JER-8000-MGT-PRO-0011 Control of External Providers

(AS/NZS, ISO 45001:2018, Clause 8.1.4)

1 INTRODUCTION

It is essential that the work carried out on behalf of the organisation is adequately controlled to ensure that it meets the requirements of the customer. This is achieved by good planning, the provision of adequate Resources, properly trained and experienced personnel, clearly defined standards and methods of working and correct monitoring and product verification.

2 SCOPE

The scope of this procedure includes requirements for the control of externally provided products and services when:

a. products and services are provided by external providers for incorporation into our own products and services;

b. products and services are provided directly by the external provider to our customer;

c. a process or part process is provided by an external provider following our decision to outsource.

3 DEFINITIONS

Goods	Items that are procured and supplied for use on KGL Resources sites including plant, materials or substances which are purchased, hired or leased.
High Risk Procurement	Anything that is not Low Risk Procurement and performed on a KGL Resources Site. This excludes delivery activities under the supervision of a KGL Resources worker.
Low Risk Procurement	Goods and Services which do not require the Supplier to undertake work on a KGL Resources Site. Delivery activities under the supervision of a KGL Resources worker are also Low Risk Procurement.
Services	Services provided by consultants, contractors, and Principal Contractors that are procured and supplied for use on KGL Resources sites.
Site	Any workplace (including workshops, offices and accommodation facilities) under the management or control of KGL Resources.

Supplier	A person conducting a business or undertaking (PCBU) who is engaged by KGL Resources to perform work, carry out a service, provide labour hire or supply goods.
Workers	Workers include employees, contractors, sub-contractors, volunteer and consultants who conduct work for KGL Resources.

4 RESPONSIBILITY

Senior Leadership Team	1. Provides strategic direction on the management of health and safety within defined Executive portfolios. 2. Ensures that adequately define and control all work they carry out for the organisation; 3. Provides adequate instructions to their personnel to ensure that the quality of work is satisfactory and these are readily available; 4. Ensures that external providers have defined standards of workmanship and criteria for acceptance; 5. Ensure that external providers that suitable personnel have been assigned for the work process and for product verification and checking activities; 6. Ensure that external providers have provided adequate Resources in the form of personnel, equipment and a suitable working environment.
Safety Manager	1. Ensures this procedure is fit for purpose and meets all applicable legislative requirements. 2. Ensures that this procedure is implemented and is regularly reviewed and monitored for ongoing effectiveness. 3. Supports managers, supervisors and workers in the implementation and operation of this procedure in the business. 4. Recommends change or improvement to this procedure as required. 5. Reviews and monitors WHS consultation. 6. Provides advice on WHS consultation requirements.
Managers and Supervisors	1. Ensure the implementation and operation of this procedure within their area of responsibility. 2. Support the consultation process. 3. Recommend change or improvement to this procedure as required.

Workers	4. Ensure they are familiar with the procedure. 5. Comply with this procedure at all times. 6. Maintain currency of training and any competencies where required for specified work tasks. 7. Recommend change or improvement to this procedure as required.
Suppliers	1. Comply with applicable work health and safety legislation, regulations, Codes of Practices and Australian Standards. 2. Comply with KGL Resources' WHS requirements and procedures when present on KGL Resources; sites. 8. When supplying goods, ensure that all goods comply with applicable Australian Standards and international standards, where relevant Australian Standards are not applicable.

5 GUIDING PRINCIPLES

KGL Resources must ensure that its workers, including contractors, carry out their work safely. The procurement of goods and services must support this objective and include consideration of the potential for KGL Resources workers to be exposed to hazards and risks arising from these activities.

This procedure details the WHS principles and requirements for the procurement of Goods and Services from external suppliers.

6 PROCEDURE

6.1 General

We have established a set criteria for the evaluation, selection, monitoring of performance and re-evaluation of external providers based on their ability to provide the required products and services. The KGL Resources has partnered with the Avetta Supplier Management System to collect information, assess suppliers and ensure compliance to this Procedure.

KGL Resources' partnership with Avetta will ensure all work is carried out safely, consistently, and in full alignment with regulatory and our requirements.

Using Avetta's software, our entire supply chain is on a single platform to help manage health and safety, sustainability, and risk. This new program and partnership make it easy for suppliers to understand KGL Resources' work requirements, become compliant, and remain compliant for future work with KGL Resources.

6.2 Type And Extent of Control

When considering the controls required, we have taken into account the following:

a. the potential impact of externally provided processes, products and services to meet customer, statutory and regulatory requirements;

b. the effectiveness of the controls applied to the external provider and the resultant output.

We have established and implemented verification activities which are applied to external providers to ensure we continue to meet customer, statutory and regulatory requirements. The performance of external suppliers shall be formally reviewed through Management Review (see JER-8000-MGT-0016) with the External Providers' Evaluation Results being updated in the Avetta program accordingly.

6.3 Information For External Providers

We communicate with our external providers the applicable requirements of providing products and services to our organisation. The information communicated will include information on the following:

a. the processes, products and services to be provided or performed;

b. the approval products, services, methods, processes, equipment and the release of products and services;

c. the required competence of personnel;

d. the interactions with our SMS;

e. the control and monitoring of external providers' performance;

f. the verification activities that we intend to perform at the external providers' premises.

6.4 Procurement of External Providers Principles

KGL Resources ensures that safety in procurement is managed through a risk management approach. The key elements of KGL Resources' systematic approach to risk management include:

a. Hazard identification.

b. Risk assessment.

c. Controlling risks.

d. Reviewing control measures to ensure they remain effective.

Risk management is to be undertaken in line with the **KGL Resources' Risk Management Procedure.**

The following principles form part of the risk management approach:

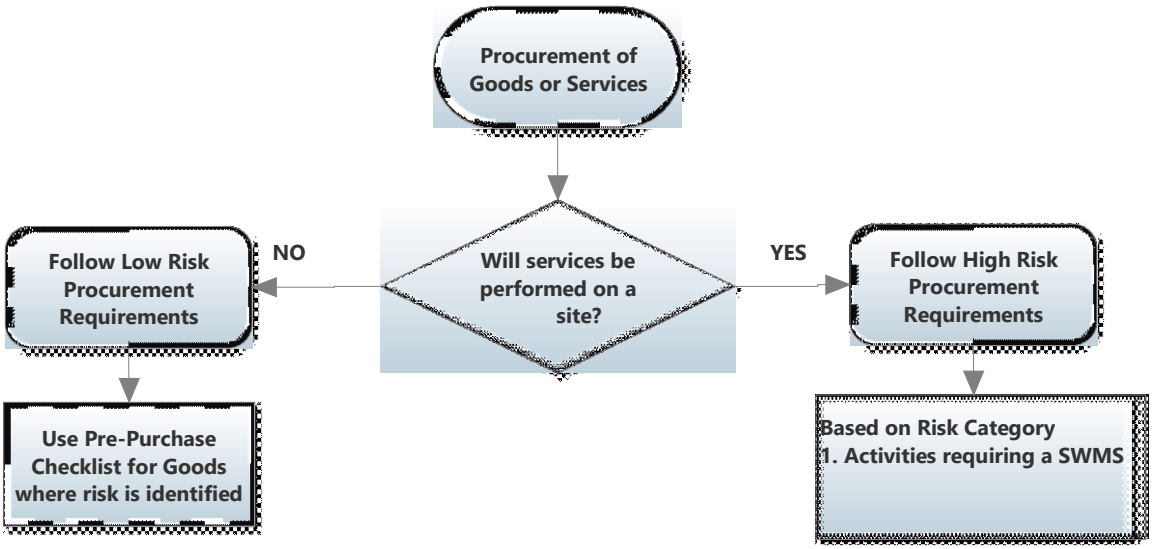
a. Consideration of WHS is inherent when seeking value for money.

b. Achievement of better WHS outcomes demonstrates commitment to KGL Resources' WHS Policy.

c. KGL Resources is required to provide a safe work environment and therefore must demonstrate due diligence in considering workers' safety when undertaking procurement activities.

d. The requirements for managing safety in procurement are based on the risk profile of the goods or services to be procured, as detailed in Figure 1.

Figure 1 Procurement Risk Profile



7 RISK BASED APPROACH TO PROCUREMENT

7.1 Hazard Identification

Before any Goods or Services are purchased, an evaluation must be undertaken to determine whether the goods or services pose a risk to health and safety. All goods and services must be procured in accordance with KGL Resources' Procurement Principles and Processes. WHS issues should be identified using the JER-8000-MGT-FRM-0016 Goods WHS Pre-Purchase Checklist or the JER-8000-MGT-FRM-0030 Supplier WHS Pre-Purchase Checklist as a guide.:

Before any High-Risk Procurement commences, hazards and risks associated with the Services must be identified during the Planning/Scope phase. Methods for identifying hazards and risks may include consultation, hazard checklists, measurement and comparison against Codes of Practices and Australian Standards, Benchmarking and records of previous incidents.

7.2 Risk Assessment

When assessing the risks arising from the procurement of goods or services, workers must consider the following:

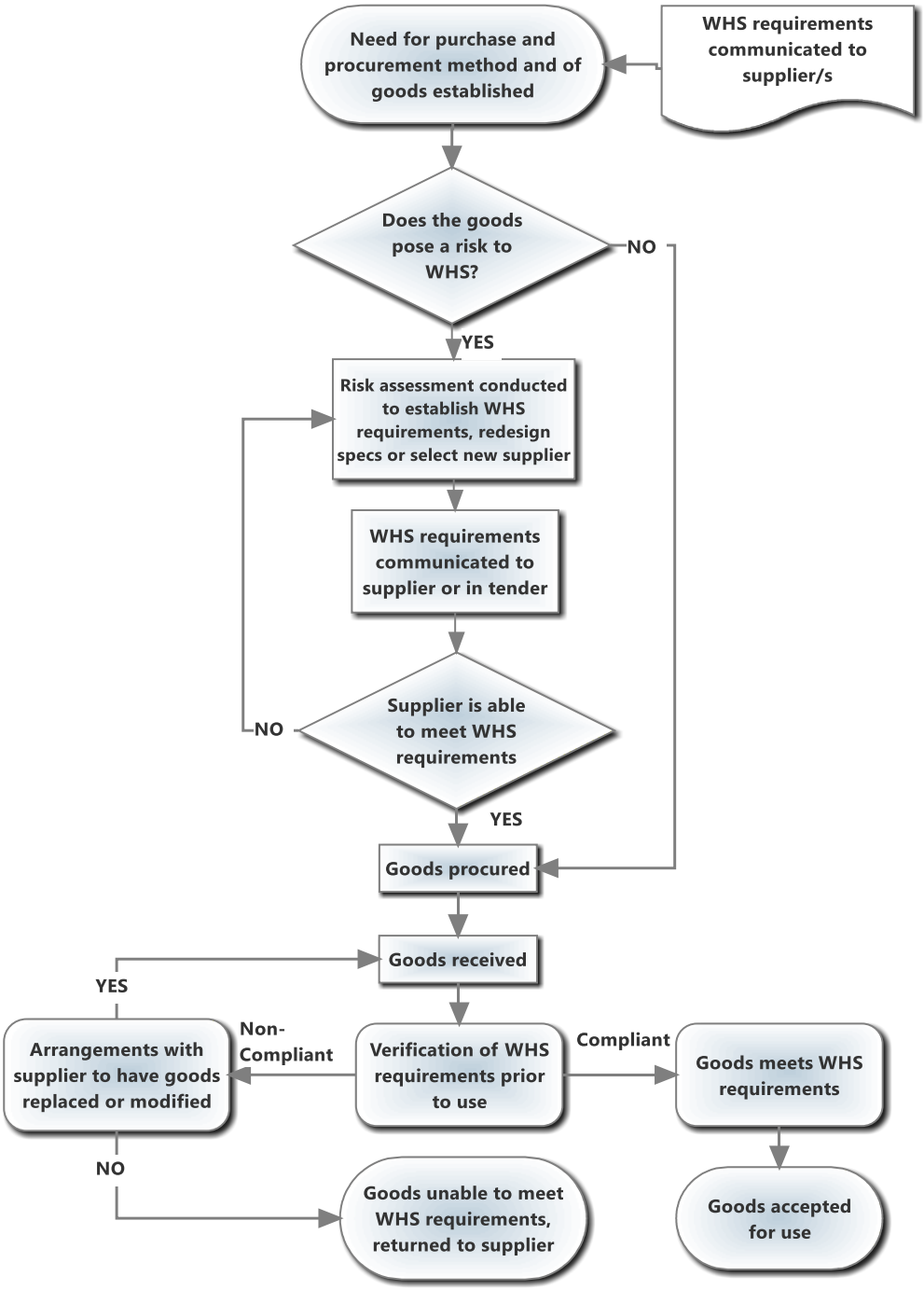
a. Potential impact on users and other affected workers
b. Training requirements
c. Changes to work procedures
d. Personal Protective equipment

In relation to services, once hazards and risks have been identified, the level of risk associated with activities to be undertaken under each Contract must be determined.

7.3 Controlling Risk

The KGL Resources Risk Management Procedure requires that the hierarchy of controls be followed to manage risks. Where a hazard associated with the supply of goods has been identified, the Pre-Purchase Checklist shall be used to ensure that WHS requirements are identified. Figure 2 details the process flow for managing risks associated with the purchase of goods.

Figure 2 Process Flow- Procurement of Goods



The minimum requirements to be met by Suppliers for High-Risk Procurement, by risk category, is detailed in Table 1.

Table 1 Supplier Requirements for High-Risk Procurement

TYPE OF WORK	WHS REQUIREMENTS
Activities requiring a SWMS	• Agreement to comply with relevant KGL Resources WHS Procedures
Construction Project valued > $500,000 requiring the nomination of a Principal Contractor	• Agreement to comply with relevant KGL Resources WHS Procedures • Review and endorsement of project specific Safety Management Plan, developed in accordance with WHS Regulations.

When procuring Services where work is undertaken on site by Suppliers, the scope, risk and type of the procurement activity must be considered in accordance with Table 2.

Table 2 Items to consider for High-Risk Procurement

PROCUREMENT PHASE	WHS CONSIDERATIONS
Planning/Scope • Identify need • Risk management • Develop procurement plan/business case	• WHS risk assessment for all phases of procurement cycle has been undertaken • Need for involvement by WHS Manager has been established • Identify the workers who will be affected by the service, and consult with those workers • Pre-qualification process or request a WHS Management System • Verification visits of short-listed service providers

PROCUREMENT PHASE	WHS CONSIDERATIONS
Preparing to approach market • Select procurement method • Prepare tender and contract documentation • Prepare an evaluation plan	• KGL Resources WHS requirements included in tender documentation (e.g. Risk Management and other relevant procedures) • Requirement for Supplier to provide details of WHS Management System, Project Safety Management Plan, SWMS, compliance with applicable legislation and Standards • Procedures for reporting WHS performance have been agreed. Mandatory reporting of all near misses, incidents and hours worked on a monthly basis. • Monitoring and reporting requirements to track Supplier's WHS performance developed • WHS weightings have been included in tender evaluation plan • WHS issues to be addressed during tender briefing process considered • Responsibilities and procedures for dealing with non-compliance identified in documentation
Evaluating submissions • Supplier selection • Feedback	• Submissions have addressed WHS requirements • WHS criteria and weightings were considered as part of evaluation process • Conduct site visits of short-listed tenderer to verify WHS performance and capability to comply with WHS requirements
Contract negotiation and award	• Verification that WHS requirements have been discussed with Supplier, including where applicable, nomination as the Principal Contractor • Verification of Responsibilities, audit schedule and procedures for dealing with non-compliance identified • Verification of Procedures for reporting WHS performance have been agreed. Mandatory reporting of all near misses, incidents and hours worked on a monthly basis. • Verification that relevant WHS requirements included in contract
Contract management	• Contractor induction taking into consideration site risks, contacts and emergency procedures • Monitor Supplier's performance against progressive KPI's through safety walks, audits and review of documentation and reports, in accordance with contract requirements • Deal with non-compliance • Review changes to work practices

PROCUREMENT PHASE	WHS CONSIDERATIONS
Manage termination/transition	• WHS issues in contract transition requirements • Establish benchmarks for safe disposal
Post-Contract evaluation	• Undertake Contractor Pre-mobilisation Check (JER-8000-MGT-FRM-0008) • Review management of WHS during contract delivery • Identify issues that were not anticipated, lessons learned. • Ensure all safety issues have been closed out • Make specific training for asset maintenance available

8 INFORMATION, INSTRUCTION, TRAINING AND SUPERVISION

Managers and supervisors must ensure that all workers who have received training and instruction on this procedure.

Managers and supervisors must ensure that workers are adequately supervised by a competent person, especially if they are undergoing training or are unfamiliar with the working environment.

9 INCIDENT REPORTING AND INVESTIGATION

Any incidents must be reported in accordance with the KGL Resources Incident Management Procedure.

10 BREACH OF THIS PROCEDURE

Workers must comply with this procedure at all times. KGL Resources takes breaches of this procedure very seriously.

If an employee is found to have breached this procedure, they may be subjected to disciplinary action in accordance with KGL Resources' disciplinary processes. Contractors of KGL Resources who are found to have breached this procedure may be the subject of action under their contract with KGL Resources.

11 CONSULTATION

This procedure has been developed and implemented in consultation and co-operation with KGL Resources' workers.

12 RELATED DOCUMENTATION

AVETTA SUPPLIER MANAGEMENT SOFTWARE

JER-8000-MGT-PRO-0006	Risk Management
JER-8000-MGT-PRO-0012	Production & Service Provisions
JER-8000-MGT- PRO-0013	Control of Non-Conformances
JER-8000-MGT- PRO-0014	Monitoring & Measurement Results
JER-8000-MGT- PRO-0020	Compliance Obligations

JER-8000-MGT- PRO-0023	Incident Management
JER-8000-MGT- PRO-0024	Assurance
JER-8000-MGT- PRO-0025	Alcohol and Drugs in the Workplace
JER-8000-MGT- PRO-0026	Confined Space
JER-8000-MGT- PRO-0027	Crane and Lifting
JER-8000-MGT- PRO-0028	Fatigue Management
JER-8000-MGT- PRO-0029	Fitness for Work
JER-8000-MGT- PRO-0030	Hazardous Energy Isolation
JER-8000-MGT- PRO-0031	Hot Work
JER-8000-MGT- PRO-0032	Infectious Disease
JER-8000-MGT- PRO-0033	Noise Management
JER-8000-MGT- PRO-0034	Personal Protective Equipment
JER-8000-MGT- PRO-0035	Remote & Isolated Work
JER-8000-MGT- PRO-0036	Competency & Training
JER-8000-MGT- PRO-0037	Work at Heights
JER-8000-MGT- PRO-0038	Safe Management of Asbestos
JER-8000-MGT- PRO-0039	Use of Hazardous Substances
JER-8000-MGT- PRO-0040	Use of Plant
JER-8000-MGT- PRO-0041	Safe Driving and Vehicle
JER-8000-MGT- PRO-0042	Hazardous Manual Tasks
JER-8000-MGT- PRO-0044	Psychosocial Risk Management
JER-8000-MGT-FRM-0008	WHS Contractor Pre-Mobilisation Checklist
JER-8000-MGT-FRM-0016	Goods WHS Pre-Purchase Checklist
JER-8000-MGT-FRM-0030	Supplier WHS Pre-Purchase Checklist

13 MONITORING, EVALUATION AND REVIEW

VERIFICATION	
Monitoring	Compliance with this procedure will be monitored through training and regular audits.
Evaluation & Review	The risk rating is low, reviewed every 3 years. A review will be undertaken sooner if there are changes to legislation, standards and industry codes, or following a SMS review, changes as defined by WHS Regulators, or to ensure continual improvement.
Version Control	Version 1: July 2026

14 APPROVAL

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