petroKgas

HSE Auditing Procedures

What is Health, Safety and Environmental Auditing?

- HSE Auditing is a Systematic Examination that involves Analysis, Tests and Confirmations of Operational Procedures and Practices to verify whether they conform and comply with Legal Requirements and Internal Policies and evaluate whether they comply with and implement good Safety, Health, and Environmental Practices.

- Most Audit Programs cover Air and Water Pollution Controls, Solid and Hazardous Waste Management, Employee Safety, Industrial Hygiene, Occupational Medicine, Fire and Loss Prevention and Process Safety.

- **petroKgas**'s HSE Audit Reports include 'Off-Site' Manufacturing and Logistics Activities, 'Off Site' Waste Disposal Activities, Localized Residential Environmental Damage

Types of Audits

- **Environmental Protection Audit**

  A Systematic, Documented, Periodic and Objective Review by a Regulated Entity of all Facility Operations and good Practices.

- **Compliance Audit**

  Evaluations to Verify Compliance with Legal Requirements as well as own Internal Policies and Standards

- **Management as a Tool**

  'On demand' Management to evaluate Environmental Performance

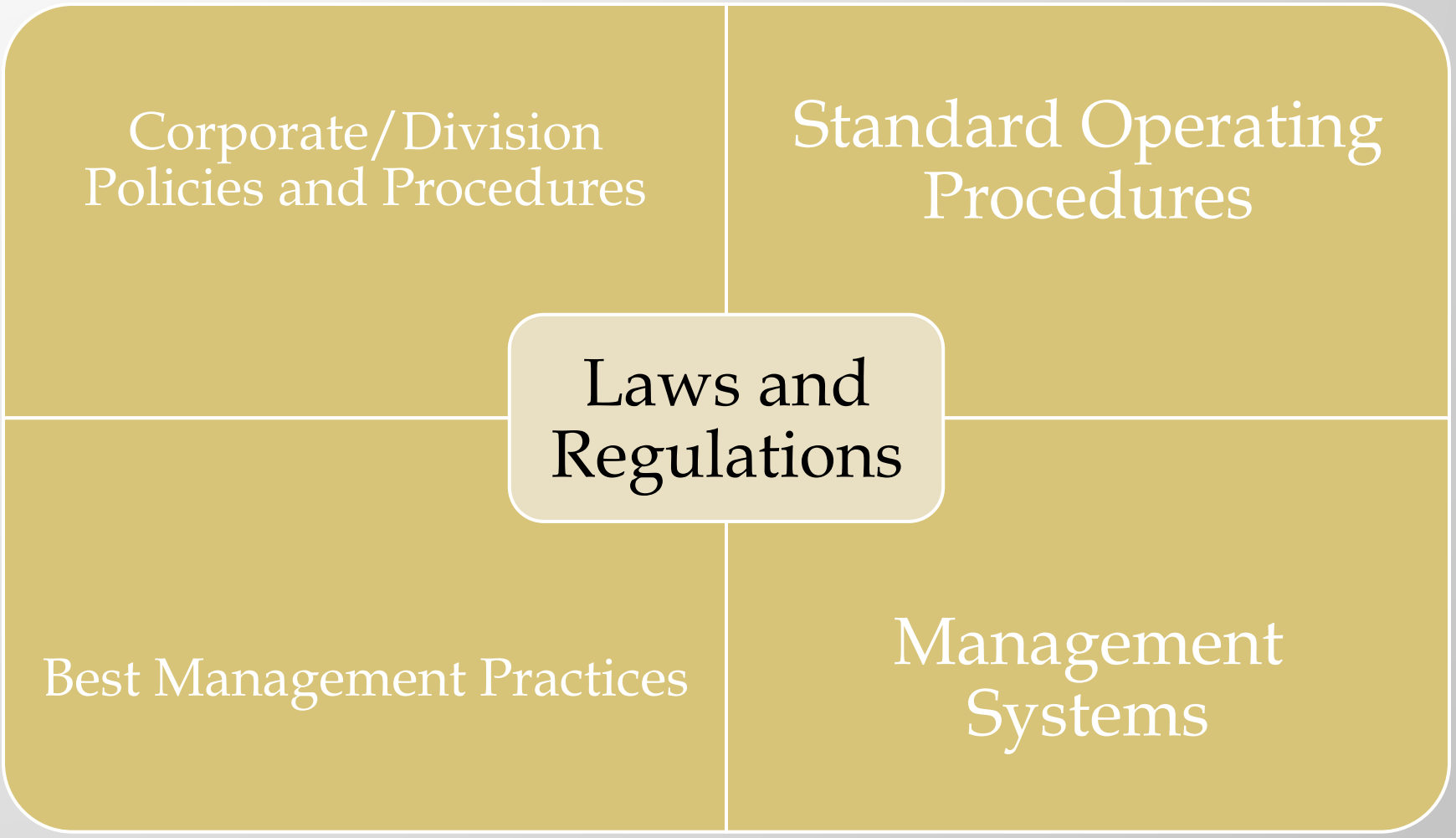
- **Employee Health and Safety Audit**

  Verify Employee and Site Environmental Health or Safety Status according to pre-determined Criteria

- **Hazard Management Audit**

  Identify Potential Hazards and Reviewing and Assessing all 'Incident' Management Policies

Audit Criteria

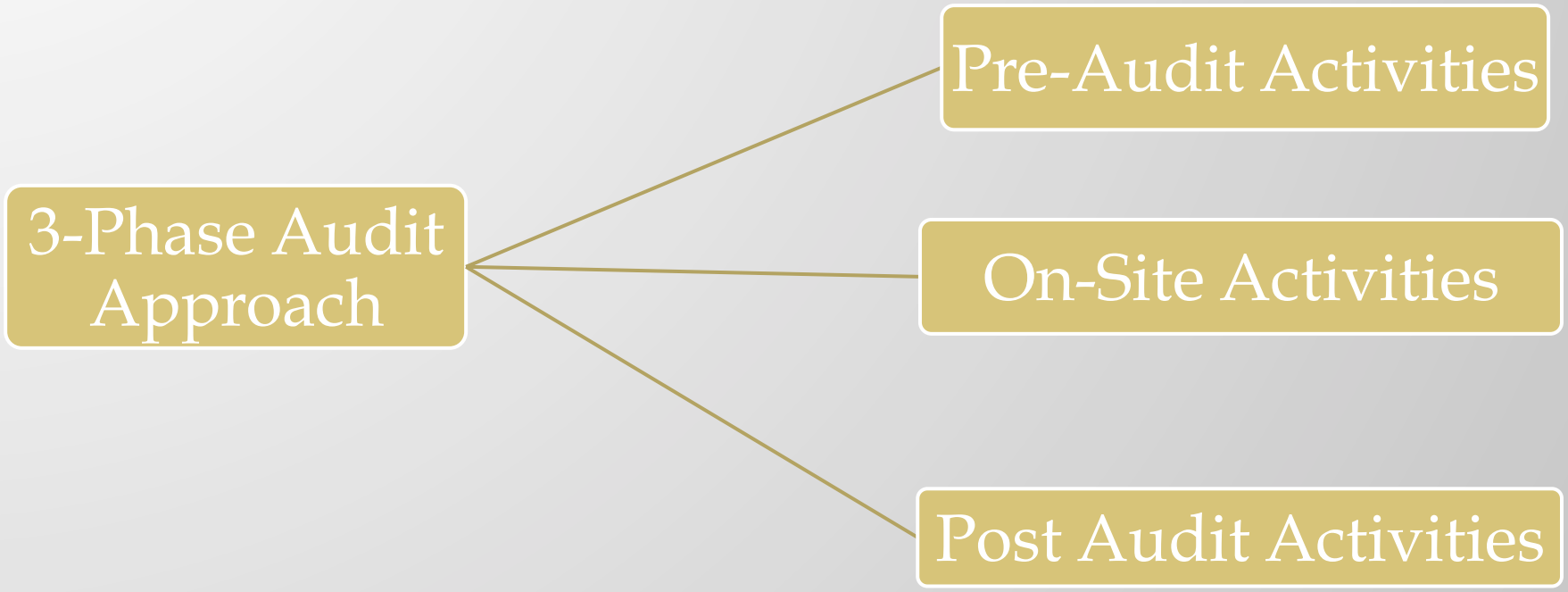


Audit Approach

3-Phase Audit Process

- **Pre-Audit Activities**
  Designed to ensure the Audit Team Members understand the Audit Process, their Roles and Responsibilities within that Process, and are prepared to implement them
- **On-Site Activities**
  Conducting 'Site' Inspections and Interviews
- **Post-Audit Activities**
  Review, Assess and Evaluate Audit Results; Report Audit Findings and Communicate Audit Results to Management, Address Audit Findings/Results in order to develop and implement Corrective Actions

3 – Phase Audit Approach



petroKgas

5-Step Audit Process

- Step 1 Understand Management Systems
- Step 2 Assess Strengths and Weaknesses of Management Systems (SWOT Analysis)
- Step 3 Gather Audit Evidence
- Step 4 Evaluate Audit Results
- Step 5 Report Audit Findings

Audit Techniques

- Conduct Interviews
- Document the Audit (Working Papers)
- Gather Audit Data
- Use ‘Sampling’ Strategies
- Write Audit Findings
- Communicate Audit Results
- Audit Follow-up

HSE Management Process

PetroKgas strives to use sound HSE Management Processes which include Activities that address **all 4** main HSE Management Processes (Assessing, Planning, Implementing, and Reviewing) and incorporate the **3 Key** Supporting Activities (Training and Awareness, Documenting/Recordkeeping, and Managing Information).
The implementation of these Management Processes is what helps PetroKgas meet its HSE Obligations.

- **Assessing**
  - Identifying/Managing Issues like confined Spaces,
  - Identifying Job Tasks
  - Identifying/ Understanding Requirements
  - Identifying/Evaluating Risks like confined Spaces, Hazardous and /or Flammable Liquids
- **Planning**
  - Influencing Issues/Requirements
  - Setting Policy Direction
  - Establishing Performance Standards/Guidance like Entry Procedures and Rescue Procedures
  - Obtaining needed Permits/Approvals
- **Implementing**
  - Managing Compliance e.g. issuing Personal Protective Equipment (PPE) , Monitoring confirmed Spaces , Issuing Entry Permits etc
  - Managing Significant Risks
  - Preventing/Reducing Unwanted Impacts
  - Remediating Past Damages
  - Responding to Emergences
- **Reviewing**
  - Measuring Performance i.e. reviewing Cancelled Permits , Supervisor review of Confined Spaces etc
  - Assuring Performance
  - Communicating Performance Auditing
- **Supporting**
  - Training & Awareness
  - Documenting / Record Keeping , e.g. Permit Retention , Training Records, Written Programmes
  - Managing Information e.g. Training Database , Medical Database, Record Database etc

Management Process

Audit Protocols

petroKgas' Audit Process is supported by **Audit Protocols** and **Working Papers**

Audit Protocols

- Various documents that guide the Auditor while conducting the Audit include Audit Protocols, Audit Work Programs, Review Programs, Checklists, and Audit Guides.
- An Audit Protocol represents a Plan of how the Auditor is to accomplish the Objectives of the Audit.

Audit Protocol

- **PetroKgas's** Audit Protocol provides the basis for assigning Specific Tasks to individual Members of the Audit Team, for comparing what was accomplished with what was planned, and for summarizing and recording the work accomplished.
- **PetroKgas's** Audit Protocol is also used to help train our new 'Auditors' and reduce the amount of Supervision required by the Audit Team Leader
- **PetroKgas's** Audit Protocol itself is a listing of all the Auditing Procedures that are to be performed to gain evidence about, Health, Safety and Environmental Practices

Hazard Audit

- Demolition
- Excavation
- Electrical Works
- Working at Height
- Scaffolding (construction of, use of, dismantling of)
- Traffic Management
- Use of Mechanical Plant and Equipment
- Hazardous Substances
- Work in Confined Spaces

petroKgas's Working Papers

- **Working Papers** or Auditor's Field Notes document the Work performed, the Techniques used, and the Conclusions reached by the Auditors.
- **Working Papers** also help our Auditors achieve the Audit Objectives and provide reasonable assurance that a sufficient Audit was performed consistent with Audit Program Goals and Objectives.
- **Working Papers** are usually handwritten and include photocopies of Documents selected by the Auditor to help verify the findings of the Audit.