how and where to keep them, how long to keep them, and how to dispose of them. ISO 14001 does not specify the duration of record retention. Retention times will ultimately vary by record. Your organization may determine a retention threshold or protocol that is wide enough to cover all of your organization's regulatory compliance obligations. Some organizations may elect to keep all historical records by creating digital archives. If your organization has an ISO 9001 or other management system or a records retention policy, then you should already have a process in place for managing records and this can be adapted for the EMS. It is important to obtain concurrence from your legal team on your records policy, because some EMS records may be subject to regulatory requirements and could have liability implications.

Good documentation is important to the ongoing success of your EMS for several reasons:

- **Consistency** – Documentation is vital to maintaining consistency in an EMS over time and from department to department. Change is inevitable as new projects are undertaken, the company grows, and employees change positions or leave the company. Accurate documentation makes it easier to maintain a consistent and effective EMS over time.
- **Assessment of Progress** – Documentation helps you assess the progress of your EMS implementation. Some inconsistencies show up only as you commit your ideas

to paper and documentation allows you to check on progress, evaluate results, and make improvements.

- **Demonstration** – Documentation of the EMS, its processes and procedures, and how it relates to other business policies provides an understanding of how the EMS is intended to work and how decisions are made. This can help demonstrate to government agencies and non-governmental organizations the company's commitment to complying with regulatory requirements and keeping its promises.

If you want to certify your EMS, for example, to ISO 14001 standard or enter a recognition or voluntary disclosure program such as Wisconsin's Green Tier Program, you must demonstrate that your EMS is complete and actively functioning. In this case, your EMS documentation may be audited or reviewed; therefore, it is important to keep all documentation and records in an organized filing system that is easy to access.

THE EMS MANUAL

The EMS manual is a repository of basic EMS documentation and is not required. However, it is usually created as it makes explaining and managing the EMS easier. The tools and sample procedures in this guidance form the basis of an EMS manual.

A manual can be virtual and not necessarily a formal book. However, it should at a minimum:

- Describe the EMS's core elements and how the elements relate to each other (i.e. the sections of these guidance documents); and
- Reference related documentation such as company policies, procedures, and systems (for example, the company's learning/training management system, procurement system or facilities maintenance management system).

Keep your EMS manual simple so it will be easy to understand even for people unfamiliar with EMS concepts. Your manual does not need to describe every detail of your EMS. Instead, it can provide references to other documents or procedures

CREATING AND UPDATING

Step 1: Create an Outline for your EMS Manual

As a first step, create an outline for what you want, or should be referenced, in your EMS manual. Use the following steps to update your outline. Keep in mind that the more detailed your EMS manual, the more frequently you will need to update it.

Step 2: Evaluate Existing Documents

Explore what documentation already exists and can be used or enhanced to include EMS activities. Examples of existing documentation include a quality plan or tracking reports.

Step 3: Determine a Standard Format for All Documents

Before developing your EMS documentation, plan the format (document and page appearance). Use a company standard if one exists. Documents should look like part of an organized, integrated system.

Step 4: Outline Each Document

Before starting, create an outline of what you need in the document. This may have already been done for many of the documents as part of the other guides. The example procedures in Appendix 2 are a good place to start.

The best people to provide early input on a particular EMS document are the people who will use it. Involving them in the process will help ensure the documents are user-friendly.

Step 5: Create a Procedure for Development of your EMS Manual

Like other areas of your EMS, it is important to create a written guide for how your EMS documentation will be developed and maintained. You can use Procedure 10-1: Sample Procedure for EMS Documentation as a starting point.

Step 6: Identify Other EMS Documentation

Documentation, in addition to the EMS manual, includes information on the processes used to meet EMS criteria – for example, documentation on "how we identify environmental aspects." This documentation typically includes EMS procedures, which are step-by-step descriptions of what

is done, how decisions are made, who is involved, their roles and responsibilities, and how this fits into the company's overall business processes. This guide includes sample procedures for many EMS processes. In addition, you might maintain or refer to area- or activity-specific documentation (such as job aids and work instructions) that directs employees on how to carry out certain operations or activities.

CONTROL OF DOCUMENTATION

For a successful EMS and good environmental performance, you need to have an effective way to manage your EMS documents to ensure employees always have current information. Your organization should develop a procedure to ensure that EMS documents:

- Can be located (e.g. on a widely accessible computer server);
- Are checked periodically to make sure they are still valid;
- Are current versions and that the right people have access to them; and
- Are removed when obsolete, so that people don't use the wrong documents by mistake.

Your organization may already have a document control process.

Hints for Document Control

- Don't make your document control procedure more complicated than necessary. While larger organizations often have complex processes, smaller organizations can use simpler approaches.
- Limit distribution of the documents, especially in hardcopy format, to make the job easier. Consider preparing a list of who has hardcopies, showing who is responsible for each copy and where it is located.
- Where possible, provide documents electronically to facilitate control. There are commercial software packages that can simplify document control.
- To avoid unauthorized edits, distribute or post documents in a read-only format. Better yet, provide links to documents rather than attaching files, so staff will go to current versions instead of keeping local copies.
- Include a list of documents and an index to track revisions in your EMS manual.
- Highlight changes (e.g. by using a different font color) to make it easy for readers to see the updates.
- Your document control procedure should make it clear who has the responsibility and authority for preparing documents, making changes, and keeping them up to date.

HELPFUL TIPS

» Use your company's existing systems, programs, tools, or other resources to support EMS documentation.

» Use samples provided Appendices 1 and 2 "as is" or as a starting point to developing your own.

» Refer to the Compliance Leadership Model (CLM) matrix to fine-tune your documentation activities and protocols.

» Refer to your Environmental Policy to ensure the process for EMS documentation and related activities are aligned with the goals of this policy.

NEXT

Maintaining your EMS manual and documentation is an ongoing process. Documentation needs to be revised over time and new material distributed. Keeping up with the documentation is valuable, as it can help avoid questions and problems in the future.

CHAPTER 12: OPERATIONAL PLANNING AND CONTROLS

Operational controls are the specific procedures (e.g. on-site reminders, facility-level protocols and training) used to manage environmental impacts to comply with laws and regulations. Operational controls are necessary where activities are complex and/or potential environmental impacts are significant. In retail, operational controls may also be necessary for basic activities that must be managed across the entire organization. The large number of facilities, diversity of employees, employee turnover, and lack of specialized EHS expertise and technical training at the store level make seemingly simple activities much more complex and create the need for company-wide management.

Operational controls are the specific procedures used to manage environmental impacts in order to comply with laws and regulations

Environmental programs are the overall programs to manage environmental impacts and lay out what needs to be done and who should do it.

Both operational controls and environmental programs help achieve the EMS goals and objectives.

In addition to written procedures, operational controls can consist of material and actions such as specific training and on-site job aids. These may be sufficient so that separate written procedures are not needed; however, you may still need to provide records to show that these non-written procedures have taken place, such as by keeping a log of training completed by employees. For example, proper management of hazardous waste in stores may be controlled by all of the following:

- Written training materials that include step-by-step procedures;
- SKU-specific instructions from the RF scanner;
- Program posters;
- Signage and labels at the designated hazardous waste storage areas; and
- Signage outlining prohibited items at janitorial sinks, on compactors, and even on garbage cans.

ESTABLISHING CRITERIA FOR OPERATIONAL CONTROLS

Determining which activities should be covered by operational controls is important for an effective EMS. Operational controls are usually needed for SEAs, especially if there are regulatory requirements. To avoid getting overwhelmed, focus on activities related to SEAs and do not try to control every activity and process.

In determining which activities need to be controlled, review routine activities, but also look beyond the routine. Intermittent activities such as store openings and closures, equipment maintenance, start-up and shutdown, management of on-site contractors, and activities related to services provided by suppliers or vendors can affect your organization's environmental performance.

The following is a list of typical retail activities where operational controls could improve environmental and compliance performance:

- Waste Management (disposal and recycling);
- Reviews/approvals for on-boarding and set-up of new merchandise and in-house supplies;
- Engagement* of outside service providers** including:
  - Waste and recycling haulers,
  - Janitorial services,
  - Re-lamping contractors,
  - Exterior cleaning and maintenance contractors (e.g. landscaping, parking lot, and stormwater structures such as detention/retention ponds, catch basins, etc.),
  - Heating, ventilation, and air conditioning (HVAC) and refrigeration, service providers,
  - Emergency generator operations and maintenance contractors,
  - On-site fueling service providers,
  - Third-party transportation providers, and
  - Providers of in-home customer services (e.g. delivery, installation and repair);
- Reverse logistics;
- Storage and handling of chemicals;
- Wastewater treatment;
- Vehicle maintenance;

- Transportation;
- Operation and maintenance of equipment;
- Management of contractors;
- Marketing and advertising to ensure public statements are consistent with your environmental and sustainability policies and programs;
- Acquisition, construction, remodeling, and maintenance of property and facilities;
- Negotiation of zoning and entitlement for new store construction and communication of environmental obligations to internal teams;
- Negotiation of leases* and responsibility for performance of environmental obligations and maintenance of assets and equipment with the potential for environmental obligations; and
- Communication of the company's responsibility for environmental obligations to the appropriate internal teams.

* Standard contracts and leases are a kind of operational control. Given that environmental management is not typically a core strength of the contract negotiators, it is important to document the reasons for, and acceptable deviations from, the EMS-related terms and conditions in your company's standard legal forms. Where possible, include contract language so that your contractors will help you achieve your environmental goals.

** Operational controls are especially critical when there are multiple regional or zone contractors and/or they perform the services through subcontractors.

IMPLEMENTING CONTROL OF PROCESSES

Developing operational control procedures can be a detailed process. However, it is unlikely that you will be starting from scratch as your company probably has many controls already in place. For example, procedures to comply with health and safety regulations may also apply to environmental areas.

Listed here are steps for developing operational control procedures.

GOOD OPERATIONAL CONTROLS HELP AVOID PROBLEMS

A store retrofitted its lighting to new energy efficient fixtures. When the old fluorescent light fixtures were removed, the electrical contractor discovered that the transformers contained polychlorinated biphenyl compounds (PCBs) with disposal regulated under the Toxic Substances Control Act (TSCA). Since neither the Procurement Specialist nor Energy Manager were aware that fluorescent light fixtures might contain PCB transformers, they failed to include it in the bid specs or perform a pre-construction hazardous materials survey of the lighting fixtures. This ultimately led to a significant budget overrun.

1. Determine the causes of environmental impacts and areas of regulatory risk.

For all your SEAs, you should research the causes of the associated impacts and see if it is possible to change processes or operations to reduce or eliminate regulatory obligations and environmental impacts, for example, by using a different cleaning chemical or type of fluorescent bulb. The root cause analysis described in *Chapter 15: Improvement* can help your Environmental Compliance Team identify the cause of impacts in order to design controls that are focused on where they will be most effective.

During this research, you should identify procedures that already exist for activities associated with SEAs. You will need to evaluate these procedures to decide if they need to be updated and/or documented.

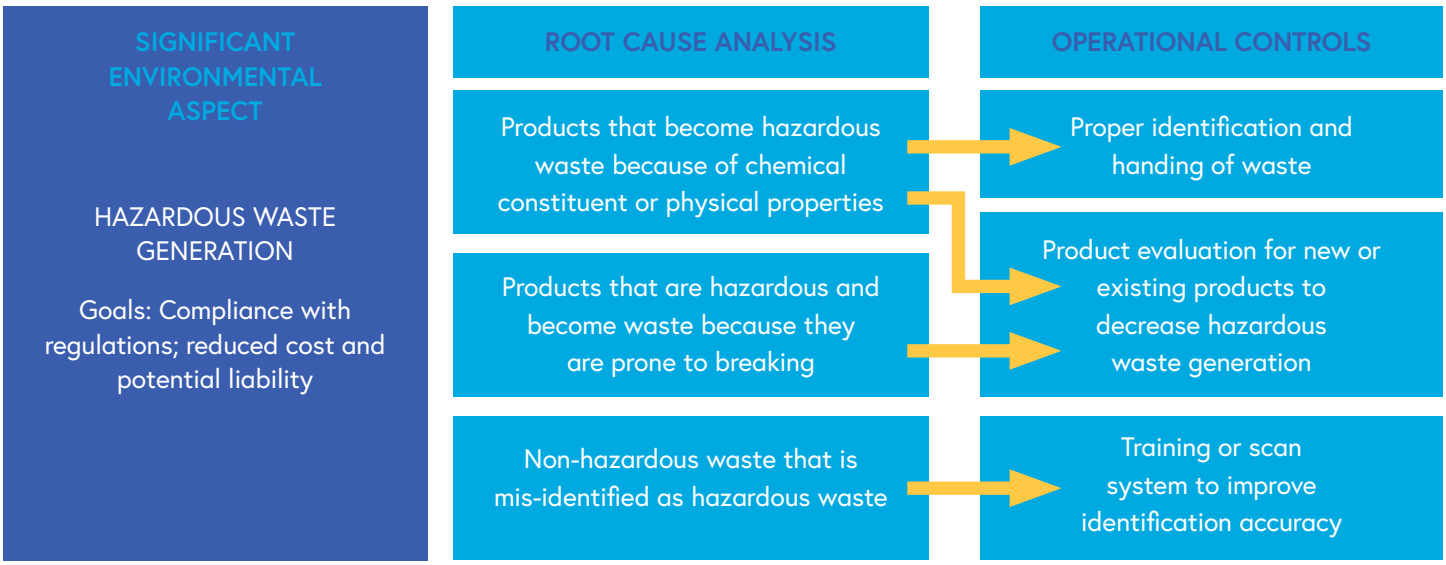
2. Review the targets and measurement indicators you established for environmental performance.

It is important to keep your objectives and targets in mind when developing operational control procedures. When reviewing your objectives and targets, you may find that the goals you set are more or less difficult to reach than anticipated and therefore need to be adjusted.

3. Develop operational controls.

It is useful, if not critical, to involve the people who will implement the procedures. You might meet with relevant employees and ask them to describe current procedures, discuss the environmental objectives, and get their input on operational controls that will meet these objectives. For existing, but undocumented procedures, draft or revise the operational controls based on interviews.

Keep written operational controls simple and concise. Your documentation should include the appropriate actions, precautions, and required notifications. You should also document your process for developing and maintaining operational procedures.



The table below has examples of operational controls for typical retail activities.

Category of Activity	Example Operational Control
Customer Returns	• Sort: Return-to-Inventory, Markdown & Sell, Return-to-Vendor, or Waste Out • Management of leaks • Hazardous waste determination
Spills and Damaged Product	• Management of leaks • Clean-up and disposal of spill residual, sorbent, and supplies • Sort damages: Return-to-Inventory, Markdown & Sell, Return-to-Vendor, or Waste Out • Hazardous waste determination
Recalls and Return to Vendor (RTV)	• Hazardous waste determination • Sort: Dispose-on-site or RTV • Hazardous materials shipping
Reverse Logistics (RL)	• Hazardous waste determination • Sort: Dispose-on-site or RTV • Hazardous materials shipping • Environmental clauses in contracts with third-party RL providers • Review of contracts with third-party RL providers by Environmental Management
Waste and Recycling	• Sorting damages and returns: Return-to-Inventory, Markdown & Sell, Return-to-Vendor, or Waste Out • Hazardous waste determination • Hazardous waste management procedures • Waste manifest/chain of custody • Hazardous waste storage area inspection • Used lamp/light bulb storage and recycling • Used battery storage and recycling • Used electronics storage and recycling • Collection of used electronics from the public, including storage and recycling • Collection of public "DIY" used oil, storage, and recycling • Mandatory takeback and recycling programs (e.g. mattresses, paints, plastic bags, beverage containers) • Cardboard and plastic recycling • Environmental clauses in contracts with Services Providers • Review by Environmental Management of contracts with Services Providers
Bulk Oil Storage and Management (Auto Service Center)	• Aboveground storage tank and drum storage inspection • Secondary containment inspection • Transfer of new and used oil into/out of tanks • Drum handling • Spill reporting and clean-up

Category of Activity	Example Operational Control
Facility Wastewater Management	• Oil/water separator monitoring and cleaning (auto service) • Grease trap monitoring and cleaning (deli/meat, restaurant, fryers, rotisserie chicken) • Environmental clauses in contracts with Services Providers • Review by Environmental Management of contracts with Services Providers
Stormwater Management	• Monitoring, cleaning, and maintenance of stormwater structures (e.g. ponds, catch basins, ditches, swales, culverts) • Parking lot sweeping and litter control • Snow plowing and on-site storage • Pressure-washing of building exteriors and carts • Exterior storage of materials, waste and surplus fixtures • Environmental clauses in contracts with Services Providers • Review by Environmental Management of contracts with Services Providers
Facility Maintenance	• HVAC and refrigeration maintenance, • recordkeeping, and reporting • Generator and fire pump engine • permitting, maintenance, • recordkeeping, and reporting • Remodel and maintenance contractor • management of materials and wastes • Asbestos-containing materials • management • Pre-demolition hazardous buildingmaterials • assessments • Permitting of regulated equipment • (e.g. tanks, oil/water separators, • grease traps, diesel engines • for emergency generators and • fire suppression pumps) during • maintenance and remodel projects • Environmental clauses in contracts • with Services Providers • Review by Environmental • Management of contracts with • Services Providers

HELPFUL TIP

Taking a **life cycle perspective** may help you in determining **where** – both within your operations (activities, products, and services) as well as across your value chain – you may benefit from operational controls to improve environmental and compliance performance. A life cycle lens could also help to identify environmental hotspots and what should be addressed for each of these areas within your business.

Note: The focus should be on what and where your company may control or have influence.

Typical stages of a product (or service) life cycle include those in the diagram below:

Need more help? Review *Chapter 3 – Risks and Opportunities.*

MAINTAINING OPERATIONAL CONTROLS

Your operational controls are only effective if they are periodically reviewed to ensure they are working and are updated as circumstances change.

Hints for Maintaining Operational Controls

1. Designate responsibility.
Designate staff who are responsible for maintaining the controls and ensuring that procedures are followed and deviations corrected. Generally, staff members responsible for the relevant SEA will be responsible for implementing its operational controls. Your organization's subject matter expert will most likely be responsible for regularly reviewing the controls.

2. Develop training.
Training is required for employees who are responsible for implementing, maintaining, or reviewing controls. Your training program, including on-the-job training, should ensure that everyone understands the controls and their role in following them. This information should be combined with general environmental training to create an integrated training plan for your EMS (See *Chapter 9: Competence, Awareness and Training*).

3. Take corrective action when objectives are not met.
Revise operational controls as quickly as possible when environmental objectives are not met, making sure to document any corrections.

Example Operational Control for Used Light Bulb Management

The following is a sample operational control procedure. If you use this, it is critical to review the requirements for your facility in accordance with the most recent federal, state, and local requirements.

ENVIRONMENTAL OPERATING PROCEDURE/WORK INSTRUCTION

PROC-EMS-12-1: USED LIGHT BULB (UNIVERSAL WASTE) MANAGEMENT & RECYCLING

1.0 Purpose: Maintain compliance with federal and state regulations for storing and recycling used and damaged light bulbs (also called "used lamps") at stores in [Name of Facility]. Note: For the management and recycling of used lamps generated during a complete store re-lamping event performed by an outside services provider, see Facilities Maintenance Procedure PROC-FM_XX-YY.

2.0 Overview: This operational control procedure applies to the storage, recycling, and disposal of used light bulbs in the store, including incandescent, fluorescent, compact fluorescent lamp (CFL), high-intensity discharge (HID), halogen, and light-emitting diode (LED). Only incandescent bulbs may be thrown in the regular trash. All other bulbs must be stored and recycled as described below.

3.0 Responsibility:

3.1 The Environmental Manager is responsible for maintaining and checking for implementation of this operational control procedure.

3.2 The designated Inventory Controls Coordinator for implementation of this procedure at the store is [name/title].

3.3 Employees who replace light bulbs are responsible for bringing used light bulbs to the Inventory Controls Coordinator.

3.4 Employees who discover damaged light bulb merchandise or damaged light bulb packaging are responsible for taking the items to the "Potential Damages Staging Area" where the items will be assessed on a daily basis for markdown and sale or for recycling and inventory write-down.

3.5 Customer Service Clerks are responsible for placing customer-returned light bulbs in the "Potential Damages Staging Area".

4.0 Procedure:

4.1 [Acme Lamp Recycler] is the vendor that recycles the company's used light bulbs and supplies the company with mail-back boxes and supplies. They also keep records of each store's recycling amounts and compliance with the 12-month storage time limit.

4.2 ALL used light bulbs must be assessed by the Inventory Controls Coordinator. ONLY the Inventory Controls Coordinator may dispose of used light bulbs following these procedures.

4.3 Only incandescent light bulbs may be thrown in the regular trash (i.e. compactor or dumpster, as the store is equipped). All others (e.g. fluorescent, CFL, HID, halogen, LED) must be recycled through [the Acme Lamp Recycler mail-back program].

4.4 Each store should have two different kinds of lamp recycling boxes: 1. 4-foot boxes for fluorescent tubes; and 2. 2-foot cube-shaped boxes for CFL, HID, halogen, and LED bulbs. The boxes are labeled and marked with: a) The store name and address; b) The [Acme Lamp Recycler] Customer Number; and c) An expiration date 12 months from the date the box was shipped to the store.

4.5 The Inventory Controls Coordinator must set up the boxes. a) Unfold the boxes and set them up next to the Hazardous Waste Storage Area. b) The boxes must be protected from traffic, including forklifts, carts, hand trucks, pallet jacks, and people walking. c) The 4-foot box must be secured to the wall or sturdy racking with a rope or bungee cord. d) Post the Lamp Recycling Poster (rev. 12-2014) above the boxes, where it can be consulted for reminders on this procedure. e) The lid on each box MUST be kept CLOSED unless you are actively adding bulbs.

4.6 At least once per day, the Inventory Controls Coordinator MUST process "Potential Damages" in the "Potential Damages Staging Area" (see the EMS-12-XX, Sorting Damages/Returns for Return-to-Inventory, Markdown & Sell, Return-to-Vendor, Waste Out) and must: a) Place waste incandescent bulbs in the regular trash; b) Place ALL OTHER used bulbs in the appropriate [Acme Lamp Recycler] box; c) Place broken bulbs in the special zipper lock bags before placing them in the [Acme Lamp Recycler] box; and d) Re-close the lid of the [Acme Lamp Recycler] box. 4.7 The Inventory Controls Coordinator must mail back each lamp-recycling box once it is full OR by the expiration date, whichever comes first. 4.8 Email [EHS@ourretailcompany.com] or call [the Environmental Health and Safety (EHS) Hotline at 1-800-555-ENHS] if you have a question or need help.

NEXT

Developing and documenting your operational controls and procedures is only the first step. The controls need to be reviewed periodically to ensure that they are being followed and are effective.

HELPFUL TIPS

- Use your company's existing systems, programs, tools, or other resources to support the development and implementation of your environmental operational planning and controls.
- Use samples provided in appendices 1 and 2 as a starting point to developing your own.
- Refer to the Compliance Leadership Model (CLM) matrix to fine-tune your environmental operational planning and controls.
- Refer to your Environmental Policy to ensure operational planning, controls and related activities are aligned with the goals of this policy.

CHAPTER 13: EMERGENCY PREPAREDNESS AND RESPONSE

Despite an organization's best efforts, accidents and other emergency situations can occur. Effective emergency preparation and response can reduce injuries; prevent or minimize environmental impacts; protect employees, customers, and neighbors; reduce asset losses; protect brand reputation; and minimize downtime. Your EMS needs to provide for emergency preparedness and response (EP&R) by ensuring that environmental impacts are covered in your existing emergency program or by developing an EP&R plan specific to environmental impacts. Because you probably already have EP&R programs in place, this chapter focuses on additional items to consider for your EMS.

Whether your EP&R program is part of your EMS or simply referred to in the EMS, an effective EP&R program should include provisions for:

1. Assessing the potential for accidents and emergencies;
2. Preventing incidents and their associated environmental impacts;
3. Responding to incidents using emergency plans and procedures;
4. Testing of emergency plans and procedures periodically; and
5. Mitigating impacts associated with accidents and emergencies.

Consistent with EMS's focus on continual improvement, it is important to review your emergency response performance after an incident. Use this review to determine what could have prevented the incident or made the response more effective; for example, more training could be needed or emergency plans and procedures could require revision.

This is another area where you should not have to start from scratch. Your insurance carrier may require an "all-hazards" or similarly titled plan. Several environmental and health and safety regulatory programs require emergency plans and/or procedures, especially at distribution and transportation centers. Examples of federal requirements related to EP&R that may apply to your business are listed in the table below.

REGULATORY DRIVER	REQUIREMENT
Resource Conservation and Recovery Act (RCRA)	Contingency plan (large quantity generators [LQG]), preparedness and prevention plan (LQG and small quantity generators [SQG])
Clean Water Act (CWA)	Spill prevention, control, and countermeasure plan (SPCC) and stormwater pollution prevention plans (SWPPP)
Oil Pollution Act (OPA)	Facility response, SPCC
Coast Guard	Facility response plan
Clean Air Act (CAA)	Risk management plan
Emergency Planning and Community Right-to-Know Act (EPCRA)	Community right-to-know reporting and coordination with Local Emergency Planning Committees and State Emergency Response Commissions

Some facilities use integrated contingency plans (ICPs) that combine the requirements of multiple regulatory programs into one plan. The federal government has issued guidance for the development of ICPs. While reviewing your EP&R documents for your EMS, you may consider adopting this streamlined approach.

HINTS FOR EMERGENCY PREPAREDNESS AND RESPONSE

In retail, spills are a common emergency that you need to prepare for and address. The hints below relate to spills.

1. Identify what should be protected from hazardous materials spills in order to prevent the material from getting into the environment. Examples include floor drains, stormwater catch basins, water wells, and surface waters. Consider possible spill scenarios and how to mitigate that threat.

2. Make sure you have spill kits with sufficient supplies and equipment to address potential spills. Ask yourself the following questions:
   - Are the spill supplies, such as sorbent, compatible with the hazardous materials you store?
   - Are you prepared for different kinds of hazardous materials spills? (For example, a battery-acid spill will require a neutralizer as well as a sorbent or a sorbent with acid-neutralizing capability. An oil spill will require a different kind of sorbent.)
   - Are spill kits readily accessible and located near likely releases?
   - Do you have appropriate personal protective equipment for safe spill response?

3. Your facility should clearly define when employees can clean up spills on their own and when they should call in a spill response contractor, for example, depending on the amount or type of material spilled.

4. Clearly understanding and enabling responsible staff to report spills or other events as per regulatory requirements.

5. Mock drills can be an excellent way to reinforce training and get feedback on the effectiveness of your plans and procedures.

6. Post copies of your EP&R plans and procedures (or at least critical contact names and phone numbers) around your facility and especially in areas where significant hazards exist. Include phone numbers for your on-site emergency coordinator, local fire department, local police, hospital, rescue squad and others as appropriate.

7. Revise and improve your EP&R plans and procedures as you learn from mock drills, feedback, training, or actual emergencies.

GETTING STARTED

As a first step, you should understand your company's current EP&R approach. Next you should compile a list of potential emergency scenarios. This list should include the potential environmental impact of the scenario, what actions and procedures would be required as well as any needed training.

When developing EP&R procedures, ask yourself: How will we ensure that everyone – including new employees, contractors, and site visitors – knows what to do in an emergency? Your EP&R plan should include the following types of information:

- Potential emergency situations (e.g. fires, explosions, spills, or releases of hazardous materials and natural disasters);
- Unusual operating conditions such as facility opening and closure, start-up, and shutdown of equipment;
- Hazardous materials used and stored on site and at their locations;
- Key organizational responsibilities, including Emergency Coordinator;
- Arrangements with local emergency support providers;
- Emergency response procedures, including emergency communication procedures;
- Locations and types of emergency response equipment;
- Maintenance of emergency response equipment;
- Training/testing of personnel, including the on-site emergency response team if applicable;
- Testing of emergency alarms and public address systems;
- Evacuation routes and exits (map); and
- Assembly points.

Too few organizations are proactive in their emergency planning and fail to identify the potential for accidents and emergencies or consider how to prevent them or mitigate impacts. An Environmental Compliance Team (with representatives from operations, engineering, maintenance, and environmental health & safety, for example) can identify most potential emergencies by asking "what if" questions related to areas with likely issues such as hazardous materials, fueling operations, and tank management.

NEXT

Like the other elements of your EMS, your EP&R plans need to be updated on a periodic basis or when there are changes in your facility or operations. For example, the plan would need to be updated if you purchased emergency generators or a fuel tank. In addition, always be considering how emergency situations can be avoided or harmful impacts reduced.

HELPFUL TIPS

- Use your company's existing systems, programs, tools, or other resources to support your emergency response and preparedness procedures.
- Use samples provided in appendices 1 and 2 "as is" or as a starting point to developing your own.
- Refer to the Compliance Leadership Model (CLM) matrix to fine-tune your emergency response and preparedness procedures.
- Refer to your Environmental Policy to ensure emergency response and preparedness procedures and related activities are aligned with the goals of this policy.

ABOUT THE RETAIL COMPLIANCE CENTER

The Retail Compliance Center (RCC) provides resources on environmental compliance and sustainability for all types and sizes of retailers. The RCC's goal is to develop retail-specific resources, tools and innovative solutions to help companies cost-effectively improve their compliance and environmental performance.

CHECK

CHAPTER 14: MONITORING, MEASUREMENT AND EVALUATION

An environmental management system (EMS) without effective monitoring and measurement is like driving at night without headlights, you know that you are moving, but can't tell where you are going. The EMS up to this point has been about prioritizing the areas to focus on (e.g. Significant Environmental Aspects [SEAs]) and ensuring that the organization is controlling its activities and implementing improvements. Monitoring and measurement is about ensuring that the intended management is indeed in place and effective.

In an EMS, the monitoring and measurement process serves to evaluate environmental performance, regulatory compliance status, progress in meeting objectives and targets, and reduction or control of environmental impacts. It is also a fundamental enabling function for other critical compliance management functions.

Monitoring and measurement also helps:

- Analyze root causes of problems;
- Stay in compliance with legal requirements;
- Identify areas requiring corrective action; and
- Improve performance and increase efficiency.

While environmental performance and EMS performance are related, they are not the same. Environmental performance is how well an organization is reducing its impact on the environment and complying with environmental laws and regulations. EMS performance is how well an organization has designed and is implementing its EMS. A well-performing EMS should lead to better environmental performance, but it might not if the objectives and targets are not effective, the wrong SEAs are identified or management support is lacking.

The terms "monitoring" and "measurement" used in the ISO 14001 standard reflect, to some extent, the industrial origins of EMS. While the terms have close, but different definitions (monitoring is to "observe, record, or detect" and measurement is the "act of measuring" or a measured dimension), in this guide we use the term "measure" for both.

ENVIRONMENTAL PERFORMANCE

An organization's control over its impact on the environment such as reducing pollution, reducing the use of natural resources and complying with environmental regulations.

EMS PERFORMANCE

How well an organization is implementing their EMS and following the procedures documented in the EMS.

EVALUATION OF COMPLIANCE

The most efficient way to evaluate environmental performance and compliance is to measure your organization's progress towards minimizing impacts from SEAs. The process for identifying environmental aspects and impacts is covered in Chapter 5 - *Risks and Opportunities*. Measuring key environmental aspects should show your progress against EMS and compliance objectives for specific SEAs. For example, if one of your objectives is 100% compliance with tank inspection requirements, a key aspect is likely to be compliance with weekly tank inspections as recorded in an inspection log. The table below provides examples of how EMS performance may be implemented and subsequently measured regarding hazardous waste management.

SIGNIFICANT ENVIRONMENTAL ASPECT: HAZARDOUS WASTE MANAGEMENT			
Objective	**Target**	**Operational Controls**	**Key Characteristics to Measure Performance**
No hazardous waste (HW) shipped to distribution centers (DCs) in reverse logistics	Ongoing	• Scanner HW sort for store returns • Store returns process poster (job aid)	• Store compliance audit results • DC log of HW in returns tote container by store • Corporate audit of returns tote containers at DCs/ X-docks • EMS audits
No HW placed in dumpsters and compactors	Ongoing	• Signage on compactor doors, dumpsters, and doors to dumpster areas • At poor-performing stores, assess trash before dumping and maintain log	• Store compliance audits • Dumpster dives • Evaluate HW hauler invoices for trends and anomalies • EMS audits
Reduce amount of HW generated	Ongoing	• Purchasing procedures to reduce internal use of hazardous materials • Purchasing procedures to reduce products carried that may become hazardous waste • Procedure to use manufacturer take-back programs	• HW hauler records of amount of waste

Selecting Performance Indicators

Indicators are agreed upon methods with data to measure and track environmental and/or EMS performance. For example, if an environmental objective was a reduction in greenhouse gas emissions, you may identify fossil fuel derived energy use as a key characteristic for this objective. The next step is to decide how to measure energy use.

For buildings, the best metric may be energy intensity per square foot, which can be calculated from utility bills. (Although, in terms of greenhouse gas emissions, not all energy is the same). There are different types of measures, some of which are discussed below.

Results

You may evaluate the results of your environmental management activities either by measuring outcomes or at a broader system or process level. Measuring outcomes evaluates the success of a specific process or activity (e.g. the number of negative agency inspections, the amount of waste generated, or the number of spills over a given period). Outcomes typically focus on the result of a process and are therefore "lagging indicators" of performance, meaning that feedback may not catch an issue early enough to avoid the problem. For example, while an inspection may uncover that a petroleum tank was not being examined routinely, it may not be timely enough to avoid a leak caused by a damaged tank. Although if collected frequently enough, outcome measures may provide timely feedback to improve a process.

At a broader system view, process level indicators look "upstream," such as the ongoing amount of waste generated or the percent of employees trained on a topic. Process measures are "leading indicators" and often measure the root cause of the impact so that problems can be identified and corrected sooner than with outcome measures. For example, routinely monitoring employee training rates could show that employee turnover had resulted in a decrease in the percent of employees trained on the hazardous waste program. This could be fixed before an annual review of misidentified hazardous waste (an outcome measure) showed a problem.

Most organizations use a combination of process and outcome measures. Regardless of how you measure, it is important to make sure your measures provide accurate and useful information. For example, counting the number of employees trained can be misleading if the training is not effective. A more robust measure may be to capture both the number trained and the results of tests or evaluations.

Measures and their usefulness can also change over time. For example, you might use the design specifications of installed stormwater control features to estimate stormwater runoff in gallons per year. But, if you do not maintain the structures, the estimated and actual runoff will differ over time.

SMART Measures

The same rules for defining objectives and targets that were discussed in Chapter 7 Environmental Objectives should be considered for selecting performance indicators. For example, set SMART measures:

- Specific – Simple and understandable;
- Measurable – Can be measured and you have a means to measure them;
- Attainable – Ambitious enough to improve environmental performance, but not impossible to achieve;
- Relevant – Relate directly to your objectives and targets; and
- Time-bound – Defined timeframes.

The more effective the measure you use to gauge performance, the more accurate and therefore the better performance you can achieve over time.

GETTING STARTED

You should first clearly define your needs. Measuring environmental and EMS performance can be a resource-intensive effort. Consider what information is required to determine if your EMS is working and your objectives and targets are being met. While collecting meaningful information is important, resist the urge to collect data "for data's sake."

Review your current monitoring related to regulatory compliance and other EMS-relevant elements (such as quality or health and safety management) to determine what can provide information on environmental and EMS performance.

It is usually best to start with a relatively simple monitoring and measurement process and build on it as you gain experience with your EMS. It is better to measure fewer items consistently than to measure many items inconsistently. Keep in mind that no single measurement will tell your organization how it is doing environmentally across all areas.

Use your monitoring to communicate results. As you measure progress toward achieving objectives and targets, you should regularly communicate the results to employees including top management.

People respond best to information that is meaningful to "their world." Putting environmental information in a format that is relevant to the audience's function within the company will increase the likelihood they will act on the information. Be sure to link your measurement program with your communications program.

It is also important to document your processes for identifying what and how to measure.

NEXT

Setting up your monitoring and measurement program is just the beginning. You will need to collect and communicate the data, as well as regularly adjust what you measure based on results and to reflect changes in your organization and your objectives and targets. The reward of a good system of measurements is better environmental performance as well as having concrete evidence to communicate the value of the EMS to top management.

HELPFUL TIPS

As you prepare to monitor, analyze and evaluate your company's environmental compliance:

- Identify processes, systems, and tools already used by your company that could be adapted for these activities.
- Identify data already being collected in other business functions that may be useful to assessing environmental compliance.
- Use samples provided Appendices 1 and 2 "as is" or as a starting point to developing your own.
- Refer to the Compliance Leadership Model (CLM) matrix to fine-tune your processes associated with these activities.
- Refer to your Environmental Policy to ensure the process for these activities and their intended outcomes are aligned with the goals of this policy.

CHAPTER 15: IMPROVEMENT

In the EMS world, "to conform" means to meet a requirement, which can be a regulatory requirement or an EMS target. Therefore, nonconformity means you are failing to meet a requirement. Especially in the early phases of implementation, you will probably identify problems with your EMS through audits, measurement, or other activities. To deal with issues that arise and to ensure continual improvement, your organization needs to systematically:

- Identify and investigate problems and nonconformities;
- Determine root causes of the problems;
- Implement corrective and preventive actions; and
- Track actions and verify their effectiveness.

Nonconformities should be analyzed to detect if a problem is an isolated event or part of a trend, so that you can prevent future problems. Preventing problems is generally cheaper than fixing them after they occur or recur. Prevention can also significantly reduce risks to human health and the environment and decrease regulatory risk for the organization.

DETERMINING CAUSES OF PROBLEMS

You should establish a method to determine the causes of nonconformity. Root cause analysis is a systematic approach to understanding the underlying reasons for an issue and is typically used in EMS to reduce future problems instead of fixing issues one at a time.

There are many different methods for conducting root cause analysis, ranging from detailed graphical analysis to simply asking relevant staff open-ended questions. Generally, the process consists of:

- Gathering information (about an incident, the process, conditions, etc.);
- Analyzing the information (using tools to help visualize why an incident occurred, such as fishbone diagrams, cause and effect diagrams, causal factor charting, root cause mapping, root cause summary tables, etc.); and
- Recommending changes to prevent the incident from happening again.

One of the simplest approaches is to ask "why" five times (the "5-Why" approach). This probing helps you find underlying issues, in addition to the immediate cause. For example, if a store employee puts potentially hazardous waste in the wrong container, the initial explanation may be "I did not think it was hazardous." Continued questioning may uncover that the employee never took a required training because they were sick the day it was given. Further questioning may show that the store has no tracking system for training. So, the root cause turns out to be the lack of a tracking system. Without extra questioning, only the individual's lack of training may be addressed, guaranteeing that the problem will happen again. If; however, the tracking system is fixed, then a lack of training is less likely to cause an issue in the future.

Root cause analysis can also be used to identify the underlying reasons for environmental impacts. Once you understand the underlying cause, you can then develop approaches to better control or even eliminate the impact. This is why "dumpster diving" can be an important first step in reducing waste; if you know what is being thrown away, you can then develop approaches to eliminate waste at its source. If one of your significant environmental aspects is air pollution from trucks at your loading dock, you may find out that trucks are idling because drivers waiting to unload don't know about local no-idling ordinances.

WHY DO EMS PROBLEMS OCCUR?

» Poor communication
» Faulty or missing procedures
» Equipment malfunction (or lack of maintenance)
» Lack of training
» Lack of understanding (of requirements)
» Failure to enforce rules
» Corrective actions that fail to address root causes

NONCONFORMITY AND CORRECTIVE ACTIONS

Within the context of an EMS it is important to take the necessary steps to address nonconformity immediately – whether it is the EMS itself (i.e. as identified via an audit, see Chapter 16) or the result of non-compliance with an environmental requirement. Addressing the nonconformity may involve steps to control initially, then followed by actions to correct and prevent recurrence.

For example, a hazardous materials spill in a warehouse requires immediate actions to contain and control. Once this is addressed, the next steps are to determine the root cause for the spill and to implement actions to prevent future spills.

Evaluating the effectiveness of corrective actions is important, since nonconformities can recur with similar consequences, but with different root causes. Using our example of a hazardous warehouse spill, the root cause for the first spill may have been a result of improper storage of the hazardous material and the corrective actions designed to ensure proper storage and training of staff. However, a similar spill may occur due to an onsite accident with a root cause in a different safety related issue. It is also possible for the company to experience a similar incident, but in a different warehouse. Part of preventing nonconformity may require deep thinking on all the potential causes and putting prevention measures in place in anticipation of possible nonconformity.

Once you understand the cause of a problem, then you need to take action to fix it. Corrective actions should:

1. Resolve the immediate problem;
2. Consider whether the same or similar problems exist elsewhere in the organization;
3. Prevent the problem from recurring; and
4. Define the responsibilities and schedules associated with each step listed above.

Employees in a store or distribution center often have good ideas for solving problems, so look for ways to include them in the process. For example, communicate findings to selected employees and ask them to provide input into solutions.

The following is a checklist to help complete corrective action. Have you:

- Identified the problems?
- Identified the causes?
- Developed a solution for each problem?
- Implemented the solutions?
- Documented the solutions?
- Communicated the solutions?

Hints for Corrective and Preventive Action

If your organization has an ISO 9001 quality management system, you already have a corrective and preventive action process for quality, which can be used as a model or integrated with your EMS. Some organizations find that they can combine elements of their management review activities and corrective action processes. These organizations review nonconformities, discuss causes and trends, identify corrective actions, and assign responsibilities at regularly scheduled management review meetings.

The amount of planning and documentation needed for corrective and preventive actions will vary with the severity of the problem and potential environmental impacts. There is no need to go overboard with bureaucracy, simple methods are often quite effective.

Once you document a problem, your organization should commit to resolving it in a timely manner. Be sure that your corrective and preventive action process specifies responsibilities and schedules for completion. Review your progress regularly and follow up to ensure that actions taken are effective. Initially, your internal auditors will identify most EMS problems. However, over the long run employees may be able to point out problems and ideas for improvement, which should be encouraged. Find ways to get employees involved in the EMS improvement process, for example, via suggestion boxes, competitions, or incentive programs.

CONTINUAL IMPROVEMENT

One of the core aims of an EMS is to foster continual improvement of environmental management practices, which should ultimately enhance environmental performance by minimizing or eliminating adverse environmental impacts associated with business operations. In practical terms, continual improvement can be mapped to the cyclic process of Plan-Do-Check-Act, which are described as follows:

- **Plan:** establish environmental objectives and processes necessary to deliver results in accordance with the organization's environmental policy.
- **Do:** implement the processes as planned.
- **Check:** monitor and measure processes against the environmental policy, including its commitments, environmental objectives and targets, operating criteria, and report the results.
- **Act:** take actions to continually improve.

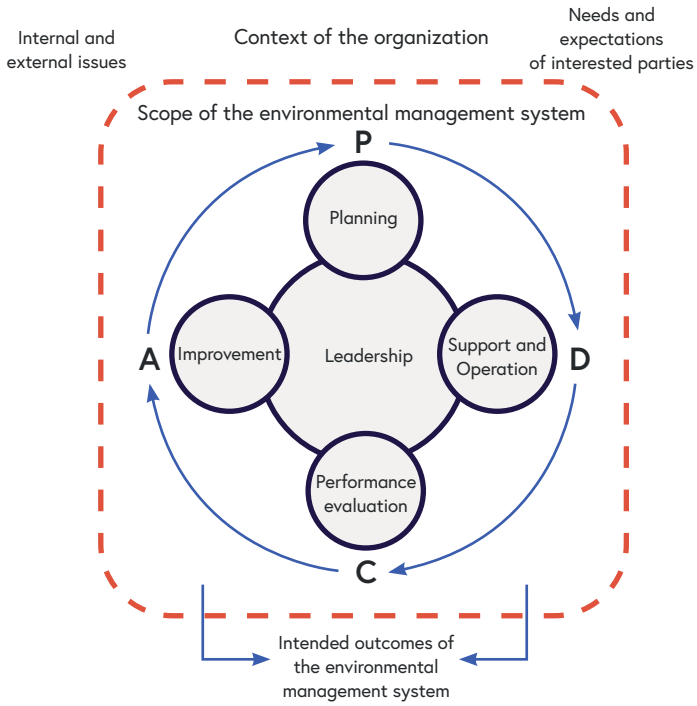


Figure 1: Relationship between Plan-Do-Check-Act cycle and ISO 14001 standard. Source: ISO 14001:2015

NEXT

Identifying and resolving an issue is only the beginning. Corrective action must include follow up to ensure that solutions are being implemented and are effective. This follow up is part of the system of continuous improvement that underlies a successful EMS.

HELPFUL TIPS

» Refer to the Compliance Leadership Model (CLM) matrix to fine-tune process to improve environmental compliance over time.

» Refer to your Environmental Policy to ensure that efforts to improve environmental compliance are aligned with the goals of this policy.

CHAPTER 16: INTERNAL AUDIT

Once your organization has established its EMS, it is critical to verify that it is being implemented properly and to resolve any deficiencies. Periodic EMS audits are a valuable tool for evaluating EMS performance, especially since managers and employees are often so close to their work that they may not see problems or bad habits that have developed. Systematic evaluation can also help maintain management focus on the environment, improve performance of the EMS, and ensure that it is cost-effective.

An audit is a comparison of audit evidence to audit criteria – that is, actual to expected conditions. The evidence used is objective information collected through interviews, visual inspections, and document review. Audit criteria are the expectations or "rules" of how conditions should be. For example, in compliance auditing, the criteria are the regulations. With an EMS audit, the criteria are the descriptions or "standards" of the system elements. By comparing evidence to standards, you can determine if the audited entity does or does not conform. This determination is a finding and a finding can either be conformance or non-conformance.

Other key audit definitions are: objectives, scope, and auditor. The audit objectives are why you are conducting an audit, which is usually to demonstrate conformance to stated criteria. The audit scope is what is being audited and can be a company, a site, or business unit within a company. The auditor is the one collecting evidence and determining findings. The auditor can consist of several individuals on a team. Auditors must be qualified in their tasks and should have training in EMS auditing. Although some audit team members may be on the team because of unique expertise, such as process, language, or technical and regulatory knowledge and not have EMS auditor training.

For your EMS audit program to be effective, you should:

- Develop audit procedures and protocols;
- Determine an appropriate audit scope, frequency, and methodology;
- Select and train your auditors; and
- Maintain audit records.

Results of your EMS audits should be linked to the corrective and preventive action process. Results are also a critical piece of information for the Management Review.

AUDIT PROCEDURES SHOULD DESCRIBE:

» Audit planning
» Audit scope (e.g., areas and activities covered)
» Audit frequency
» Audit methods
» Key responsibilities for the audits
» Reporting mechanisms for the audits
» Recordkeeping for audit results

DEFINING AUDIT CRITERIA

Auditing your EMS helps to understand how well your EMS is performing overall and it is important to identify the measures or criteria that will allow you to effectively assess your EMS.

To do this, you need to identify criteria that will help evaluate the success of the overall EMS program and not just progress against EMS objectives for specific SEAs. The audit criteria should help to determine how well your organization's environmental policy is being implemented and how actual practices compare to the documented practices in your EMS. In addition, you should have audit criteria for each component of your EMS. For example, you will need to consider how to measure the success of communication efforts, documentation, stakeholder outreach and training programs.

An easy approach is to measure actions associated with the EMS. For example, you can track the number of meetings held with stakeholders, number of documents created, number of employees trained, or number of hours of training. However, action does not always mean results. Consider the purpose of each EMS element and also measure results so that you can be satisfied that the element is effective.

SELECTING AUDITORS

Companies can use internal staff or third parties to audit the EMS. Outside consultants can provide many benefits, particularly an outsider's perspective, free of internal biases. Consultants who specialize in EMS development and/or EMS audits also bring a depth of experience and expertise that is unlikely for an internal audit team. However, you should not use the same firm that helped you develop your EMS to perform the audit.

A blend of internal and third-party auditors is a common solution. In this case, the audit team may consist of the consultant leading a blended audit team, the consultant's auditors supplementing your internal team or separate teams dividing up the audit by task or geography.

Internal auditors should be trained in auditing techniques and management system concepts. In addition, familiarity with environmental regulations is valuable, if not essential, to adequately assess an EMS. More than one person should be trained as an internal auditor so that auditors can work in teams, review each other's work, switch roles, and perform other quality assurance checks.

For your EMS audit program to be effective, you should:

- Develop audit procedures and protocols;
- Determine an appropriate audit scope, frequency, and methodology;
- Select and train your auditors; and
- Maintain audit records.

EXAMPLES OF MEASURES FOR A RETAIL EMS

» Number of SEAs in environmental programs
» Number of environmental objectives and targets met
» Number of negative inspection/auditing findings
» Time to remedying negative inspection/audit findings
» Number of complaints from the community
» Percent of products for which life cycle assessment has been conducted
» Number of instances of non-compliance
» Findings from an EMS audit

Results of your EMS audits should be linked to the corrective and preventive action process. Results are also a critical piece of information for the Management Review.

EMS auditor training is commercially available, but it might be more cost-effective to link up with businesses or other organizations in your area, perhaps through a trade association, to sponsor an auditor training course. Local community colleges may also offer EMS auditor training. Some auditor training can be obtained on the job, as long as an experienced auditor leads or takes part in "training" audits.

Auditors should be independent of the activities being audited, which can be a challenge for small organizations. If your company is registered under ISO 9001, consider using your internal quality auditors. While some additional training might be needed for EMS auditing, many of the required skills are the same.

Many retailers use their loss prevention or compliance field teams or other audit teams for periodic or routine environmental compliance audits; their findings should be considered in your EMS audit, as numerous or significant nonconformities indicate potential problems with the EMS. Such teams could also be trained to perform elements of your EMS audit, though it is unlikely that their audit program would be sufficient to audit the EMS as a whole.

If you plan to have your EMS ISO 14000-certified, you will need to hire an independent third-party auditor as part of the certification process. The third-party auditor will evaluate the EMS both in the beginning and at prescribed intervals to maintain the certification.

CONDUCTING AN AUDIT

A complete discussion of how to conduct an EMS audit is outside the scope of this guidance. There are many resources on how to conduct an audit. Listed below are some general tips to help ensure a successful audit:

- Always share the audit scope, criteria, schedule, and any other pertinent information with the employees working in the areas to be audited.

- Your EMS audit findings should be based on objective evidence of conformity and tangible observations. Auditors should resist the temptation to evaluate or draw conclusions in the field or at the data collection stage. For example, do not make assumptions as to why a procedure was not followed, that step comes later when the EMS Manager and lead auditor compile and analyze the findings.
- During an audit, auditors should review identified deficiencies with people who work in the relevant areas. This will help them verify that their audit findings are correct and can also reinforce employee awareness of EMS requirements.
- Consider integrating your EMS audit and compliance audit processes, but keep in mind that these audit processes have different purposes. While you might want to widely communicate the results of EMS audits within your organization, the results of compliance audits, especially third-party compliance audits, might need to be conducted under legal counsel and communicated only on a need-to-know basis. Compliance audit findings are one set of useful indicators of EMS effectiveness.
- The individual audit findings of nonconformity should be described factually, along with a citation of the specific procedure, policy, and/or EMS element related to the issue of nonconformity.
- An EMS audit is not an audit of how well employees do their jobs and auditors should avoid only focusing on the negative. Instead, auditors should focus on both areas of good performance and those that need improvement.

Reporting Audit Results to Relevant Management

A written report on the EMS audit should be only as detailed as you need it to be, provided it adequately documents and communicates the process, findings, conclusions, and recommendations. A potential outline consists of:

- Audit purpose and objectives
- Audit scope (what parts of the organization and EMS elements were audited)
- Summary of audit procedures and protocols
- Summary of findings
- Analysis and conclusions
- Recommendations
- Appendices
- Tables or spreadsheets of findings
- Audit procedures and protocols
- Audit checklists

Making Sense of Audit Findings

The EMS Manager usually analyzes the audit findings with support from the lead auditor, the EMS Team, other managers, and subject matter experts in the company. To get the most value from an audit, consider the following:

- Analyze data for patterns that may indicate systemic problems and to better understand what is working and what is not. A root cause analysis may help identify what will best fix problems. Chapter 13 has guidance on root cause analysis.
- Audit results should be judged on the type, as well as the number of findings. For example, are findings indicative of minor one-time nonconformities or a systemic deficiency? Also, is a particular finding or type of finding repeated at multiple facilities or across multiple programs?
- Conclusions on the cause of nonconformities should be translated into recommendations or action plans. Some conclusions may be about what is working and will recommend only minor or no changes, but in a continuous change model, there are always areas needing improvement.
- Note which recommendations can be acted on within the current EMS and with current resources and which will require review by senior management.
- Management can use EMS audit results to identify trends or patterns in EMS deficiencies. You should also have a process in place to ensure that system gaps or deficiencies are corrected in a timely fashion and that corrective actions are documented. Management review of the EMS relies on these results.

GETTING STARTED

As a first step, you should determine how frequently to conduct EMS audits. Generally, all parts of the EMS should be audited at least annually, with more frequent audits considered depending on factors such as:

- The nature of your operations and activities;
- Potential impacts of your significant environmental aspects (for example, a tank management or hazardous waste program);
- The results of your monitoring processes; and
- The results of previous audits.
- You can audit your entire EMS at one time or break it down into discrete elements for smaller, more frequent audits.

NEXT

Your audit results should be used to improve the performance of your EMS, otherwise the audit was a waste of time and resources. Audit results can also be used to communicate the value and the success of your EMS.

HELPFUL TIPS

» Use your company's existing systems, programs, tools, or other resources to address nonconformity and ensure continuous improvement of its environmental compliance.

» Use samples provided in appendices 1 and 2 "as is" or as a starting point to developing your own.

» Refer to the Compliance Leadership Model (CLM) to fine-tune process to improve environmental compliance over time.

» Refer to your Environmental Policy to ensure that efforts to improve environmental compliance are aligned with the goals of this policy.

CHAPTER 17: MANAGEMENT REVIEW

Management Review is the most important element of any management system. Management review of the EMS keeps management informed about the progress of the EMS and helps maintain their continued support. It is also an opportunity for management to evaluate if the EMS continues to be appropriate and sufficient. The management review is a critical part of the Plan-Do-Check-Act process and provides input for improvement. The scope and frequency of the review depends on the size and complexity of the organization, environmental issues, and other factors that are determined to be relevant in each organization. In many ways, you can see management review as the connection between the environmental policy and the rest of the management system. Without effective review, top management has no idea if the policy is being met or not.

THE SENIOR MANAGEMENT REVIEW PROCESS

Your company's senior management should review the EMS at defined intervals, such as annually or quarterly, to ensure its continuing suitability, adequacy, and effectiveness.

The scope of the management review should be comprehensive, although not all EMS elements need to be reviewed at once. The management reviewer should be relevant to the EMS elements under review. For example, if certain policies, objectives, and procedures apply only to a specific business unit or part of the company, those items should be reviewed by the management of that business unit. Whether the items need higher review depends on issues such as cost, implications for brand reputation, effects on other business units, and your company's management structure and style.

The types of questions for management to consider include:

- Are we meeting our goals for environmental performance?
- Are we reducing our environmental impacts?
- Is there more that we should be doing?
- What is our priority and plan for next year?
- Is our environmental policy still relevant?
- Are roles and responsibilities clear and do they make sense?
- Are we applying resources appropriately?
- Are we meeting our regulatory obligations?
- Are the procedures and operational controls adequate? Do we need others? Should we eliminate some?
- What effects have changes in materials, products or services had on our EMS and its effectiveness?
- How effective are our measurement and management systems?
- Can we set new measurable performance objectives?
- Have changes in regulations, our operations, or other considerations required us to change some of our approaches?
- What stakeholder concerns have been raised since our last review?
- Is there a better way? What else can we do to improve?

Remember, an EMS is built on a cyclical, continuous improvement model. The management feedback and directives from the management review should loop back into the Plan-Do-Check-Act cycle. Just as when first implementing an EMS, you need to check progress toward your desired improvements. It is important to document management observations, conclusions, and recommendations.

Management reviews also offer a great opportunity to keep your EMS relevant and efficient. For example, organizations have found that some procedures and processes initially put in place were not needed to achieve their environmental objectives or to control key processes. If EMS procedures and other activities don't add value, eliminate them.

PREPARING FOR THE MANAGEMENT REVIEW

Preparing for a management review generally takes more time and effort than the actual review. You must condense up to a year's worth of effort across a broad section of your organization, input from people at all levels, and multiple competing priorities, costs, and benefits down to a handful of essential questions for your senior management.

SAMPLE AGENDA FOR THE MANAGEMENT REVIEW MEETING

» Status of actions from previous management reviews

» Update on significant changes in:
  – external and internal issues that are relevant to the EMS
  – needs and expectations of key stakeholders internally and externally, including compliance obligations
  – significant environmental aspects
  – risks & opportunities
  – progress on achievement of environmental objectives

» Report on environmental performance, including trends in:
  – nonconformities and corrective actions
  – monitoring and measurement results
  – fulfilment of its compliance obligations
  – audit results
  – adequacy of resources

» Review of relevant communications from stakeholders, including complaints
  – Opportunities for continual improvement
  – Management's response
  – Decisions & assignment of actions

» Next steps

This process will be easier if you have maintained good documentation throughout the year. The management review should include:

- Results from the EMS audit and any other assessments;
- Progress in meeting objectives and targets;
- The continuing suitability of the EMS in relation to changing conditions and information;
- Concerns of relevant stakeholders; and
- Recommendations for the next Plan-Do-Check-Act cycle. Here are some hints to help make the process more effective.
- Focus on management's priorities for the EMS and environmental performance and areas where you need their guidance and decision-making.
- Include the right people in the review, such as:
  » People who have the right information and knowledge about the EMS; and
  » Managers who can make decisions about the organization and its resources.
- Determine the best management review frequency. Some organizations combine these reviews with other meetings, such as director meetings or meetings for other processes like budget review. Other organizations hold dedicated EMS reviews. At a minimum, management should conduct reviews annually
- During management review meetings, make sure someone records the issues discussed, decisions made, and action items identified.
- Management reviews should assess how changing circumstances might influence the suitability, effectiveness, or adequacy of your EMS. Changing circumstances could be internal (e.g. new facilities, changes in products or services, new customers) or external (e.g. new laws, new scientific information or changes in adjacent land use).
- Be sure that someone is responsible for following up on the action items from the management review and tracking progress to completion.
- As you assess potential changes to your EMS, consider other organizational plans and goals in order to integrate environmental decision-making into your overall management and strategy

NEXT

Results of the management review need to be communicated to relevant staff and stakeholders. After the review, you need to incorporate the necessary information into your EMS. This may mean updating objectives and targets, changing procedures, or revising environmental programs. As always, it is important to document the results and the process. Some typical outputs of a management review may include:

- conclusions on the continuing suitability, adequacy, and effectiveness of the EMS;
- decisions related to continual improvement opportunities;
- decisions related to any need for changes to the EMS, including resources;
- actions, if needed, when environmental objectives have not been achieved;
- opportunities to improve integration of the EMS with other business processes, if needed; and
- implications for the strategic direction of the organization.

HELPFUL TIPS

» Use your company's existing systems, programs, tools, or other resources to address nonconformity and ensure continuous improvement of its environmental compliance.

» Use samples provided in appendices 1 and 2 "as is" or as a starting point to developing your own.

» Refer to the Compliance Leadership Model (CLM) matrix to fine-tune process to improve environmental compliance over time.

» Refer to your Environmental Policy to ensure that efforts to improve environmental compliance are aligned with the goals of this policy.

ABOUT THE RETAIL COMPLIANCE CENTER

The Retail Compliance Center (RCC) provides resources on environmental compliance and sustainability for all types and sizes of retailers. The RCC's goal is to develop retail-specific resources, tools and innovative solutions to help companies cost-effectively improve their compliance and environmental performance.

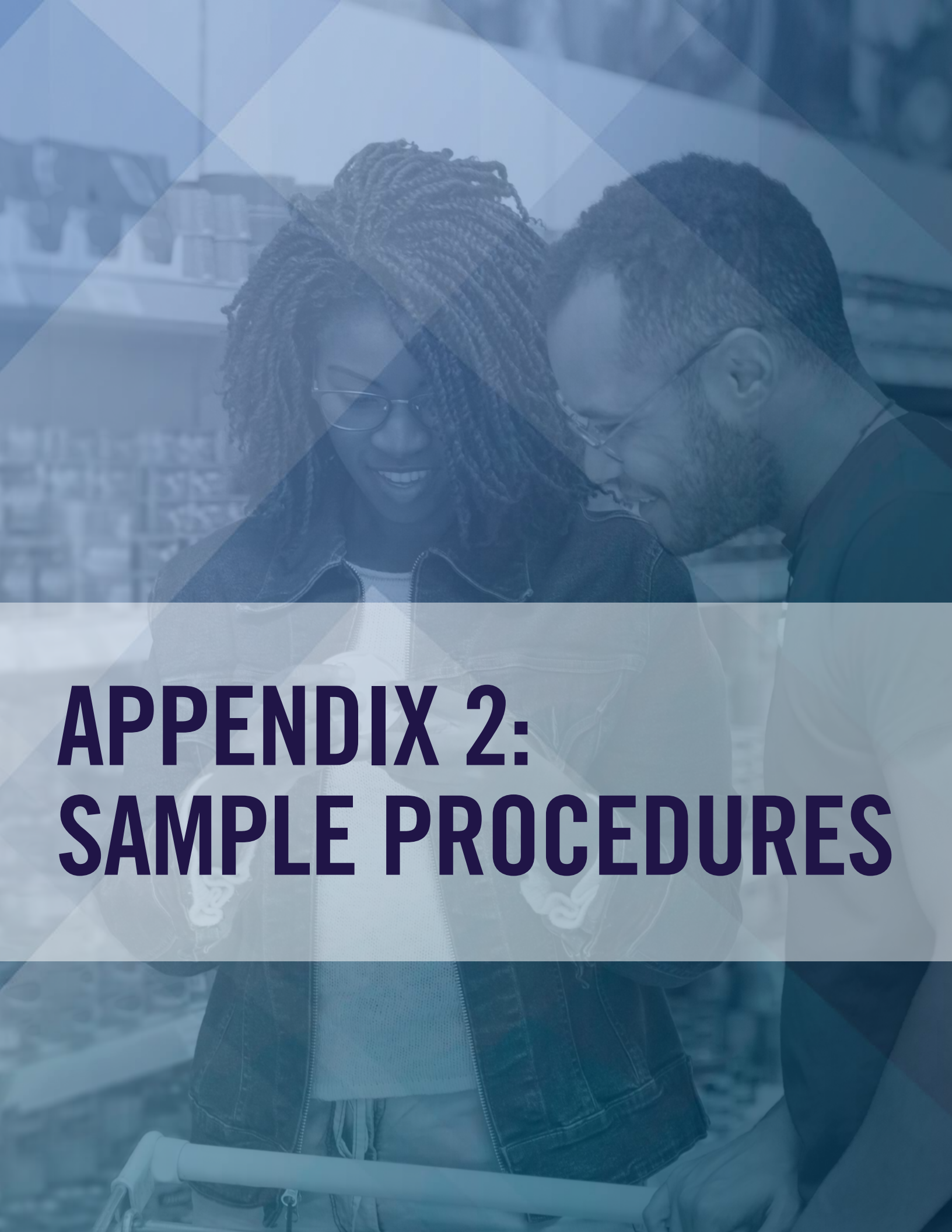
APPENDIX 1: EMS TOOLS

This section contains a list of practical tools to help you evaluate, plan, and implement an environmental management system (EMS) for a retail compliance program. The table below lists the tools and identifies when and how the tool can be used and provides a link to the downloadable spreadsheet. The worksheets can be customized for your organization and in combination with the procedures in Appendix 2 can serve as documentation for your EMS.

CHAPTER	TOOL	USING THE TOOL	LINK
Chapter 2 – Getting Started	1. Gap Analysis	Use this tool to conduct a preliminary review of your current program to identify the elements of an EMS that you already have in place, as well areas where you will need to build out new processes.	EMS Tools Get Started 1 - 3
	2. Getting Started Checklist	This checklist can be customized to track the steps for getting started with EMS implementation.	
	3. EMS Implementation Checklist	Use this tool to track your progress in developing the specific elements of your EMS.	
Chapter 4 – Leadership	4. Environmental Policy Questionnaire	These questions will help determine if your current environmental policy is sufficient or should be updated as well as document your current process for maintaining and communicating the policy.	EMS Tools Get Planning 4 - 9
Chapter 5 – Risks and Opportunities	5. Environmental Aspects and Impacts Common in Retail	This tool lists environmental aspects and impacts that are common in retail together with the laws or regulations that apply in each area. The tool can be customized for a specific retailer and has room for planning information.	
Chapter 6 – Compliance Obligations	6. Environmental Compliance Obligations Questionnaire	This questionnaire helps you understand your existing process for identifying, tracking, and communicating legal requirements and identify gaps in your current approach.	
	7. Legal Requirements Detail	Use this chart to record details about the legal requirements that apply to your facilities and operations.	
	8. Significance Determination of Environmental Aspects	Use this chart to determine the significance of the environmental aspects for your organization. This is a critical step because your EMS will focus on the significant aspects.	
Chapter 7 – Environmental Objectives	9. Objectives and Targets	This worksheet will help you start to identify the objectives and targets for each of your SEAs, as well as the information needed to achieve your targets. The worksheet includes environments areas typical in retail.	

Chapter 8 – Resources, Roles & Responsibilities	10. Structure and Responsibility Questionnaire	Use this tool to capture information about how environmental management responsibilities are currently managed in your organization.	EMS Tools Do 10 - 24
	11. Responsibility Matrix Example	This tool can help you define which employees across the organization will have which roles under your EMS.	
	12. EMS Roles and Responsibilities Documentation	Use this worksheet to document employees with direct responsibilities under the EMS.	
Chapter 9 – Competence, Awareness & Training	13. Training, Awareness & Competence Questionnaire	This questionnaire can help you understand the current training situation in your organization.	
	14. Training Documentation Form	This form will help document specific training requirements.	
Chapter 10 - Communication	15. Communications Questionnaire	Use this tool to document your organization's current communication efforts related to environmental areas.	
	16. Communications matrix for typical retail stakeholders	Use this matrix of typical retail stakeholders to jump start the list that you create.	
	17. Example Environmental Compliance Communication Matrix	This is an example of a one-year plan for communicating with internal stakeholders about specific environmental topics	
Chapter 11 – Documentation & Records	18. EMS Documentation Questionnaire	Use this questionnaire to gather information on your company's current approach to document control.	
	19. Document Control Form	This is a sample form for listing EMS documents and the location and use of the documents. This information should be included in your EMS documentation.	
	20. Document index form	This is a sample form to track document revisions. This information should be included in your EMS documentation.	
Chapter 12 – Operational Planning and Controls	21. Worksheet for determining which SEAs require Operational Controls	This worksheet, which is pre-populated with environmental aspects typically found in retail, will help you identify which SEAs require operational controls.	
	22. Worksheet for Training Plan for Operational Controls	Use this worksheet to identify, plan, and track staff training needs associated with specific SEAs and operational controls.	

Chapter 13 – Emergency Preparedness and Response	23. Emergency Preparedness and Response Questionnaire	Use this questionnaire to understand your company's current Emergency Preparedness and Response approach.	
	24. Emergency Preparedness and Response Requirements matrix	Use this worksheet to compile a list of potential emergency scenarios together with the actions and procedures needed as well as any necessary training.	
Chapter 14 – Monitoring, Measurement and Evaluation	25. Worksheet for Determining which SEAs require Monitoring, Measurement, Analysis & Evaluation	Use this worksheet to identify the SEAs that should be monitored and record what will be measured, the method used, and the criteria for evaluating environmental performance.	EMS Tools Check 25 - 31
Chapter 15 - Improvement	26. Corrective and Preventive Action Questionnaire	Use this questionnaire to understand your company's current processes for corrective and preventative action.	
	27. Corrective and Preventive Action Notice (CAPAN)	This is a sample form that can be used to document problems, likely causes, suggested solutions and actions.	
	28. Corrective and Preventive Action Tracking Log	Sample log that can be used for tracking corrective and preventative actions.	
Chapter 16 – Internal Audit	29. EMS Program Measurement Criteria Worksheet	Use this worksheet to identify measures for the performance of your EMS (i.e., evaluate the overall effectiveness of the EMS program rather than the compliance or environmental performance)	
	30. EMS Internal Audit Questionnaire	This questionnaire will help you understand current internal EMS audit programs and identify what steps need to be taken.	
	31. EMS Audit Form	This sample audit form provides a structure for a form that can be used by an internal EMS audit team. It also shows the type of information that might be covered in an EMS audit.	



APPENDIX 2: SAMPLE PROCEDURES

APPENDIX 2: LIST OF PROCEDURES

PROCEDURE 1: PROCEDURE FOR IDENTIFICATION OF ENVIRONMENTAL ASPECTS

Purpose

This procedure defines [Facility Name]'s method for the identification of environmental aspects and impacts associated with its operations.

Responsibilities of the EMS Team

The EMS Team, led by the EMS Manager or designee, is responsible for completing *Tool 5: Environmental Aspects and Impacts Common in Retail* for each core process and supporting activity. If possible, members of the EMS Team will conduct site visits, interviews, and physical inspections when completing the form.

At a minimum, the EMS Team will review the completed forms when they are first created, annually, and before, and immediately after implementation of new or modified processes or activities.

All environmental aspects are evaluated for significance as defined in *Procedure 3: Procedure for Determination of Significant Environmental Aspects*.

Frequency

This procedure will be repeated at least annually. More frequent updates will be conducted for new projects or processes that affect the facility's significant aspects.

Records

The EMS Manager or designee maintains the completed *Tool 5*.

PROCEDURE 2: PROCEDURE FOR IDENTIFICATION OF COMPLIANCE OBLIGATIONS

Purpose

This facility is committed to complying with all applicable environmental regulations. It will also strive to meet other commitments made in its environmental policy, such as commitments to community involvement, pollution prevention, and continuous improvement. This procedure describes how this facility identifies applicable compliance obligations.

Procedure

The EMS Manager is responsible for tracking applicable environmental laws and regulations and evaluating their potential impact on the facility's operations. The EMS Manager employs several techniques to track, identify, and evaluate laws and regulations. These techniques include [commercial databases, information from the trade association, direct communication with national and state regulatory agencies, periodic refresher training on environmental laws. . .].

As necessary, the EMS Manager may use off-site resources such as consultants or attorneys.

The EMS Manager reviews, compiles, and maintains copies of or links to applicable environmental laws and regulations.

The EMS Manager or subject matter expert, as delegated or assigned by the EMS Manager, reviews applicable environmental laws and regulations for changes on an annual basis.

The EMS Manager, working with the EMS Team and appropriate subject matter experts, determines the applicability of laws and regulations to the facility's business activities and environmental aspects and records the basis of determination. The EMS Coordinator maintains files of the Basis of Determination Memos.

The EMS Manager, working with the EMS Coordinator and EMS Team, correlates these regulations to the business activities and associated environmental aspects using *Tool 5: Environmental Aspects and Impacts Common in Retail* and *Tool 7: Legal Requirements Detail*.

Frequency

Ongoing.

Records

The EMS Coordinator maintains the Basis of Determination Memos, *Tool 5: Environmental Aspects and Impacts Common in Retail* and *Tool 7: Legal Requirements Detail*.

PROCEDURE 3: PROCEDURE FOR DETERMINATION OF SIGNIFICANT ENVIRONMENTAL ASPECTS

Purpose

This procedure defines [Your Facility]'s method for the determination of significance for aspects that have actual or potentially significant impacts on the environment.

Responsibilities of the EMS Team

The EMS Team, led by the EMS Manager or designee, is responsible for completing *Tool 8: Significance Determination of Environmental Aspects* for each environmental aspect identified for the facility. To start, the aspects recorded on *Tool 5: Environmental Aspects and Impacts Common in Retail* should be copied over to *Tool 8*. Individual aspects can be grouped when transferred to *Tool 8*; for example, if energy use is listed as an environmental aspect in several areas, these listings can be grouped so that energy use appears just once on *Tool 8*.

NOTE

The criteria and scale (numeric, "Yes" or "No") that you use to determine significance will be unique to your business and your needs. This procedure should be modified to reflect your approach. The procedure shown here is just an example.

What is important is that your approach is clearly documented and applied consistently.

Determination of Significant Environmental Aspects (SEAs)

The criteria defined below will be used to determine the significance of each environmental aspect.

Legal Requirements/Voluntary Commitments/Company Policy: When an aspect is subject to legislation, regulation, and/or permit requirements and ongoing regulatory obligations that require actions on the part of the company, the aspect is significant. Aspects that are subject to environmental regulations only in the event of an incident (for example, an oil spill) will be recognized as significant when the event occurs, but also may be considered significant after taking into consideration its prevalence, frequency, and probability.

Community Concern: Aspects that are of concern to the community, such as common conditions of property entitlement of re-zoning, complaints, or critical inquiry.

Pollution Prevention Potential: Based on technical and business conditions, aspects with a high potential for pollution prevention or resource-use reduction.

Potential Impact to the Environment: Aspects associated with potential impacts to human health and the environment due to one or more of the following, will be considered significant:

Toxicity (compositional characterization of materials and wastes);

- Amount (volume of emissions, waste, or releases);
- Amount (consumption of renewable and non-renewable resources);
- Frequency of episodes; and
- Severity of actual or potential impacts.

Using Tool 8, the EMS Team will evaluate each aspect to determine if it is significant. The criteria are coded using the following approach.

CRITERIA	CODING	RANKING
Legal & Other Requirements	Yes - legal requirement, Other - other requirement or No	Yes = 3 Other = 2 No = 0
Community Concerns	High - majority of community members have expressed concern Medium - some community members have expressed concern Low - community members have expressed little to no concern	Low = 1 Medium = 2 High = 3
Pollution Prevention Potential	High - definite opportunity to reduce resource use Medium - potential opportunity to reduce resource use Low - little opportunity to reduce resource use	Low = 1 Medium = 2 High = 3
Potential Impact to the Environment	High - could cause severe impacts to the environment that would require outside assistance to address Medium - could cause some impacts to the environment that may require outside assistance to address Low - could cause minor impacts to the environment that can be addressed without outside assistance NA - no risk of environmental impacts	Low = 1 Medium = 2 High = 3 NA = 0

Aspects are considered to be "significant" if the aspect has an impact on the environment and meets one or more of the four criteria above. For criteria that are a "Yes" for Legal or Other Requirements, rank in the top half of aspects or have other important criteria, indicate "S" for significant in the appropriate column. Otherwise, indicate "N" for not significant. Provide the rationale for S or N in the comments section.

Frequency

This procedure will be repeated at least annually. More frequent updates will be conducted for new projects or processes that affect the facility's significant aspects.

Records

The originals of completed Tool 8 are maintained by the EMS Manager or designee.

PROCEDURE 4: PROCEDURE FOR IDENTIFICATION OF OBJECTIVES AND TARGETS

Purpose

[Your Facility] sets objectives for environmental improvement and develops targets and action plans to meet those objectives. These objectives are directly related to the facility's significant environmental aspects (SEA) and follow from its environmental policy commitments.

Procedure

For each SEA, the organization will establish an appropriate objective and target. The EMS Team or designee identifies objectives and targets that the [manager/title] reviews and approves for each SEA. The environmental objectives and targets for each SEA are recorded on *Tool 9: Objectives and Targets Worksheet*. There are three types of objectives represented as follows:

- **C** -- Control or Maintain
- **I** -- Improve
- **S** -- Study or Investigate

Guidance regarding use of these objectives is provided for use by the EMS Team.

Control or Maintain is an appropriate objective for SEAs that are the subject of environmental regulations, because the environmental policy states that we will comply with the law. In these cases, the objective will be to maintain conformance with operational controls, such as procedures and work instructions that apply to the related SEA. The target will be ongoing.

Improve is appropriate for SEAs that our company goals commit us to improving. For example, objects relating to energy- or water-use reductions that are not required by law, but fall within our commitment to pollution prevention. Improvement objectives can also be used for SEAs that have regulatory drivers and environmental improvement goals. For example, we have regulatory requirements and stormwater pollution reduction goals for our stores. Fine sediments and oils from parking lots are carried away in rainwater and snowmelt. We wish to reduce our stormwater discharge levels below the limits common in many city stormwater ordinances. Thus, the objective for stormwater management will be C and I (that is, maintain compliance and reduce pollutant levels).

Study or Investigate is appropriate in cases where the EMS Team thinks improvement will be feasible and beneficial, but study is needed to determine how much improvement is possible, as well as appropriate approaches and timeframes. The objective will be to study alternatives by a target date in preparation for later setting an improvement objective (or dropping the objective if the study reveals that the changes are not financially, technologically, or logistically feasible).

The EMS Team is also responsible for developing and recommending potential new environmental objectives to senior management. In identifying potential new objectives, the EMS Team considers the following:

- Environmental policy;
- SEAs (especially, those SEAs that pose significant health or environmental risk);
- Applicable laws and regulations and potential future laws and regulations;
- Practical business criteria, such as the potential costs and benefits of pursuing a particular environmental objective and our commitment to sustainability; and
- The views of employees and other interested parties.

When developing and recommending objectives, the EMS Team should consider the ranking of aspects on Tool 8. SEAs with higher rankings will likely be good candidates for control, improvement, or investigation. The EMS Team, with input from operations managers, will also select one or more indicators to monitor the environmental performance for [Your Facility's Name] related to each SEA and measure progress in meeting the objectives and targets. Indicators will be recorded on Tool 9.

Once environmental objectives are approved by senior management, the EMS Manager assigns responsibility (for example, to the manager of the process in question) for developing targets and action plans to realize the objectives. Sometimes, this may require an alternatives evaluation (or study) as the first target (or action item).

Frequency

Environmental objectives should be reviewed at least annually. The targets and action plans are developed and revised as needed by the EMS Team or designee.

Records

Environmental objectives and targets, as well as the metrics, are recorded using Tool 9. The EMS Manager or designee is responsible for maintaining these records.

PROCEDURE 5: PROCEDURE FOR ENVIRONMENTAL TRAINING

Purpose

To ensure that employees carry out their duties in as environmentally responsible a manner as possible, [Facility Name] provides environmental awareness training to all employees and task-specific training to employees whose jobs are associated with significant environmental aspects (SEA).

Procedure

Awareness Training:

a. All new employees receive a 10-minute introduction to the [Facility Name]'s EMS, specifically its environmental policy, SEAs, and environmental objectives, as part of the mandatory New Employee Orientation. New Employee Orientation is provided via the company intranet-based learning management system (LMS). Records of employees who have received New Employee Orientation are maintained in the LMS.

The EMS web page on the company web page includes a summary of the environmental policy, SEAs, and environmental objectives, as well as news updates on EMS implementation and EMS success stories. The page includes a mechanism for employee input and feedback and allows employees to receive RSS feeds from the EMS web page to their own personalized company home page.

A link to the EMS intranet web page, a short summary of the EMS's environmental policy, SEAs, environmental objectives, news updates on the EMS implementation, and EMS success stories will be included in six of the twelve monthly internal company newsletters.

Task-Specific Training:

Task-specific training is conducted for the following employees:

- Individuals and job titles with designated EMS roles and responsibilities; and
- Job titles/functions with responsibility for managing or executing activities associated with SEAs.

a. Using root cause analysis as a tool, the EMS Team, working with the appropriate operations managers, identifies the job functions that are associated substantially with each SEA.

The EMS Team, in conjunction with the relevant operations manager, then determines what training employees performing each of these job functions should receive in order to control environmental impacts to the greatest possible extent and comply with environmental regulations. Job-title-wide training is assigned and managed by the LMS. The LMS keeps electronic records of the training received by each employee.

Individual task-specific training (which is not applicable to all employees in a given job title) will be assigned by the Environmental Manager in coordination with the employees' first-line supervisors. Records of the training will be entered into the LMS manually by the employee using the Transcripts Module of the LMS. Where possible, environmental training is integrated with other types of training (e.g. operational) that employees receive.

Frequency

Awareness training is given to new employees during their first week at [Facility Name] and annually to all employees. Task-specific training is given to relevant employees when they take on a new function associated with a SEA and refresher courses are given as required. Both awareness and task-specific training are reviewed at least annually for updates or when there are significant changes to operations.

Records

Records of the awareness and task-specific training received by each employee are kept electronically by the LMS.

PROCEDURE 6: PROCEDURE FOR COMMUNICATION WITH STAKEHOLDERS ABOUT THE EMS

Purpose

To ensure that stakeholders receive information about, and can provide input regarding, environmental activities, [Your Facility] has developed this company policy for considering and, where appropriate, responding to queries, comments, or complaints from both internal and external stakeholders

NOTE

It is important to make sure all policies are followed. This is especially important when it comes to your organization's policy for communicating with external stakeholders. Since these types of communications could become available to anyone, be consistent when sharing information about the EMS and environmental performance.

Procedure

The EMS Team will identify stakeholders and their potential interests in the environmental performance of [Your Facility] using *Tool 16: Stakeholder Communications Matrix*. The EMS Team also determines what communication on significant environmental aspects (SEA) will occur and records its decision on Tool 16. If the EMS Team decides that proactive communication on environmental issues is necessary with any group, that decision is recorded on Tool 16 and the EMS Manager or EMS Team assigns responsibility. Engagement with external stakeholders requires concurrence from Corporate Communications, who will seek concurrence from Senior Management, General Counsel, Investor Relations, Community Affairs, and Government Affairs, as appropriate. Internal stakeholder communication is addressed through a variety of elements of our EMS, including training, objectives and targets, and implementation that all require internal stakeholder communication.

Internal communication about the EMS is documented as appropriate.

The EMS Manager also maintains communication with emergency response agencies as required. Communication received from external stakeholders regarding our environmental performance or management is immediately forwarded to the EMS Manager. The EMS Manager considers the nature of communications from external stakeholders and after concurrence from Corporate Communications (who seeks input from Senior Management, General Counsel, Investor Relations, Community Affairs, and Government Affairs, as appropriate) makes a decision on whether and how to respond. The EMS Manager is responsible for maintaining records of each external stakeholder communication and response using Tool 16.

Guidance for Communicating with Stakeholders on Environmental Issues

This [facility/organization]'s environmental policy will be made available to all stakeholders upon request. Our facility will also do its best to respond in kind to all good-faith communications from stakeholders about environmental issues. However, our facility (under guidance of the EMS Manager, Corporate Communications, and General Counsel) may choose not to respond in all cases, particularly if a request is made in bad faith or if sensitive data is requested.

Frequency

On an as-needed basis for external input, and as shown on Tool 16.

Records

Records of environmental communications from external stakeholders and our responses are kept by the EMS Manager and are tracked using Tool 16. Copies of the records are provided to Corporate Communications, who will distribute as appropriate. An updated version of Tool 16 is kept in the EMS Manual.

PROCEDURE 7: PROCEDURE FOR DOCUMENT CONTROL

Purpose

To ensure effective operation of the EMS, [Your Facility's Name] will ensure that EMS documents are easy to find and up-to-date.

Procedure

The EMS Coordinator maintains updated documents for the following outcomes or results:

- Environmental aspects and Significant Environmental Aspects (SEAs);
- Applicability of legal requirements to environmental aspects;
- Objectives, targets, and action plans for environmental management programs;
- List of operational control procedures related to SEAs;
- Results of internal audits;
- Corrective and preventive actions taken; and
- Management reviews.

In addition, lists of (including links to) the regulations applicable to the EMS are maintained by the EMS Manager, who will also maintain documentation of how applicability and non-applicability were determined (Basis of Determination).

The EMS Coordinator is not responsible for maintaining records of environmental training and emergency response preparations, or the operational control procedures themselves. These records are maintained by the appropriate person or group.

The EMS Manager or designee will control all EMS documents and records from items 1 and 2 using *Tool 19: Sample Document Control Tool and Tool 20: Sample Document Index Form.*

Frequency

The document control process will be reviewed at least annually.

Records

Maintained as outlined in this procedure.

PROCEDURE 8: PROCEDURE FOR DEVELOPMENT OF OPERATIONAL CONTROL PROCEDURES

Purpose

By developing operational control procedures for critical activities associated with significant environmental aspects (SEA), [Your Facility's Name] intends to mitigate and control, to the extent possible, the environmental impacts associated with its SEAs.

Procedure

The EMS Team, with input from other employees as needed, carries out a root cause analysis of each SEA to determine the underlying causes of the environmental impact. As part of the root cause analysis, the EMS Team will determine the need for (and adequacy of, if already existing) operational control procedures to control the critical activities related to the findings on Tool 21: *Worksheet for Determining Which Operations or Activities Require Operational Controls*.

Where there is a need to create or modify an operational control procedure, the EMS Team assigns a member of the Team to draft or edit an operational control procedure, with input from relevant employees. Where possible, environmental controls will be integrated into existing operational control procedures. In other cases, a new procedure will be written. The operational control procedure will be issued as a "Work Instruction" (a summary list of required steps or measures). In addition to describing the steps necessary to carry out the activity in an environmentally sound manner, the Work Instruction will include steps to conduct monitoring, as applicable.

After the operational control procedure has been developed and implemented, its status is recorded on Tool 21: *Worksheet for Determining which SEAs require Operational planning & controls*. The procedure itself is entered into the relevant [Your Facility's Name] operator's handbook and/or is posted at the site of the activity. It is also listed in the EMS Manual or included in it as a procedure related to the EMS.

Frequency

As new SEAs are identified or there are significant changes to regulations or conditions. For existing SEAs, a review of the root cause analysis and operational control procedures is conducted yearly.

Records

Tool 21 is maintained by the EMS Coordinator. The specific procedures are maintained in the relevant [Your Facility's Name] operator's handbook and/or posted at the site of the activity in question.

PROCEDURE 9: PROCEDURE FOR EMERGENCY PREPAREDNESS AND RESPONSE

[This procedure assumes that your company has an existing general Emergency Preparedness and Response Plan, into which environmental considerations can be integrated.]

Purpose

As part of its EMS, [Your Facility's Name] strives to ensure that the environmental impacts associated with emergency situations are prevented or mitigated to the greatest extent possible. The facility will comply with all regulatory requirements related to emergency situations.

Procedure

[Your Facility's Name] has an Emergency Response Committee charged with identifying potential emergency scenarios and developing and ensuring the implementation of appropriate procedures in emergencies. With the assistance of the EMS Coordinator, the Emergency Response Committee:

- Identifies the potential negative significant environmental aspects (SEA) associated with potential emergency scenarios;
- Incorporates measures into Emergency Preparedness and Response (EP&R) procedures to prevent these emergencies or minimize the impacts;
- Identifies, with assistance from Corporate Environmental Health and Safety, federal, state, and local environmental regulatory requirements, such as release reporting and develops procedures for ensuring compliance;
- Ensures that adequate training, including simulations, is provided to appropriate staff; and
- Records information on this process in *Tool 24: Emergency Preparedness and Response Requirements Matrix*.

Input is obtained from staff in relevant areas who might have suggestions on how to improve the EP&R program.

The Emergency Response Committee maintains records of the potential emergency scenarios, the potential environmental impacts associated with each scenario, and the procedures established to minimize these impacts.

The Emergency Response Committee or designee maintains contact with local emergency response personnel that might assist in the event of an actual emergency.

The company's online Learning Management System keeps electronic records of training received by staff on emergency response procedures.

Frequency

The Emergency Response Committee meets annually to review the status of its work. Contact with Logistics and Transportation facilities' designated emergency personnel is made at least annually or as necessary based on regulatory requirements or activity changes at the facility that may impact the EP&R program.

Records

Records of emergency scenarios, associated potential environmental impacts, and procedures to mitigate these impacts (including Tool 24) are kept by the Emergency Response Committee. Training records are maintained by the company's online Learning Management System.

PROCEDURE 10: PROCEDURE FOR COMPLIANCE ASSESSMENT

Purpose

[Your Facility's Name] will conduct periodic compliance assessments to ensure that it complies with all applicable local, state, and federal environmental regulations.

Procedure

The EMS Manager and EMS Coordinator will implement and maintain this compliance assessment procedure based on applicable legal regulations and input from internal subject matter experts in Corporate Compliance, Legal, Maintenance, and Operations, as well outside resources such as vendors and consultants. This procedure sets out the frequency of assessment, the number and kinds of facilities to assess, the general logistical approach to performing the assessments (site visits, telephone survey with backup documentation, etc.), and a list of questions as a compliance assessment protocol (audit questionnaire/checklist). Selection of facilities to be assessed must consider the following factors with the goal of assessing a representative sample of stores:

- Store format;
- Store age;
- Revenue performance;
- Past compliance performance;
- Store management turnover;
- Employee turnover; and
- Demographic and geographic attributes of the facility (e.g. neighborhood income; urban, suburban, or rural; neighborhood minority population).

The compliance assessment procedure is intended to determine the compliance status of [Your Facility's Name] with respect to applicable environmental regulations.

For stores, the Regional Loss Prevention Managers will conduct the assessments by answering the compliance assessment protocol. When they are done with the compliance assessment, they deliver a copy to the EMS coordinator, who records any actual or potential compliance issues on a compliance tracking log. Each actual and potential compliance issue is immediately referred to corrective action.

Frequency

Annual. The compliance assessment will be performed each fiscal year.

Records

The EMS Coordinator records and maintains assessment results on the tracking log.

PROCEDURE 11: PROCEDURE FOR CORRECTIVE AND PREVENTIVE ACTION

Purpose

The purpose of this procedure is to establish the process for identifying, documenting, analyzing, and implementing corrective and preventive actions.

Scope

Corrective or preventive actions may be initiated using this procedure for any environmental problem affecting the organization.

General

A. Corrective action is generally a reactive process used to address problems after they have occurred. Corrective action is initiated using the Corrective and Preventive Action Notice (CAPAN) in Tool 27. Corrective action may be triggered by a variety of events, including internal audits and management reviews. Other items that might result in a corrective CAPAN include neighbor complaints or the results of monitoring and measurement.

B. Preventive action is generally a proactive process intended to prevent potential problems before they occur or become more severe. Preventive action also is initiated using the CAPAN in Tool 27. Preventive action focuses on identifying negative trends and addressing them before they become significant. Events that might trigger a preventive CAPAN include monitoring and measurement, trends analysis, tracking of progress on achieving objectives and targets, response to emergencies and near misses, and customer or neighbor complaints, among other events.

C. CAPANs are prepared, managed, and tracked using the corrective and preventive action database (or *Tool 28: Sample Corrective and Preventive Action Tracking Log*).

D. The EMS Coordinator (or designee) is responsible for reviewing issues affecting the EMS, the application, and maintenance of this procedure, and any updates to EMS documents affected by the corrective and preventive actions.

E. The EMS Coordinator is responsible for logging CAPANs into the database, as well as tracking and recording the submission of solutions. The requester and the recipient of the CAPAN are responsible for verifying the effectiveness of the solution. The EMS Manager is responsible for overall tracking and reporting on preventive and corrective actions.

F. Personnel receiving CAPANs are responsible for instituting the required corrective or preventive action, reporting completion of the required action to the EMS Manager, and assuring sustained effectiveness.

G. Completed records of CAPANs are maintained in the corrective and preventive action database for at least two years after completion of the corrective or preventive action.

Procedure

1. Issuing a CAPAN

    a. Any employee may request a CAPAN and bring the problem to the attention of the EMS Manager. The EMS Manager is responsible for determining whether a CAPAN is appropriate and entering it into the corrective and preventive action database. Responsibility for resolving the problem is assigned to a specific individual ("the recipient").

    The EMS Manager, working with the recipient, determines an appropriate due date for resolving the CAPAN.

2. Determining and Implementing Corrective and Preventive Actions

    a. The CAPAN is issued to the recipient, who is responsible for investigating and resolving the problem. The recipient is also responsible for communicating the corrective or preventive action taken.

    b. If the recipient cannot resolve the problem by the specified due date, he/she is responsible for determining an acceptable alternate due date with the EMS Manager.

3. Tracking CAPANs

    a. Close-out of CAPANs are tracked by the EMS Manager or her/his designee using Tool 28. CAPANs whose resolution dates are overdue are listed on the Overdue Solutions report. The EMS Manager is responsible for issuing this report on a weekly basis to the appropriate manager and the recipients of any overdue CAPANs.

    b. Records of CAPANs are maintained in the corrective and preventive action database for at least two years after completion of the corrective or preventive action.

4. Tracking Effectiveness of Solutions

    a. The recipient of a CAPAN, in conjunction with the requester, is responsible for verifying the effectiveness of the solution. If the solution is deemed not effective, the CAPAN will be reissued to the original recipient.

Frequency

CAPANs are requested and issued as needed.

Records

The EMS Coordinator maintains records of the CAPANs in the corrective and preventive action database (Tool 28). CAPANs are kept for two years after resolution of the issue.

PROCEDURE 12: PROCEDURE FOR EMS AUDITS

Purpose

To define the process for conducting periodic audits of the EMS. This procedure defines the process [Your Facility's Name] will use to schedule, conduct, and report EMS audits.

Scope

This procedure applies to all internal EMS audits conducted in this facility. The scope of EMS audits may cover all activities and processes comprising the EMS or selected EMS elements. This will be specified at the beginning of each audit.

General

Internal EMS audits help ensure the proper implementation and maintenance of the EMS by verifying that activities follow documented procedures and that corrective actions are undertaken and are effective.

All audits are conducted by trained auditors.

When a candidate for EMS auditor is assigned to an audit team, the Lead Auditor will prepare an evaluation of the candidate auditor's performance following the audit.

The EMS Manager and the EMS Coordinator are responsible for maintaining EMS audit records, including a list of trained auditors, auditor training records, audit schedules and protocols, and audit reports. Training records also will be maintained by the Human Resource Manager in accordance with the EMS Training procedure.

EMS audits are scheduled to ensure that all EMS elements and EMS-managed operations and functions are audited at least once each year. The EMS Manager is responsible for scheduling audits. The Lead Auditor is responsible for ensuring that the audit, audit report, and any feedback to the operational or functional groups covered by the audit are completed per the audit schedule.

Procedure

1. *Audit Team Selection* - An audit team consists of one or more auditors. When the team consists of more than one auditor, a Lead Auditor will be designated. The Lead Auditor is responsible for the audit team orientation, coordinating the audit process, and coordinating preparation of the audit report.
2. *Audit Team Orientation* - The Lead Auditor will ensure that the team is adequately prepared to initiate the audit. Pertinent policies, procedures, standards, regulatory requirements, and prior audit reports are made available for review by the audit team. Each auditor will have appropriate audit training, as defined by the Training Procedures.
3. *Written Audit Plan* - The Lead Auditor is responsible for ensuring the preparation of a written plan for the audit. Tool 31: EMS Audit Form may be used as a guide for this plan.
4. *Prior Notification* - The facility areas and/or functions to be audited are to be notified a reasonable amount of time prior to the audit.

5. *Conducting the Audit*
    - A pre-audit conference is held with appropriate personnel to review the scope, plan, and schedule for the audit.
    - Auditors can modify the audit scope and plan if conditions warrant.
    - During the audit, objective evidence is examined to verify conformance to EMS requirements, including operating procedures. All audit findings must be documented.
    - Specific attention is given to corrective actions for audit findings from previous audits.
    - A post-audit conference is held to present audit findings, clarify any misunderstandings, and summarize the audit results.
6. *Reporting Audit Results*
    - The Lead Auditor coordinates the preparation of the audit report, which summarizes the audit scope, identifies the audit team, describes sources of evidence, and summarizes the audit results.
    - Findings requiring corrective action are entered into the corrective action database.
7. *Audit Report Distribution*
    - The EMS Manager is responsible for communicating the audit results and making the audit report available to responsible area and/or functional management.
    - The EMS Manager is responsible for ensuring availability of audit reports for the annual Management Review.
8. *Audit Follow-up*
    - Management in the affected areas and/or functions is responsible for follow-up actions needed as a result of the audit.
    - The EMS Manager is responsible for tracking the completion and effectiveness of corrective actions.

Records

Audit reports are retained for at least two years from the date of audit completion. The EMS Manager is responsible for maintaining such records. Auditor training records will be retained by both the EMS Manager and the Human Resources Manager.

Frequency

EMS audits are scheduled to ensure that all EMS elements and EMS-managed operations and functions are audited at least once each year.

PROCEDURE 13: PROCEDURE FOR MANAGEMENT REVIEW

Purpose

To ensure the effectiveness of the EMS and its continual improvement, [Your Facility's Name]'s top management periodically reviews the important elements and outcomes of the EMS. The Management Review process is intended to provide a forum for discussion and improvement of the EMS and to provide management with a vehicle for making any changes to the EMS necessary to achieve the organization's goals.

Procedure

In preparation for the management review, the EMS Manager makes the following information available to senior management:

- Environmental policy;
- List of the EMS Team members and others responsible for major parts of the EMS;
- List of significant environmental aspects (SEA) and criteria for determining significance;
- Update on compliance status of the facility and on any potential upcoming regulations or issues that might require an advance strategy;
- List of environmental objectives and targets;
- Environmental performance results (from monitoring and measuring SEA indicators and indicators of progress toward environmental objectives and targets);
- Bullet-point descriptions of other accomplishments of the EMS (e.g. number of people trained);
- Results of most recent EMS internal assessment, compliance assessment, and corrective actions taken;
- Description and documentation of feedback from stakeholders; and
- Analysis of the costs and benefits of the EMS (as quantitative as possible).

Top facility management meets to review and discuss the information. The EMS Manager and EMS Coordinator will also be present. Depending on its review, top management may direct specific and/or significant changes in the scale and direction of the EMS in order to improve its effectiveness and business value. The conclusions and directives that result from the management review are kept by the EMS Coordinator.

Frequency

The management review will be conducted at least annually.

Records

Results of management reviews are recorded in the EMS documentation. Records are kept by the EMS Coordinator.

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