

Abstract

The Effects of ISO 14001 on Corporate Financial and Environmental Performance

By: Melissa Mandula

**Environmental Applied Science and Management, 2005
Master of Applied Science, Ryerson University**

The purpose of this study is to examine the effects of ISO 14001 registration on corporate financial and environmental performance. The stock market's reaction to the ISO 14001 registration of a sample of Canadian firms is investigated. An analysis of the overall sample of companies revealed that there were no abnormal stock market returns experienced during a three day event window. However, abnormal returns were experienced when the companies were analyzed individually. The environmental performance component of this study investigated whether ISO 14001 registered facilities experience greater emission reductions than non-registered facilities within the Transportation Equipment Industries sector in Canada. The results of the analysis indicated that there was no difference between facilities that adopted ISO 14001 at different time periods and that the facilities that adopted ISO 14001 experienced an increase in aggregated weighed emissions.