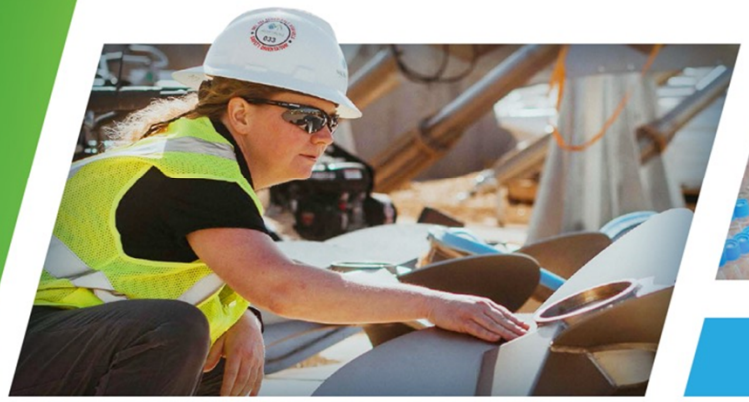
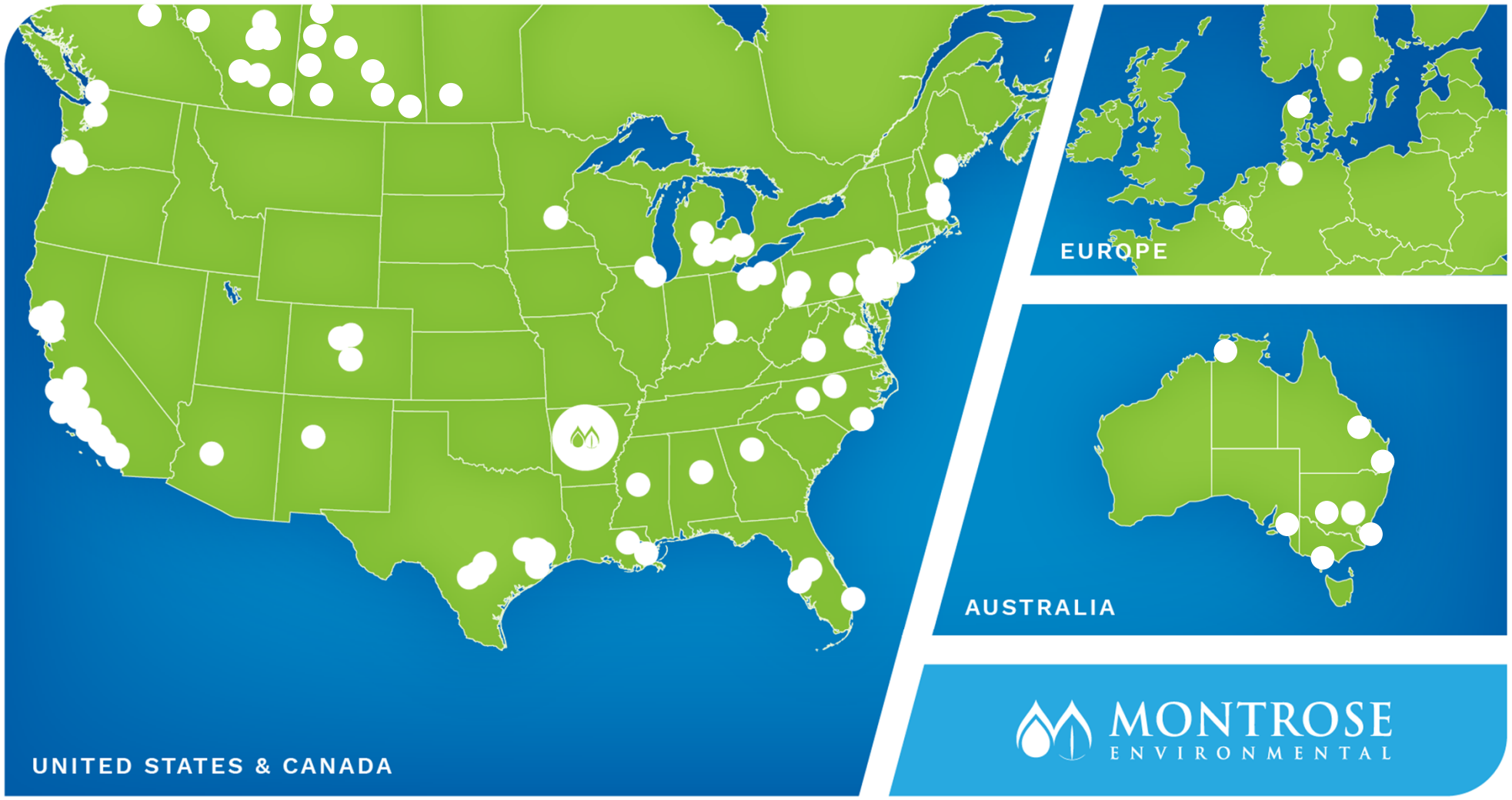
Assessing & Advancing EHS Management Program Maturity

NAEM Webinar

March 3, 2026

MONTROSE ENVIRONMENTAL

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Montrose at a Glance

- Measurement and Testing: LDAR, OGI, and Stack testing teams and our network of analytical laboratories branded under Enthalpy.
- Remediation and Treatment: Supports brownfield and contaminated land projects and includes our R&D treatment group (ECT2 brand) that hold 100s of patent for its water and soil treatment technologies
- EHS Compliance: from the design and planning stage, through construction and operations, supporting clients with Natural Resource assessments, EHS permitting, and regulatory compliance programs & employee health and safety consulting (Industrial Hygiene and human health toxicology and exposure).

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Presenters

Susan Brodie
Director of Environment, Health & Safety
DataBank

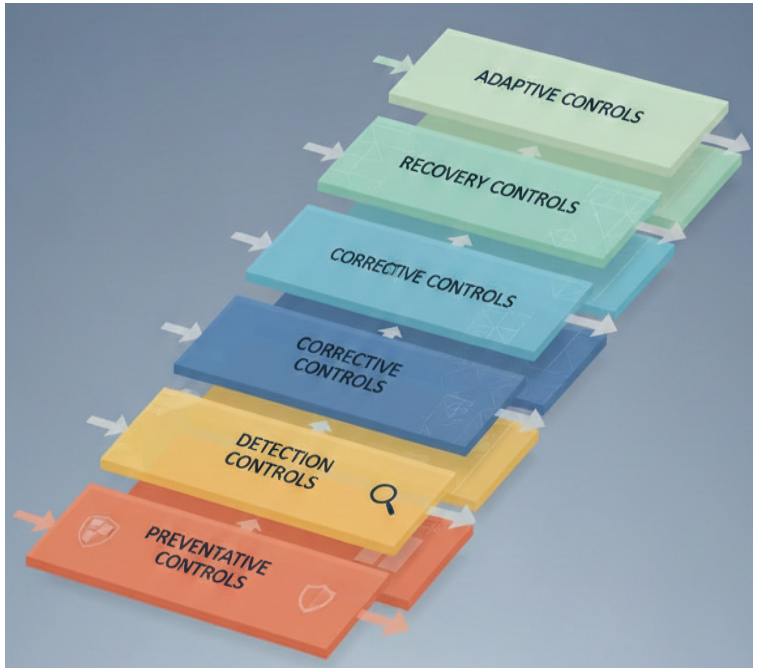
Shaun Gilday, CPEA, PMP
Vice President Risk Management Solutions
Montrose Environmental

Katherine Horn, MA
Director, EMIS
Montrose Environmental

Maturing Compliance Through Control Design and Early Warning Indicators

- Purpose: Reset how you think about compliance success.

- Key Points:
  - Compliance is not binary. It is not just compliant vs non-compliant.
  - Most violations happen because a control failed quietly upstream.
  - The goal is not doing more, but designing controls so:
    - Misses are visible
    - Failures are buffered
    - Single lapses do not automatically equal non-compliance



Audience Reflection Question #1

When would you typically know that a compliance control has failed?

- Before the requirement is missed

- At the time the requirement is due

- During an internal audit or inspection

- During an external audit, incident, or regulator visit

Audience Reflection Question #2

Which best describes how compliance is currently managed at your organization?

- Largely calendar-driven with manual oversight

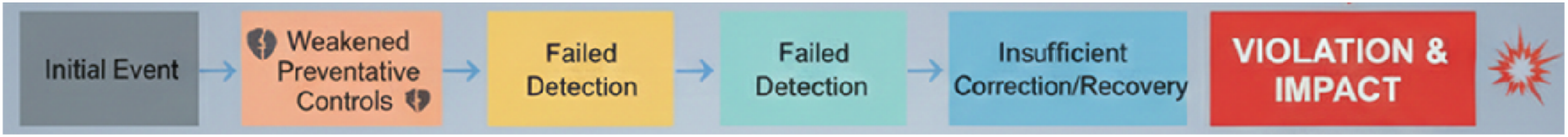
- A mix of calendars and risk-based prioritization

- Primarily control-based with early warning indicators

- Unsure or varies significantly by site

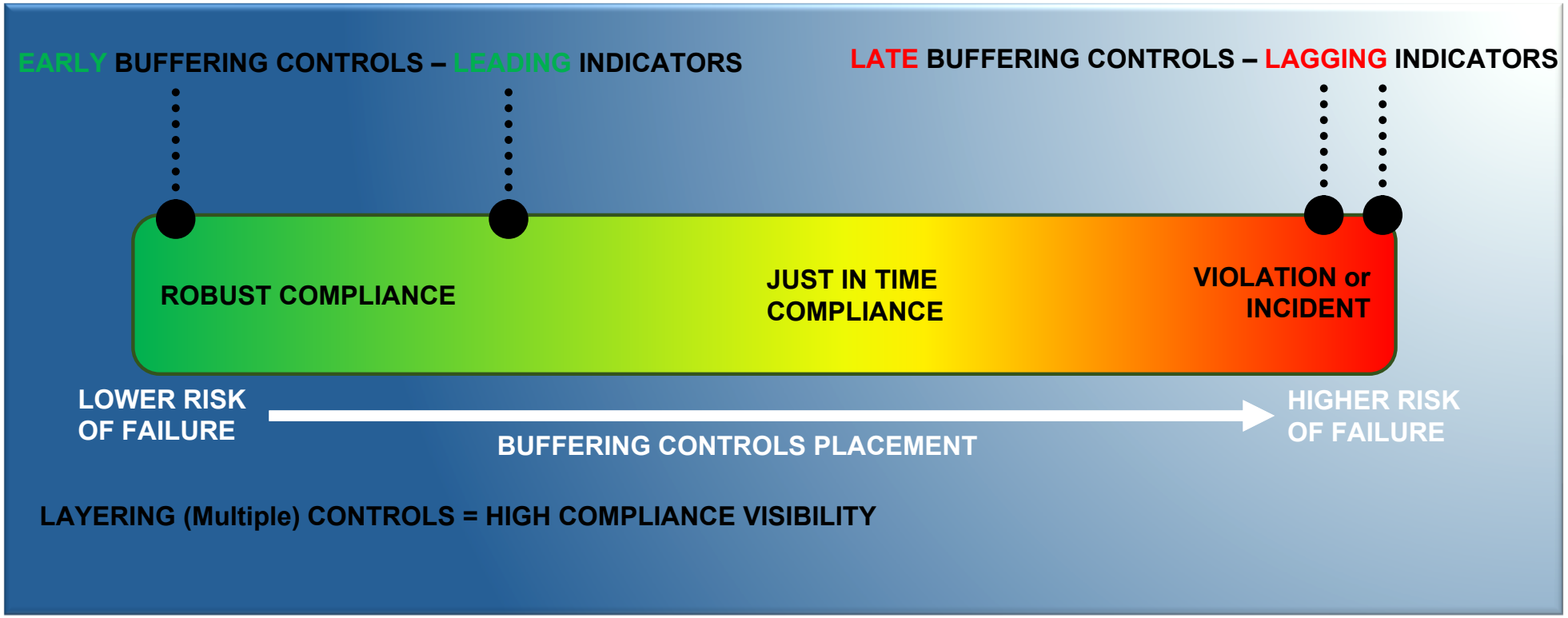
Why Compliance Failures Rarely Start at the Requirement

Most violations occur because upstream controls failed quietly



Reframing Compliance Success

Success is early detection and assurance, not last-minute reaction



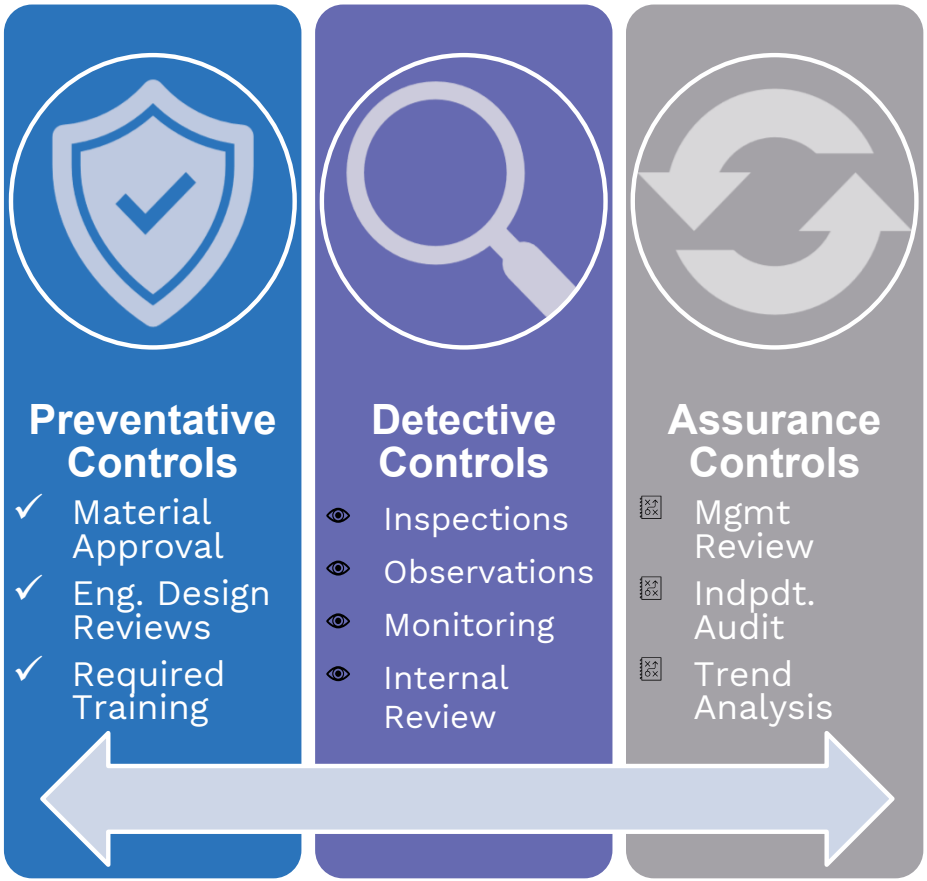
What Are Compliance Controls

- **Compliance controls:**
  - Preventive controls
  - Detective controls
  - Assurance controls

- **Examples in EHS:**
  - Inspections
  - Monitoring
  - Training
  - Management review
  - Reporting and escalation

- **Why many programs rely too heavily on:**
  - Calendar-based controls
  - Single-point inspections
  - Annual audits as the primary safety net

The hidden risk of "perfect on paper" programs.



Why Calendar-Based Compliance Breaks Down

Calendars hide risk when execution slips.

Evaluating Existing Compliance Controls

Key Questions:

- For each requirement:
  - What is the control?
  - What failure does it actually prevent or detect?
  - How quickly would we know if it failed?

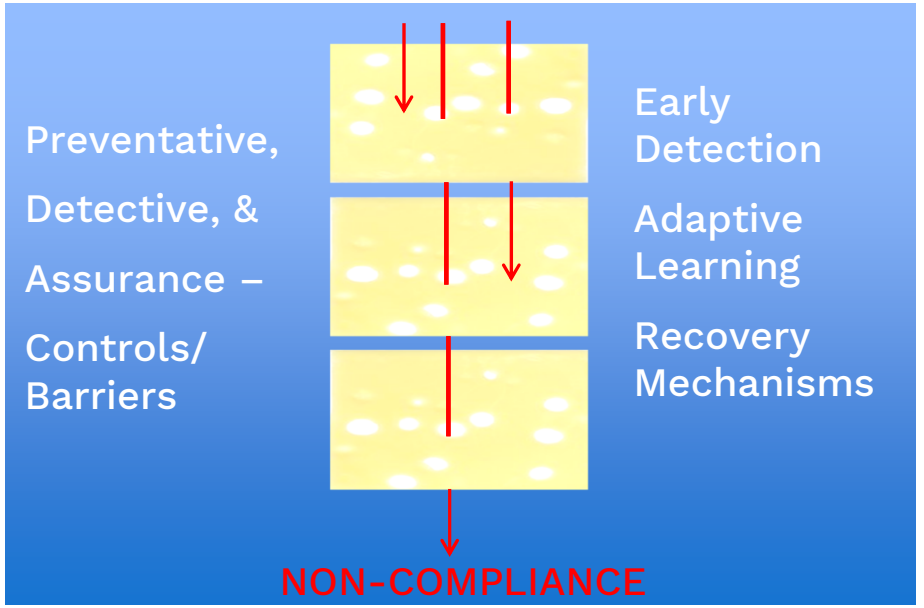
- Common evaluation criteria:
  - Frequency
  - Independence
  - Documentation quality
  - Escalation triggers

Designing Controls for Early Warning

Shift from evaluation to intentional design - *Design for imperfection rather than perfect execution.*

Strategic layering of controls:
- Primary compliance activity
- Oversight or verification
- Management review

Designing inspections and monitoring so:
- Missed activities are ***visible***
- Trends emerge ***before*** violations



Examples:
- Missed control triggering alerts rather than violations
- Monitoring thresholds that prompt investigation before exceedances
- Reporting structures that surface inconsistency across sites

Practical Application: Hazardous Waste Determination

Requirement:

Hazardous Waste Determination

Practical Application: Hazardous Waste Determination

Requirement:

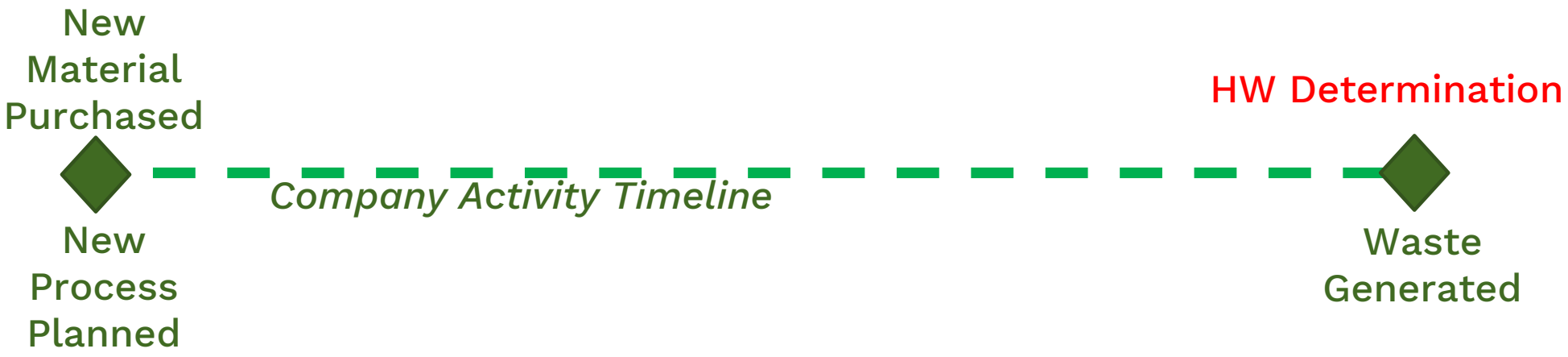
Hazardous Waste Determination

"40 CFR 262.11(a) A person who generates a solid waste, as defined in 40 CFR 261.2, must make an accurate determination as to whether that waste is a hazardous waste in order to ensure wastes are properly managed according to applicable RCRA regulations..."

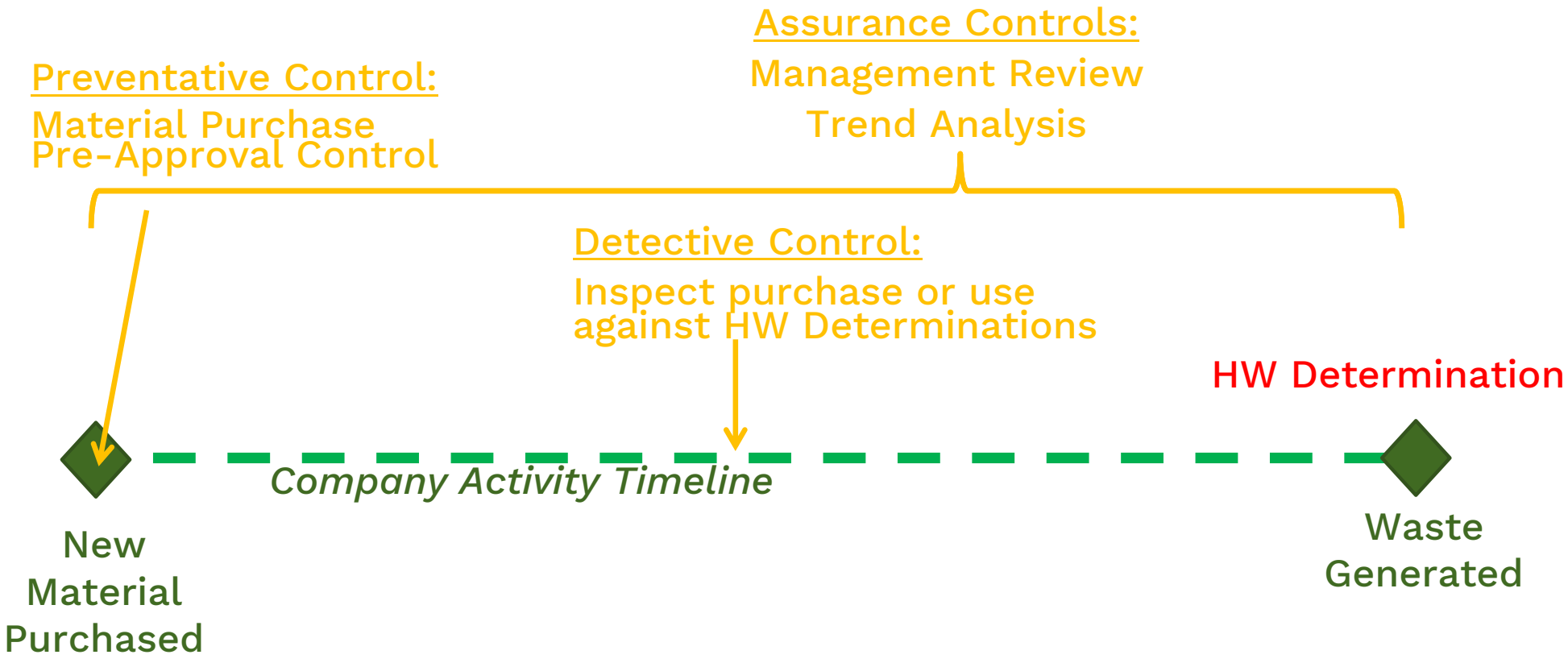
HW Determination

Solid Waste Generated

Practical Application: Hazardous Waste Determination



Practical Application: Hazardous Waste Determination



Practical Application: Fueling Generator Tanks

Requirement:

Do not release fuel into the environment.

Practical Application: Fueling Generator Tanks

Requirement:

Several CWA regulations (namely SPCC) prohibit the release of fuel into the environment.

Objective: Do not release fuel

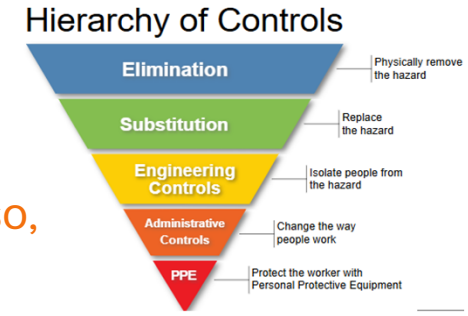
Tanks are Fueled

Practical Application: Fueling Generator Tanks

Practical Application: Fueling Generator Tanks

1. Preventative Controls
Readable gauges
High level alarms
Overfill protection
Automatic shut off
Containment around filling port
Delivery truck spill prevention technology

5. Detective Controls
Inspect employee observation records
Compare fuel order with delivery manifest
Inspect equipment: spill kits, secondary containment
Inspect testing and calibration records for FFSO, high-level alarm, and tank gauges



4. Preventative Controls
Properly sized, placed spill kits
Locked fueling areas
Drip pans and drain covers
Clear signage

2. Preventative Controls
Establish 85% max fill amount
Only order amount needed to reach 85%

3. Detective Controls
Driver must watch fueling
Employee must also watch

Outcome: Do not release fuel

Company Activity Timeline

Planning for power outage

6. Assurance Controls
Management Review
Trend Analysis

Tanks are fueled

Implementing Controls at Scale

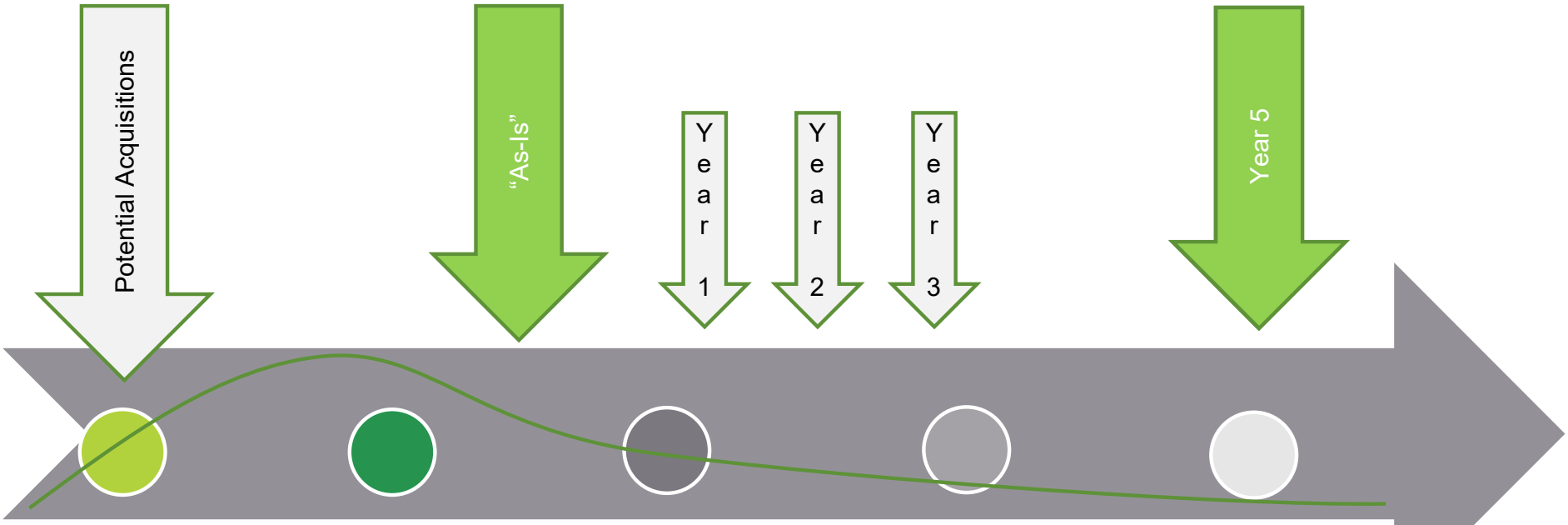
Address the real-world challenge of rolling this out across many sites.

- Deciding what must be standardized vs locally adapted.
- Assigning control ownership vs activity ownership.
  - Visibility for control owner, and feedback mechanisms.
- Ensuring controls survive turnover, growth, and acquisitions.

Balance standardization with site flexibility, culture, and logistics [e.g., people, equipment, resources, and site conditions]

Enabling Control Assurance with Technology

Technology is an enabler of control assurance, not compliance itself.



Working Toward Compliance
- Few written programs
- Little or no professional EHS management

Achieving Compliance
- Many EHS programs
- EHS professional management

Compliance + Basic Management Systems
- Internal audits
- Regular updates of EHS programs
- Team of EHS professionals

EHS Management System Driven
- Established management systems in place
- Safety culture optimized
- EHS and Sustainability tied to organization initiatives

EHS Leadership
- Sector leader
- Best in Class
- EHS and Sustainability tied to competitive advantage

Enabling Control Assurance with Technology

Turn Data into Decisions

- Convert compliance data into actionable insights that reveal trends, performance gaps, and emerging risks

Automated vs Manual

- Reduce manual effort and human error
- Automated analysis and reporting capabilities, proactive alerts and notifications
- Scalable, maintain compliance with growth using enterprise-wide standards

Shift from Reactive to Proactive

- Collect real-time data using mobile functionality
- Leverage live data & analyze trends allow you to be proactive rather than reactive
- Built in scheduling and calendar functionality

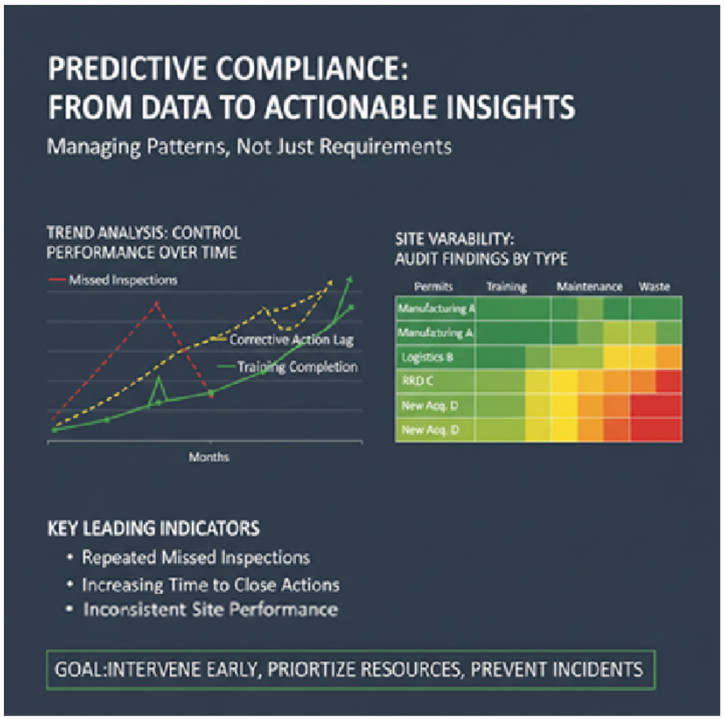
From Control Performance to Predictive Insight

How control performance becomes a leading indicator:

- Repeated misses
- Delays
- Variability across sites

Using control data to:

- Prioritize audits
- Focus resources
- Anticipate regulatory exposure



Connecting controls to forward-looking risk management.

Key Takeaways and Next Steps

- Compliance failures usually follow control failures.
- Strong programs design for imperfection.
- Early warning indicators come from how controls perform, not just whether tasks are completed.
- Technology should strengthen control assurance, not mask weakness or provide a false sense of security.

Suggest starting by redesigning controls forone requirement.

Thank You! See you at NAEM OPEX/TECH-26

Susan Brodie
Director of Environment, Health & Safety
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Shaun Gilday, CPEA, PMP
Vice President Risk Management Solutions
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Katherine Horn, MA
Director, EMIS
Montrose Environmental

sbrodie@databank.com
630-292-1304

shgilday@montrose-env.com
484-808-4405

katherinehorn@montrose-env.com
603-380-4693

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Questions

