
**Environmental management —
Guidelines for environmental due
diligence assessment**

*Management environnemental — Lignes directrices relatives à
l'évaluation du devoir de vigilance environnementale*

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Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular, the different approval criteria needed for the different types of ISO documents should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

Attention is drawn to the possibility that some of the elements of this document may be the subject of patent rights. ISO shall not be held responsible for identifying any or all such patent rights. Details of any patent rights identified during the development of the document will be in the Introduction and/or on the ISO list of patent declarations received (see www.iso.org/patents).

Any trade name used in this document is information given for the convenience of users and does not constitute an endorsement.

For an explanation of the voluntary nature of standards, the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT), see www.iso.org/iso/foreword.html.

This document was prepared by Technical Committee ISO/TC 207, *Environmental management*, Subcommittee SC 2, *Environmental auditing and related environmental investigations*, in collaboration with the European Committee for Standardization (CEN) Technical Committee CEN/SS S26, *Environmental management*, in accordance with the Agreement on technical cooperation between ISO and CEN (Vienna Agreement).

This second edition cancels and replaces the first edition (ISO 14015:2001), which has been technically revised. The main changes are as follows:

- the title and scope have been expanded for broader application;
- the document has been updated to reflect other affiliated standards;
- the use of the document to include self-assessments/internal to the organization as well as external assessments, with or without the need to employ third parties has been clarified;
- the guidance on roles and responsibilities has been expanded.

Any feedback or questions on this document should be directed to the user's national standards body. A complete listing of these bodies can be found at www.iso.org/members.html

Introduction

0.1 Background

Organizations are increasingly interested in understanding the environmental issues associated with their projects, assets and activities or those potentially to be acquired of other organizations. These issues and their associated business consequences can be appraised by means of an environmental due diligence (EDD) assessment. Such an assessment may be carried out during operations or at the time of acquisition or divestiture of assets and may be conducted as part of a broader due diligence assessment process.

0.2 Application of this document

This document gives guidance on how to conduct an EDD assessment. It provides the basis for harmonization of the terminology used and for a structured, consistent, transparent and objective approach to conducting such environmental assessments. It can be used by all organizations, including small and medium-sized enterprises, operating anywhere in the world. This document is flexible in its application and may be used for self-assessments/internal to the organization as well as external assessments, with or without the need to employ third parties. The users of this document are expected to be organizations, past, present and possible future users of particular assets, and organizations with a financial or other interest in the asset (e.g. banks, insurance companies, investors, asset owners, transaction service providers, regulatory enforcement bodies, other interested parties). The boundaries of an asset may be physical and/or organizational/intangible. This document is likely to be used in connection with the transfer of responsibilities and obligations.

This document covers the roles and responsibilities of the parties to the assessment (the client, the assessor and the representative of the assessee), and the stages of the assessment process (planning, information gathering, verification and/or validation, evaluation, and reporting). The process for conducting an EDD assessment is shown in [Figure 1](#).

This document is likely to be used in connection with the transfer of responsibilities and obligations as well as to support the fulfilling of legal obligations, implementation and supervision. An EDD assessment can help organizations in developing, or better understanding performance against, environmental, social and governance (ESG) criteria.

0.3 Undertaking an EDD assessment

The information used during an EDD assessment may be derived from sources that include, but are not limited to, environmental management system (EMS) audits, regulatory compliance audits, environmental impact assessments, environmental performance evaluations, site investigations or site assessments. Additional information sources include historical documented information, corporate environmental or sustainability reports, organizational, projects or product footprinting. Applicable criteria and methods for the generation of supporting information may include international, national or local standards, such as those used for broader due diligence assessments. Through the process of evaluating both existing and newly acquired information, an EDD assessment seeks to draw conclusions relating to business consequences associated with environmental aspects, issues and conditions, including:

- liabilities from historic operational legacies, such as contamination;
- liabilities from current activities, e.g. causing pollution or failing to meet regulatory standards;
- potential adverse effects on the assessee from environmental conditions;
- failure to invest adequately to address known current or future risks, e.g. in relation to climate change mitigation or adaptation;
- inadequate processes to identify and determine the consequences of potential future risks or opportunities;

— risks from ineffective supply chain management and oversight.

These conclusions and associated business consequences may be considered in the context of other information and/or conclusions drawn from other elements of a broader due diligence assessment process.

Conclusions in an EDD assessment should be based on objective information. In the absence of verified and/or validated information, an EDD assessor can be required to exercise professional judgement in evaluating the available environmental information and drawing conclusions.

The principles and guidance in this document can be used by organizations wishing to improve their knowledge of their own environmental issues and better understand the adequacy of their strategies and arrangements for managing environmental aspects, risks and opportunities.

[Figure 1](#) describes the process of conducting an EDD assessment.

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Figure 1 — Process for conducting an environmental due diligence assessment

Environmental management — Guidelines for environmental due diligence assessment

1 Scope

This document gives guidance on how to conduct an environmental due diligence (EDD) assessment through a systematic process of identifying environmental aspects, issues and conditions as well as determining, if appropriate, their business consequences.

This document does not provide guidance on how to conduct other types of environmental assessment, such as:

- a) environmental audits;
- b) environmental impact assessments;
- c) environmental performance, efficiency, or reliability assessment;
- d) intrusive environmental investigations and remediation.

2 Normative references

There are no normative references in this document.

3 Terms and definitions

For the purposes of this document, the following terms and definitions apply.

ISO and IEC maintain terminology databases for use in standardization at the following addresses:

- ISO Online browsing platform: available at <https://www.iso.org/obp>
- IEC Electropedia: available at <https://www.electropedia.org/>

3.1

assessee

asset (3.4) being assessed

3.2

assessor

person, possessing sufficient competence, designated to conduct or participate in a given *environmental due diligence assessment (3.11)*

Note 1 to entry: An assessor may be internal or external to the *assessee (3.1)*. More than one assessor may be required to ensure adequate coverage of all relevant matters, e.g. when there is a need for specific expertise.

3.3

assessment provider

organization (3.16) undertaking environmental due diligence (EDD) assessments (3.11) on behalf of clients (3.6)

Note 1 to entry: An *assessor (3.2)* is an individual participating in EDD assessments.

3.4

asset

organization (3.16), item or thing that has potential or actual value

Note 1 to entry: The boundaries of an asset may be physical and or organizational/intangible.

Note 2 to entry: Physical assets usually refer to equipment, inventory and properties owned by the organization. Physical assets are the opposite of intangible assets, which are non-physical assets such as leases, brands, digital assets, use rights, licences, intellectual property rights, reputation or agreements.

3.5

business consequence

actual or potential outcome or impact of the identified and evaluated *environmental issues* (3.13)

Note 1 to entry: The outcome or impact can be financial or other, tangible or intangible, positive or negative, qualitative or quantitative, internal or external, and expected or unintended.

Note 2 to entry: The range of issues to be considered is part of establishing the scope of an assessment.

3.6

client

organization (3.16) or person commissioning the *environmental due diligence assessment* (3.11)

Note 1 to entry: The client may be an asset owner, the *assessee* (3.1), a potential purchase or investor, or any interested party.

3.7

consequence

outcome or impact of an event

Note 1 to entry: An event may be a short-term or ongoing occurrence.

Note 2 to entry: Consequences may be positive or negative.

[SOURCE: ISO Guide 73:2009, 3.6.1.3, modified — “or impact” has been added and “affecting objectives” has been deleted from the definition, and the notes to entry have been replaced.]

3.8

due diligence

comprehensive, proactive process to identify the actual and potential *consequences* (3.7) of an *organization's* (3.16) decisions and activities

[SOURCE: ISO 26000:2010, 2.4, modified — “consequences” has replaced “negative social, environmental and economic impacts” and “over the entire life cycle of a project or organizational activity, with the aim of avoiding and mitigating negative impacts” has been deleted.]

3.9

environment

surroundings in which an *organization* (3.16) operates, including air, water, land, natural resources, flora, fauna, humans and their interrelationships

Note 1 to entry: Surroundings can extend from within an organization to the local, regional and global system.

Note 2 to entry: Surroundings can be described in terms of biodiversity, ecosystems, climate or other characteristics.

[SOURCE: ISO 14050:2020, 3.2.2, modified — Notes 1 and 2 to entry have been added.]

3.10**environmental aspect**

element of an *organization's* (3.16) activities or products or services that interacts or can interact with the *environment* (3.9)

Note 1 to entry: An environmental aspect can relate to past, present and future activities, products and services.

[SOURCE: ISO 14050:2020, 3.2.20, modified — “or services” and Note 1 to entry have been added.]

3.11**environmental due diligence assessment****EDD assessment**

comprehensive, proactive process to identify the actual and potential *consequences* (3.7), *risks and opportunities* (3.19) for an agreed scope related to an *asset* (3.4) or assets and as appropriate an *organization's* (3.16) decisions and activities

Note 1 to entry: The determination of *business consequences* (3.5) is optional, at the discretion of the *client* (3.6).

3.12**environmental impact**

change to the *environment* (3.9), whether adverse or beneficial, including possible *consequences* (3.7), wholly or partially resulting from an *organization's* (3.16) *environmental aspects* (3.10)

[SOURCE: ISO 14050:2020, 3.2.22]

3.13**environmental issue**

issue for which verified and/or validated information on *environmental aspects* (3.10) deviates from selected criteria and can result in liabilities or benefits, effects on the *assessee's* (3.1) or the *client's* (3.6) public image, or other costs

3.14**environmental management system****EMS**

part of the management system used to manage *environmental aspects* (3.10), fulfil compliance obligations, and address *risks and opportunities* (3.19)

[SOURCE: ISO 14050:2020, 3.3.1]

3.15**materiality**

significance to intended users

Note 1 to entry: Materiality is the concept that misstatements, individually or aggregated, can influence the reliability of statements made, or decisions made by the intended user.

Note 2 to entry: Materiality can be qualitative or quantitative.

Note 3 to entry: Material is the application of materiality.

3.16**organization**

person or group of people that has its own functions with responsibilities, authorities and relationships to achieve its objectives

Note 1 to entry: The concept of organization includes, but is not limited to, sole-trader, company, corporation, firm, enterprise, authority, partnership, charity or institution, or part or combination thereof, whether incorporated or not, public or private.

[SOURCE: ISO 14050:2020, 3.1.1, modified — Note 1 to entry has been added.]

3.17

representative of the assessee

person authorized to represent the *assessee* (3.1)

3.18

risk

effect of uncertainty

Note 1 to entry: An effect is a deviation from the expected — positive and/or negative.

Note 2 to entry: Uncertainty is the state, even partial, of deficiency of information related to, understanding or knowledge of, an event, its *consequence* (3.7), or likelihood.

Note 3 to entry: Risk is often characterized by reference to potential “events” (as defined in ISO Guide 73:2009, 3.5.1.3) and “consequences” (as defined in ISO Guide 73:2009, 3.6.1.3), or a combination of these.

Note 4 to entry: Risk is often expressed in terms of a combination of the consequences of an event (including changes in circumstances) and the associated “likelihood” (as defined in ISO Guide 73:2009, 3.6.1.3) of occurrence.

[SOURCE: ISO 14001:2015, 3.2.10]

3.19

risks and opportunities

potential adverse effects (threats) and potential beneficial effects (opportunities)

[SOURCE: ISO 14001:2015, 3.2.11]

3.20

site

location with defined geographical boundaries and on which activities under the control of an *organization* (3.16) can be carried out

Note 1 to entry: The geographical boundaries may be on land and in water, and include above- and below-surface structures, both natural and artificial.

[SOURCE: ISO 14050:2020, 3.2.18, modified — “defined” and Note 1 to entry added.]

3.21

validation

confirmation, through the provision of objective evidence, that requirements for a specific intended future use or application have been fulfilled

Note 1 to entry: Objective evidence can come from real or simulated sources.

Note 2 to entry: Validation is considered to be a process to evaluate whether a statement about the outcome of future activities is materially correct and conforms with specified requirements.

Note 3 to entry: Validation is applied to statements regarding an intended future use based on projected information (confirmation of plausibility).

[SOURCE: ISO/IEC 17029:2019, 3.2, modified — “of a claim” deleted before “confirmation” in the definition. Note 2 to entry revised. “statements” replaced “claims” in Note 3 to entry. Note 4 to entry deleted.]

3.22

verification

confirmation, through the provision of objective evidence, that specified requirements have been fulfilled

Note 1 to entry: Verification is considered to be a process for evaluating a statement based on historical data and information to determine whether the statement is materially correct and conforms with specified requirements.

Note 2 to entry: Verification is applied to events that have already occurred or results that have already been obtained (confirmation of truthfulness).

[SOURCE: ISO/IEC 17029:2019, 3.3, modified — “of a claim,” deleted in the definition. “statement” replaced “claim” twice in Note 1 to entry. “claims regarding” deleted in Note 2 to entry. Note 3 to entry deleted.]

4 Principles

4.1 General

The principles set out below apply to the EDD assessment (see [4.2](#)) and to assessors (see [4.3](#)).

4.2 Principles of assessment

4.2.1 An evidence-based approach

EDD assessment evidence should be verifiable and /or validated. It will, in general, be based on samples of the information available since EDD assessment activities are conducted during a finite period of time and with finite resources. An appropriate use of sampling should be applied, since this is closely related to the confidence that can be placed in the EDD assessment report.

4.2.2 Risk-based approach

A risk-based approach should be applied to the planning, conducting and reporting of the EDD assessment, to ensure that it is focused on material matters and achieving the objectives of the EDD assessment.

4.2.3 Fair presentation

The EDD assessment report should truthfully and accurately reflect the work that was performed, including any limitations and changes to the planned work, and should be clearly presented.

4.2.4 Confidentiality

Information should not be used inappropriately for personal gain by those involved in the EDD assessment or in a manner detrimental to the legitimate interest of the EDD assessment client or the scope of the assessment. This concept includes the proper handling of sensitive or confidential information.

4.3 Principles for assessors

4.3.1 Integrity and ethical conduct

EDD assessors should:

- be honest, diligent and responsible for their actions;
- exercise discretion in the use and protection of information acquired in the course of their duties, and be sensitive to any influences that can be exerted on their judgement;
- be impartial, i.e. remain fair and unbiased in all their dealings.

4.3.2 Competence and due professional care

EDD assessors should:

- have and demonstrate the necessary competence needed to perform the work that is required and demonstrate competence while performing the work;
- exercise due professional care and judgement in undertaking the EDD assessment, including when verifying and/or validating evidence, especially in the case of qualitative information.

5 Planning and conducting the assessment

5.1 General

The assessment process involves planning the assessment, gathering, verifying and/or validating information and evaluating the information.

An objective of the assessment process may include the identification of business opportunities, if specifically requested by the client.

5.2 Roles and responsibilities

5.2.1 General

The descriptions of roles and responsibilities in this subclause apply to planning and conducting an EDD assessment.

Where an external assessor is undertaking an EDD assessment on behalf of a client, roles and responsibilities should be established formally, considering the guidance provided in [5.2.2](#) to [5.2.4](#). Where an EDD assessment is undertaken internally, this guidance can assist.

5.2.2 Client

Client responsibilities and activities should include:

- a) determining the need for the assessment;
- b) defining the terms and objectives of the assessment (see [5.3.2](#));
- c) determining the scope (see [5.3.3](#)) and assessment criteria (see [5.3.4](#));
- d) selecting the assessor(s);
- e) finalizing the scope (see [5.3.3](#)) and assessment criteria (see [5.3.4](#)) in consultation with the assessor;
- f) providing directions to the assessor(s);
- g) defining which parts of the assessment (planning, information gathering verification and/or validation, evaluation and reporting) will be conducted by the assessor and which parts will be the responsibility of the client; this can require identification of and coordination with other experts;
- h) determining priority assessment areas, if appropriate;
- i) contacting the representative of the assessee, if appropriate, to obtain full cooperation and to initiate the process;
- j) approving the assessment plan;
- k) providing appropriate authority and resources to enable the assessment to be conducted;
- l) providing the assessor with the information necessary to undertake the assessment;

m) receiving the assessment results and determining their distribution.

Before any disclosure of the results of the assessment to a third party, the client should decide whether to inform the representative of the assessee.

The client, the assessor and the representative of the assessee may be the same organization.

5.2.3 Representative of the assessee

The responsibilities of the representative of the assessee should include:

- a) providing access to relevant areas and information to meet the objectives of the assessment;
- b) informing relevant employees and other parties about the assessment process;
- c) providing, or assisting to provide, personnel for interviews;
- d) providing personnel to assist in the assessment process, if requested;
- e) providing a safe workplace for the assessor.

At the discretion of the client, the representative of the assessee may participate in the determination of the scope and the assessment plan, may receive the results of the assessment, and may or may not be a part of the assessee.

The role of the representative of the assessee does not apply if the assessment is undertaken without the knowledge of the assessee, or if the asset is one for which no responsible party can be identified.

5.2.4 Assessor

The roles and responsibilities of an assessor are in some respects different from those of an auditor. In addition to an auditor's role of verifying and/or validating existing information against established criteria, an assessor also gathers new information and can be required to evaluate information to determine business consequences.

In the conduct of an EDD assessment, an assessor should use the diligence, knowledge, skill and judgement expected of any assessor in similar circumstances. An assessor should exercise discretion and maintain confidentiality.

The responsibility and activities of the assessor, or the team leader when more than one assessor is involved, should include:

- a) assisting the client, when requested, to determine the objectives, scope (including the identification and determination of priority assessment areas) and criteria of the assessment;
- b) agreeing with the client on the method and format for reporting;
- c) preparing the assessment plan and obtaining the client's approval and, if appropriate, that of the representative of the assessee;
- d) creating and maintaining working documents such as checklists and protocols, if required;
- e) ensuring that the necessary skills are available to meet the assessment objectives and, if appropriate, assembling an assessment team;
- f) obtaining the client's approval of the assessment team;
- g) obtaining initial information;
- h) assigning members of the assessment team to conduct the component parts of the assessment;
- i) gathering, verifying and/or validating information in accordance with the assessment plan;

- j) identifying and evaluating environmental issues;
- k) determining business, if requested by the client;
- l) preparing and providing the report to the client, if requested.

The performance of an EDD assessment requires the assessor to have sufficient education, training and relevant work experience, as well as knowledge of and competence in relevant laws and regulations and related documents, environmental science and technology, economics and the relevant business area, technical and environmental aspects of operations, facility operations and assessment techniques.

5.2.5 Assessment provider

The roles and responsibilities of an assessment provider are distinct from those of an assessor. An assessor may address their roles and responsibilities as well as those of the assessment provider, e.g. as a sole practitioner. For self-assessments, the organization should ensure that these roles and responsibilities have been addressed. The roles and responsibilities of assessment providers should be informed by ISO 19011 and include:

- coordination and scheduling of assessments;
- establishing assessment programmes, methodologies, checklists and protocols, as appropriate, for the scope of assessments undertaken;
- ensuring assessors have the necessary competence for the activities undertaken (see [Clause 7](#));
- ensuring appropriate resources are provided for assessments;
- ensuring appropriate assessment documented information is maintained.

5.3 Planning the assessment

5.3.1 General

Once it has been agreed that an assessment will be conducted, it should be planned. Planning includes defining and agreeing on the objectives, the scope and the criteria of the assessment, and developing the assessment plan.

5.3.2 Agreeing on terms and objectives for the assessment

The terms of the assessment should be confirmed with the assessor in context of broader due diligence requirements of the client. Factors to be considered when establishing the terms of the assessment can include legal agreements, confidentiality, financial agreements, assessment schedule, content and use of reports, etc. The assessment should address the objectives specified by the client. The objectives of an EDD assessment may include the following elements associated with the project, asset and activity subject to terms of the EDD assessment:

- confirmation of the assessee's context and the relevant needs and expectations of interested parties in order to determine the scope of the assessment;
- identification, gathering and evaluation of information on the environmental aspects and actual or potential environmental impacts;
- identification, assessment and evaluation of environmental risks or liabilities and opportunities;
- determination of the business consequences associated with the environmental issues identified during the EDD assessment;
- any materiality threshold that can be applied when determining the scale of any liabilities;

- determination of consequences for existing or planned corporate performance reporting content, whether for corporate annual reporting, corporate annual sustainability reporting or risk reporting.

The terms and objectives of the assessment, and potentially those of the broader due diligence requirements of the client, should be used in the process of establishing the scope of the EDD assessment.

5.3.3 Scope of the assessment

The scope establishes the boundaries and the focus of the assessment.

The scope of the assessment is subject to:

- the available time and resources to complete the EDD assessment;
- the nature of the objectives;
- the nature and completeness of existing information;
- the risk tolerance of the client;
- the relative priority of environmental risk compared with other enterprise risks being evaluated during the client's overall due diligence process;
- the input and contributions of other interested parties (e.g. insurers, financiers).

At the discretion of the client, the scope may include the determination of business consequences.

To determine the scope of the assessment, the following should be considered:

- categories of environmental aspects to be assessed or material environmental topic areas identified by the organization;
- any environmental impacts that other assets can have on the assessee;
- physical boundaries of the assessee (e.g. site, part of a site);
- adjacent and nearby sites, and applicable radius of influence;
- organizational boundaries, including relationships with or activities involving contractors, suppliers, lessees, tenants, other organizations (e.g. for off-site waste disposal), individuals and former occupants;
- any applicable virtual locations, e.g. virtual data rooms;
- time period covered, with regard to:
 - the activities of the assessee and/or the client (e.g. continuing present operations, plans for change to assets, including expansion, revamping, upgrading, refurbishment, demolition or decommissioning, and any plans for new or modified products, raw materials and suppliers);
 - the development of the criteria (see [5.3.4](#));
- integration of the EDD assessment process with a concurrent due diligence assessment of other enterprise risk areas as well as corporate reporting to the public or specific interested parties (e.g. investors, local authorities, regulator);
- business consequence cost, materiality and/or risk threshold(s), if applicable;
- the products, activities and services of the assessee;
- the finance risk of the assessee;
- the insurance risk of the assessee;

- the compliance obligations of the assessee;
- the defined term and objectives of the EDD assessment.

The scope may establish or limit any related assets to be included in the assessment. At the discretion of the client, the scope may be amended after the assessment has begun. Any change should be recorded and communicated to the relevant parties.

The client may identify elements within the established scope that deserve priority attention during the assessment. Priorities are typically established on the basis of information available while planning the assessment. The identification of priorities does not exempt the assessor from the obligation of taking into account the full scope during the assessment.

5.3.4 Assessment criteria

Criteria should be identified against which gathered information will be assessed. Criteria may include, but are not limited to:

- currently applicable and reasonably foreseeable legal requirements (e.g. consents, permits, environmental laws and regulations and regulatory policies);
- other client environmental requirements established (e.g. organizational policies and procedures, specific environmental conditions, management practices, systems and performance requirements, industry and professional codes of practice and conduct);
- requirements, claims or potential claims of interested parties (e.g. insurance companies, financial organizations, customers, NGOs);
- technological requirements;
- environmental issues established as material by the organization and its interested parties.

5.3.5 Assessment feasibility

The feasibility of the assessment should be determined to provide reasonable confidence that the assessment objectives can be achieved, considering factors such as the availability of the following:

- sufficient and appropriate information for planning and conducting the assessment;
- adequate cooperation from the assessee;
- adequate time and resources for conducting the assessment.
- alternatives to on-site assessment if the assessor is unable to physically visit the asset due to extraordinary events beyond the control of the assessor or assessee, e.g. the use of mobile video technology but noting the limitations of and specialized techniques for conducting a virtual/remote assessment.

NOTE Resources include access to adequate and appropriate information and communication technology.

A risk-based approach should be adopted in developing the assessment plan, to identify possible limitations that can influence the achievement of the assessment objectives. Possible limitations include:

- the time available for the assessment;
- the resources available for the assessment, including composition of the assessment team and its overall competence;
- access to relevant areas;
- available information, including access to the assessee's data or communications systems;

- inappropriate sampling techniques;
- communication with personnel or access to relevant documents.

In addition, consideration should be given to any risks to the assessee resulting from undertaking the assessment.

Where the assessment is not feasible, an alternative should be proposed to the client (in agreement with the assessee where appropriate), e.g. a revision to the scope of the assessment.

5.3.6 Information gathering methods and techniques

The assessor(s) should select and determine the methods to be used for effectively and efficiently gathering information for the EDD, depending on the specified objectives, scope and criteria.

Information gathering can be performed on-site, remotely or as a combination. The use of quantitative and qualitative methods should be suitably determined (defined), based on, among others, consideration of associated risks and opportunities. Sampling techniques can include judgement based or statistical sampling.

Examples of methods that can be used for gathering information are as follows:

- questionnaires, surveys and checklists;
- personal interviews;
- documentation review;
- observation;
- focus group discussions.

5.3.7 Assessment plan

The assessment plan should include the following, where applicable:

- identification of the client, the representative of the assessee and the assessor(s);
- assessment objectives and scope;
- assessment criteria;
- priority assessment areas;
- roles and responsibilities;
- working language of the assessment and associated reports;
- assessment schedule, including dates and duration;
- resources requirements (e.g. human, financial, technological);
- outline of the assessment procedures to be used;
- summary of the reference documents, checklists, protocols, and other working documents to be used;
- reporting requirements;
- confidentiality requirements.

The client should review and approve the assessment plan. The assessment plan should be communicated, if appropriate, to the representative of the assessee. If it is intended to use remote

methods for information gathering, it can be necessary to liaise with the assessee to plan for their deployment.

5.4 Information gathering, verification and validation

5.4.1 General

The assessment is based on information gathered on the environmental aspects and related factors through reviewing existing documents and records, observing activities and physical conditions, and interviewing. Other information gathering techniques (e.g. surveys and questionnaires) may also be used.

The process of gathering information on environmental aspects should be consistent with the objectives, scope and assessment plans. While gathering information, the assessor should ensure that it is sufficient, relevant and accurate for the purpose of the assessment. Information gathered can be applicable only at the time of collection as changes in conditions (e.g. physical conditions, regulatory requirements, risk tolerances of interested parties, the adequacy of arrangements for planning and control, and their associated costs) can alter its validity. Similarly, information contained in existing documents is sometimes no longer relevant to the environmental condition of the asset.

The assessor should endeavour to gather sufficient information so that individual findings and consolidations of less significant findings, both of which can affect any conclusions, are taken into account. Examples of information topics are provided in [Annex A](#).

5.4.2 Examining existing documents and records

The assessor should collect and review documents and records to obtain a sufficient understanding of the asset, without unnecessarily duplicating prior investigative efforts. Examples of the types of documents and records that may be considered, and their sources, are listed in [Annex A](#).

Multiple sources of information should be reviewed to corroborate any specific finding. Information may be obtained from the assessee or any other source. The assessee should not withhold requested information unreasonably. Relevant information and records not available to the assessor should be noted as a limitation to the EDD assessment.

The assessor should maintain working papers to support the information-gathering process. During the gathering and review of information, it is important that the assessor record the type, source, quality and reliability of the information. This will enable the information to be more effectively verified and / or validated as discussed in [5.4.5](#).

5.4.3 Observing activities and physical conditions

The assessor should observe and record information regarding the physical attributes and condition of the asset due to past activities and current operations. Examples of on-site and off-site elements that may be observed are provided in [Annex B](#) under the following categories:

- activities;
- materials and properties;
- attributes and conditions of the asset;
- attributes and conditions of the surroundings.

Observations may take into consideration information from documents reviewed, including information from research into historic records and archives found that describe the asset. Observations may be limited to those able to be detected using the natural senses. The scope of the assessment can require the application of other techniques, such as the use of monitoring equipment. The assessor should, where practicable, support observations with photographic and/or written records in accordance with the assessment plan.

Where asset access is limited, the assessor should also attempt to use other possible sources to accomplish physical condition observations, such as using aerial photos, geographic information system (GIS) remote sensors, online research/search techniques and fence line observation.

The assessor should confirm the physical boundaries of the asset and the limits of any associated operations in accordance with the assessment scope and plan. Where the assessor is unable to gain access to any part of the asset subject to the assessment, this limitation should be recorded in the assessment report.

The assessor should confirm the physical attributes and conditions of the surroundings of the asset. The assessor should follow all applicable safety requirements when visiting/inspecting the asset.

5.4.4 Interviewing

5.4.4.1 Objective

The interview is a means of collecting information to corroborate or augment information derived from examining existing documents and records and observing physical conditions and activities.

5.4.4.2 Interviewees

With the approval of the client and of the representative of the assessee, assessee personnel responsible for or engaged in the activities and processes being assessed may be interviewed. Interviews may also be undertaken, if appropriate, with individuals or groups inside or outside the asset, where their information can be of value to the assessment. Examples of various internal, associated or external interviewee categories are provided in [Annex C](#).

Among other questions, the interviewees may be asked, where relevant:

- to describe the nature of their work and the way it is carried out now and was carried out in the past;
- for information on asset uses, conditions and history, with reference to events that have had, are having or can have an environmental impact.

5.4.4.3 Limitations

The interviewee should not be under any obligation to provide answers and it is possible that he or she is unable to provide complete answers by virtue of limited knowledge. The assessors should qualify their findings accordingly.

The assessor should verify that lack of information from the interviewee is not caused by lack of communication, including language or idiomatic skills.

5.4.4.4 Conclusions

The results from any interview should be summarized. Any conclusions drawn should be confirmed where possible.

5.4.5 Information verification and validation

As the information is gathered, it should be verified and/or validated for accuracy, reliability, sufficiency and appropriateness for the purposes of meeting the assessment objectives.

The consequences of any information limitations should be determined and communicated to the client to determine the effects on the assessment.

If information of value is collected that is outside the scope of the assessment but can contribute to meeting the objectives of the assessment, it should be communicated to the client.

In the absence of verifiable and/or validated information, an EDD assessor can be required to exercise professional judgement in evaluating the available environmental information and drawing conclusions. However, it is always preferable to base conclusions on verified/validated information.

5.5 Evaluation

5.5.1 General

The verified and/or validated information on environmental aspects provides the input to the evaluation process. This process consists of two steps, identifying environmental issues and determining business consequences. At the discretion of the client, these two steps may be carried out by different parties, particularly when the client can require other expertise (e.g. technical, legal, financial) to determine the business consequences.

5.5.2 Identifying environmental issues

Environmental issues are identified by comparison of the verified and/or validated information with the selected criteria and can result in identification of:

- liabilities or benefits to the organization;
- effects on the assessee's or the client's public image;
- other risks and opportunities.

Issues that can be less relevant from a business perspective can be environmentally relevant, and vice versa. The results of this step identify the environmental issues that are relevant to the client.

5.5.3 Determining business consequences

The determination of business consequences is only performed if it has been included in the objectives and scope of the assessment.

Business consequences (e.g. strategic, operational, economic or financial) are the actual or potential impacts (e.g. positive or negative, qualitative or quantitative, of internal or external appearance, monetized or non-monetized) of the identified and evaluated environmental issues.

This evaluation typically involves exercising judgement on the consequences of the environmental issues in relation to the objectives of the EDD assessment. In this step, costs related to addressing the business consequences are estimated and effects on the assessee's and/or client's public image/reputation and other intangible values are identified and evaluated. Evaluation criteria and the means to compare consequences should be confirmed between the assessor and the client.

In exercising judgement, the following may be considered:

- environmental damage;
- the scope of the affected asset;
- current and future risks (e.g. as a result of noncompliance with current and foreseeable changes in legislation and other relevant requirements and significant societal expectations);
- damage to assessee's and/or client's reputation;
- nonconformance with the client's or assessee's corporate policy, or other client requirements established;
- environmental improvements;
- intellectual property that supports future sustainability of the organization;

- estimated costs of taking such measures or actions;
- technological developments and limitations;
- time period within which costs must be met (e.g. related to likelihood of enforcement activities or establishment of new legislation).

The evaluation of business consequences may also address opportunities for cost savings or other positive financial outcomes resulting from the assessee's condition, for example:

- for unrealized energy efficiency opportunities;
- supply chains resilient to changing environmental conditions;
- long-term benefits from recent green investments.

Where conclusions are restricted because of insufficient information, this should be stated and any finding should be qualified accordingly.

The result of this part of the evaluation process is a list of the business consequences, quantified if appropriate.

6 Reporting

6.1 Report content

The assessor has responsibility for the content of the report and should present information in a manner designed to help the client understand the significance of the findings. To do this, the assessor should clearly identify the basis for the findings and indicate the relative uncertainty associated with any finding.

The following information should be reported to the client:

- identification of the projects, assets or activities of the organization which has been assessed;
- name(s) of the assessor(s) and author of the report;
- assessment objectives, scope and criteria;
- dates and duration of the assessment;
- any limitations of the available information and its consequences on the assessment;
- any limitations, exclusions, amendments and deviations from the agreed scope of the assessment;
- summary of the information collected during the assessment and the results of the assessment.

Subject to agreement between the client and the assessor, the following information may also be reported:

- name of the client;
- name of the representative of the assessee;
- identification of assessment team members;
- assessment schedule;
- summary of the assessment procedures used;
- summary of the referenced materials, checklists, protocols and other working documents used;
- evaluation methods, and the basis upon which the evaluations were made;

- results of the evaluation if conducted by the assessor;
- recommendations regarding possible next steps;
- conclusions;
- confidentiality requirements.

If specified in the scope, the report should provide sufficient documentation, including references and key information, to support the findings contained in the report and to enable re-evaluation of the assessment either at a later date or by another party. The assessor should qualify any findings for which limitations exist, e.g. because of insufficient information.

Client priorities, terms of the assessment or standards can require the submission of a preliminary report. The EDD assessment report should be provided as documented information. A sample of the table of contents is provided in [Annex D](#).

6.2 Report distribution

Reports are the sole property of the client. Confidentiality should therefore be respected and appropriately safeguarded by the assessor(s) and any report recipients. Distribution of the report is at the discretion of the client.

7 Competence and evaluation of assessors

7.1 General considerations

Confidence in the assessment process and the ability to achieve its objectives depends on the competence of those individuals who are involved in planning and performing EDD assessments, including assessment team leaders and assessors, and those undertaking management activities associated with the EDD assessment.

All individuals undertaking EDD assessment activity have the necessary competencies as set out in [Table 1](#) and the following prerequisite skills:

- language appropriate to all levels within the client organization;
- note-taking and report-writing;
- presentation;
- information, communication and technology;
- interviewing.

EDD assessment personnel should possess appropriate competence relevant to the scope, objectives and criteria of the EDD assessment. In determining the competencies required, consideration should be given to the following:

- the methods for managing, planning and performing EDD assessment activities;
- the objectives and scope of the EDD assessment;
- the size, nature and complexity of the assessee and information to be assessed;
- assessment criteria.

EDD assessment team leaders should possess the additional knowledge and skills necessary to provide leadership to the assessment team.

It is not necessary for each assessor in the assessment team to possess the same level of competence. However, the overall level of competence of the assessment team should be sufficient to achieve the assessment objectives. This should be considered when selecting EDD assessment teams.

7.2 Determination and application of competence

A suitable process should be applied for determining the competence needed for persons involved in the management and performance of EDD assessment activity.

Competence should be evaluated regularly through a process that considers personal behaviour and the ability to apply the knowledge and skills gained through education, work experience, assessor training and assessment experience. This process should take into consideration the needs of EDD assessments and their objectives.

Ongoing monitoring of competence and performance of all personnel involved in the management and performance of assessment activities should be undertaken. Measures should be taken to ensure the continual professional development of assessors. The output from these processes should be to identify personnel who have demonstrated the competencies required for the different functions of EDD assessment activity. Competence should be demonstrated prior to the individual taking responsibility for the performance of their activities of a particular EDD assessment.

[Table 1](#) lists the areas of competence applicable generically to the management and performance of EDD assessment activities. It also indicates where there can be specific competencies relevant to the performance of a particular EDD assessment. Each assessor within an assessment team should possess the generic set of competencies. Any necessary specific competencies should be possessed by at least one member of the assessment team. An assessment team can be composed of one or several persons.

Table 1 — Competence for managing and performing EDD assessment activities

Areas of competence	Generic competence (necessary for each EDD assessor)	Specific competence (at least one EDD assessment team member)
EDD assessment principles and principles for assessors and the ability to apply related practices and techniques	x	x
EDD assessment processes, including assessment planning, conducting assessments, evaluation and reporting	x	x
Assessment criteria applicable to the scope of the assessment	x	x
Approaches to determination of materiality and its application in EDD assessment activity		x
Environmental auditing practices and methodology		x
Data management processes, including storage, handling, distribution and privacy	x	x
Information management processes, including the application of methods and statistical techniques for information gathering, quantification, aggregation and analysis (see NOTES 1 and 2).	x	x
The activities, processes, products and services applicable to the scope of the assessment, their associated environmental aspects and impacts, and potential associated risks		x
Techniques for determining environmental-related risks and opportunities		x
NOTE 1 Examples include direct, normalized, aggregated, indexed and weighted measurement, modelling and mass balance.		
NOTE 2 Examples include continuous, periodic and manual sampling, and observations made during abnormal conditions.		
NOTE 3 ISO 14031 provides further information on environmental performance evaluation. ISO 14033 provides further guidance on assessment of quantitative environmental information.		

Table 1 (continued)

Areas of competence	Generic competence (necessary for each EDD assessor)	Specific competence (at least one EDD assessment team member)
Modelling and calculation methodologies applicable to the scope of the assessment		x
Environmental performance evaluation (methods and indicators), including monitoring and measuring techniques and analytical methods, calibration and maintenance of equipment, applicable to the scope of the assessment, sufficient to determine whether an organization's environmental reporting is achieving the intended purpose (see NOTE 3)	x	x
Techniques and methods for determination of business consequences		x
NOTE 1 Examples include direct, normalized, aggregated, indexed and weighted measurement, modelling and mass balance.		
NOTE 2 Examples include continuous, periodic and manual sampling, and observations made during abnormal conditions.		
NOTE 3 ISO 14031 provides further information on environmental performance evaluation. ISO 14033 provides further guidance on assessment of quantitative environmental information.		

7.3 Evaluation of competence

The evaluation of assessor competence should be planned, implemented and documented to provide an outcome that is objective, consistent, fair and reliable. The evaluation process should be informed by ISO 19011 and include four main steps, as follows:

- determine the required competence to fulfil the needs of the assessment programme;
- establish the evaluation criteria;
- select the appropriate evaluation method;
- conduct the evaluation.

The outcome of the evaluation process should provide a basis for the following:

- selection of assessment team members;
- determining the need for improved competence (e.g. additional training);
- ongoing performance evaluation of assessors.

Assessors should develop, maintain and improve their competence through continual professional development and regular participation in EDD assessment.

Annex A

(informative)

Examples of assessment topics, documentation and sources

Examples of topics of information that can be needed in an EDD assessment, and relevant documents and sources of the information include the items given in [Table A.1](#) (not all of these will be considered in every case and others may apply).

Table A.1 — Examples of assessment topics, documentation and sources

Topics	Documents	Sources
Characteristics of the location(s)		External
— location; — physical characteristics (e.g. hydrogeology); — assessee, adjacent and nearby sites, and their sensitivities; — land use; — site sensitivity and vulnerability to external environmental conditions.	— maps, plans and photographs; — videos and remote sensing recordings or streaming; — historical records; — geological/hydrogeological records; — geotechnical records; — meteorological records; — designations of protected sites (ecological, water resources, heritage, etc.); — official registers/records (e.g. landfills, contaminated sites).	— government agencies (national, local, regulatory, planning); — archives; — utilities; — commercial publications; — industrial codes of practice; — emergency services; — insurance companies; — banks and financial institutions; — community or groups of society strongly impacted by the project, asset or activity of the EDD.

Table A.1 (continued)

Topics	Documents	Sources
Operational factors		Internal
— facilities, processes and operations; — raw materials, by-products and products (including hazardous materials); — materials storage and handling; — emissions and discharges to air, water (direct discharges to ground water and surface water) and soil; climate/CO₂, other greenhouse gases (GHGs); — waste storage, handling and disposal; — fire prevention and control, and spill containment; — storm and flood waters; — energy, water and resource consumption and efficiency initiatives.	— safety data sheets (material safety data sheets); — work orders; — monitoring and measuring procedures; — emissions records (air, water, ground, CO₂, F-Gas, GHG); — process documents (e.g. material balance); — inspection and maintenance records; — inventories and records of consumption; — shipping and handling records.	— environmental, health and safety department; — engineering department; — production department; — procurement department; — research and development; — asset management; — facilities management; — training department; — legal department; — finance and accounting department; — public relations department; — human resources department; — medical department; — organization's top management.
Management arrangements		
— environmental and other management systems (e.g. occupational health and safety, quality, energy); — parent company requirements; — legal, organizational and other requirements; — arrangements for procurement, including in relation to conflict minerals; — management of contractors; — relationship with interested parties; — emergency planning; — noncompliances and nonconformances; — previous audits.	— organization policies, plans and management systems documents; — organization charts (tasks and responsibilities); — training records; — corporate standards and processes; — permits/licenses/notifications; — contracts with suppliers and other external parties; — insurance policies; — external communications records (e.g. complaints, regulator reports); — emergency/contingency and other response plans; — accident and incident records; — audits and other reports; — noncompliance and nonconformance records.	