

## SUMMARY

Organizations and companies are nowadays significantly more and more turning their attention to their provided goods and services environmental impact. For monitoring systematically their environmental performance are companies implementing Environmental Management Systems. One of the most known Environmental Management standard is ISO 14001:2015 (Environmental Management Systems – Requirements with Guidance for use). The target of any Environmental Management System is to improve organization's environmental performance and to reduce their environmental impact. For the improvement can organizations use different Environmental Management tools, i.e. Environmental Performance Evaluation methodology. Once implemented can organizations not only reduce their direct environmental impact, but also improve their processes and procedures environmental performance.

The main target of this Master Thesis was to analyze ABB AS Compact Secondary Substations Factory's Environmental Management System development possibilities, based on the implementation of ISO 14031:2013 standard (Environmental Management – Environmental performance evaluation. Guidelines) principles. Author initiated specific studies in order to achieve the given target and in all chapters gave detailed overview of the work done.

In the first Chapter was first introduced environmental performance evaluation methods and more detailed overview was given of the standard ISO 14031:2013. This performance evaluation is based on systemized performance indicators implementation. Additionally, also different performance indications categories and types were introduced and also implementation principles model 'Plan-Do-Check-Act' (PDCA model). In this Chapters sub-chapter were results of the questionnaire sent to Estonian organizations with ISO 14001:2015 certification presented. During the results analyze was discovered that the main drive to implement the Environmental Management Systems is mainly not the wish to improve organizations environmental results. Organizations rather implement in order to maintain the competitive advantage in the market, Customer requirement or their image improvement. Was good to notice that organization have implemented environmental performance evaluation Methods, one of which ISO 14031:2013 methodology was proven to be the most common. Some organizations are integrating different environmental performance evaluation methodologies, i.e. environmental performance indicators method is combined with environmental cost calculation method. Author has assessed that combined approach gives very good overview of the overall state of Environmental Management and organizations can effectively implement new improvement activities

This Study also gave proof that over half of the studied organizations are systematically using environmental performance evaluation methods. Author still concluded that more systemized and wider usage of organizations performance indications would serve as a good improvement area.

In the second chapter were first introduced ABB corporation's business principles and overview of the Environmental Management targets and policies, what are applicable to all business units, was given. To the local organizations Management team was also survey sent, in order to assess the state of Environmental Management Systems implementation and overall awareness in environmental matters. Survey detected that the overall awareness about environmental impact, results and monitoring is low.

Surveyed results also indicated, that Environmental Management structure is existing, however systemized and continuous improvement action plan is missing. Author is suggesting that organization could implement Environmental Management System Review, where Management members could review the Environmental Performance Results and decide the development areas. To the review also to include Environmental Indications Evaluation template, what Authors also has combined based on Compact Secondary Substations data. Selection of Performance Indicators is forwarded to the Management members and during the Management System Review is decided which indicators will be used.

As a conclusion can be said, that ABB Corporation has implemented different Environmental Management review methodologies and also introduced Environmental Targets, unfortunately these are not implemented at the same standard in all Business Units. Author indicates, that one of the possible reason for this is lack of resources. Units have Environmental Specialists who additionally are responsible also for the Occupational Health & Safety. This is causing the situation that resources are widely allocated elsewhere. Author recommends that organizations Environmental Targets are more specifically communicated and cascaded to Business Units. Also is important that Environmental related Information is shared with all employees in order to improve their awareness and commitment.

Developing Environmental Management Systems is continuous process and organizations shall have systematic approach in order to improve their Environmental performance.