JER-8000-MGT-PRO-0024 Assurance

(AS/NZS, ISO 45001:2018, Clause 9.1, 9.2, 9.3, 10.1, 10.2, 10.3)

1 INTRODUCTION

The purpose of this procedure is to provide guidelines and tools to assist in assuring that KGL Resources is meeting its statutory obligations under relevant work health and safety legislation, and its organisational commitments.

2 SCOPE

The procedure applies to all KGL Resources Workers. The procedure is to define the steps that KGL Resources follows in planning, performing, reporting, recording, and reviewing WHS assurance activities, including safety walks, audits and workplace inspections. It covers all aspects of the KGL Resources' Safety Management system and all relevant sites.

3 RELEVANT LEGAL & OTHER REQUIREMENTS

It is the responsibility of all personnel to comply with this procedure and seek guidance from the Project Director where clarification is required.

- Work Health and Safety Act 2011 (NT)
- Work Health and Safety Regulation 2011 (NT)

4 DEFINITIONS

Audit	A systematic examination against defined criteria to determine whether activities and related results conform to planned arrangements, and whether these arrangements are implemented effectively and are suitable to achieve the company's policy and objectives.
Audit Criteria	Policies, practices, procedures or requirements against which the auditor compares collected audit evidence about the subject matter.
Audit Conclusion	Professional judgement or opinion expressed by an auditor about the subject matter of the audit, based on and limited to reasoning the auditor has applied to audit findings.
Audit Evidence	Verifiable information, records or statements of fact
Audit Finding	Result of the evaluation of the collected audit evidence compared with the agreed audit criteria.
Auditor	Person with the competence to perform audits.
Corrective Action	Action to eliminate the cause of a detected nonconformity or another undesirable situation
Inspection	An activity such as measuring, examining, testing or gauging one or more characteristics of an entity (product or service) and comparing the results with specified requirements to establish whether conformity is achieved for each characteristic.

Non-compliance	Where observed practice does not conform to documented procedures in either the management system (procedures) or the physical implementation
Observation	An item of objective evidence found during an audit that relates to the quality of the product, process, or quality system. Observations are not non-conformances and may or may not require corrective action.
Preventative Action	Action to eliminate the cause of a potential nonconformity or another undesirable potential situation.
Safety Walk	A dedicated activity undertaken by leaders to identify safe and unsafe practices and promote engagement with workers.
System Improvement / Recommendation	A system improvement or recommendation is an identified opportunity for the business to improve a process or function.
Surveillance	Continual monitoring and verification of the status of an entity (product or service) and analysis of records to ensure that specified requirements are being fulfilled.

5 RESPONSIBILITIES

Senior Leadership Team	1. Ensuring that a suitable audit regime exists 2. Ensures sufficient resources are available to meet the need of the audit plan. 1. Reviews audits and acts on reported non-conformances as required.
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.
Managers and Supervisors	1. Responsible for providing sufficient resources and support to meet the project auditing and inspection requirements.
Workers	1. Comply with this procedure.
Auditors	Are responsible for 1. Providing notifications, audit plans, reports and relevant NCR, actions. 2. Complying with the principles of auditing and the requirements of this procedure.

6 BACKGROUND

This Assurance Procedure has been developed as a workplace tool to assist in identifying areas where performance and management can be improved. The results of audits, combined with regular formal and informal workplace inspections, provide a focus for risk management, the development of preventative and corrective strategies and the assignment of resources to facilitate continual improvement.

7 RISK ASSESSMENT & CONTROL

As part of the audit and inspection process each identified risk will be assessed against the Risk Matrix for the application of a “Risk Ranking” to provide a management focus and priority.

By conducting effective audits and inspections, workplace hazards and risks can be evaluated, and any control measures put in place to minimise any further risks.

The nominated Auditor or person conducting the inspection will ensure that a Risk Assessment and Risk Ranking for Hazard Control are carried out for each hazard identified.

8 AUDIT OVERVIEW

It is important to note that AUDITS ARE NOT JUST ROUTINE INSPECTIONS.

For example, assurance audits seek to determine:

- the existence and maintenance of a management system;
- the compliance of that system to the agreed defined criteria; and
- to identify the system and implementation errors that need to be addressed to improve that compliance.

Although audits detect errors, it is management’s responsibility to correct those errors and prevent them from occurring again.

To evaluate performance in rating compliance, implementation and the effectiveness of performance, each element will be assessed as:

- Compliant – Element is totally compliant with requirements,
- Recommended Improvement – Element may be partially compliant, further improvement must be made,
- Not Compliant – Element is not compliant with requirements,
- Not Assessed – Element is not relevant or could not be assessed at time of audit, and
- Observation and/or Finding.

As a minimum, audits involve the requirement for an Audit Report and Corrective Action Reports (CARs) (if applicable).

8.1 Principles Of Auditing

The following principles relate to Auditors:

- Ethical Conduct: the foundation of professionalism;
- Trust, integrity, confidentiality and discretion are essential to auditing;
- Fair Presentation: the obligation to report truthfully and accurately;
- Due Professional Care: the application of diligence and judgement in auditing;
- Attaining the necessary **competence** is an important factor.

Auditors are independent of the activity being audited and are free from bias and conflict of interest. Auditors maintain an objective state of mind throughout the audit process to ensure that the audit findings and conclusions will be based only on the audit evidence.

8.2 Audit Type & Frequency

Scheduled audits shall be conducted on 6 distinct areas designated below:

- Mandatory External Audits
- Assurance and Improvement Audits
- System Audits
- Process Health Checks
- Critical Risk Reviews
- Workplace Inspections as a part of the audit process

8.3 Audit Team

Audits may be carried out by either the Project Managers, Safety Manager, an Safety Management System Auditor or Independent Auditor. These may be supported by Safety Advisors that are qualified to conduct audits.

The audit can be done by either an individual or can be done by a group, in any combination.

Audits may also be conducted on KGL Resources by external parties and the makeup of the team will be at the discretion of the auditing party.

8.4 Audit Schedule/Plan

The Project Director is responsible for the provision of an Annual Audit Plan covering the next 12 months. The Internal Audit Programme details timings for the internal review of each SMS procedure.

The audit plan / schedule may be the result of:

- Scheduled reviews of the Safety Management System;
- Management review of the Safety Management System;
- Incident trends or statistics identifying areas of concern or opportunities for improvement;
- Verification of implemented corrective actions.

8.5 Notice Required

The Auditor is to provide the relevant Manager or supervisor of the area or activity to be audited, an email notification, at least a week in advance, of the audit, its scope and the proposed date of audit.

8.6 Methodology

The general “audit methodology” consists of:

Planning – scope, frequency and methodology, as well as the responsibility and requirements for conducting the audit and reporting the results.

Conducting the audit, which includes:

- a system or desktop audit;
    - verifying, that the documented management system (as described by either the WHS Management Plan, operating procedures, project documents) meets Company and legislative requirements;
    - confirming management’s implementation of that documented management system;

- a walk around inspection of the site;
- conversation and interviews with employees;
- determining line management and employees understanding of, and attitude to, the management system;
- gathering evidence to support the items detailed above;
- reporting; and
- follow-up.

Management review, consisting of:

- a documented review and evaluation of the audit process, impact and outcome in light of the audit results; and
- implementing recommendations and attending to non-conformances to encourage commitment to continual improvement.

8.7 Entry & Exit Meetings

Prior to commencing an Audit, the Audit Leader shall convene an opening meeting with the relevant Auditees to review the audit process and identify any specific areas of attention.

At the completion of the Audit, the Audit Leader shall convene a closing meeting to discuss the audit findings and debrief the Auditees.

Any High-Risk hazards requiring immediate attention and recommended corrective actions shall be discussed at the closing meeting.

8.8 Audit Reports

Audit reports are compiled by the Auditor and discussed with the relevant Manager.

The results of each Audit will be reported on by producing an Audit Report. as appropriate along with copies of supporting documentation attached.

An Audit Report consists of:

- The Report;
- Any recommendations for improvements;
- Any non-conformances, and
- Any Observations or findings.

The Audit report will be forwarded to the relevant Manager for their record and action.

8.9 Auditor Qualifications

Those personnel conducting audits are to be competent and appropriately qualified. Evidence of qualification should be retained in accordance with KGL Resources Record Management system.

9 WORKPLACE INSPECTIONS

Inspections are conducted at regular intervals to verify the effectiveness of risk controls and/or compliance with legislative requirements across relevant business activities. These inspections are conducted in accordance with Leadership KPI's, due diligence requirements, and in response to incidents and hazard identification.

Workplace Inspection Reports are tabled and discussed at meetings as part of the due diligence requirement within KGL Resources.

9.1 Inspections Elements Guide

The following Inspection Elements have been identified as a general guide to those sorts of elements that would exist in Office or Operational activity:

- Access and Egress
- Workplace Signage & Barricading
- Amenities
- Fire Protection & Prevention
- Personal Protective Equipment
- Housekeeping
- Materials Handling & Storage
- Control of Hazardous Substances / Work Environments, including environmental controls
- Electrical Safety including Appliances
- Plant & Equipment
- Ladders & Scaffolding
- Work from Heights & Prevention of Falls
- Confined Space Entry
- Quality checks

Manual Handling should also be taken into consideration within each element as appropriate.

The workplace Inspection should not be limited to the suggested elements where the experience of the Inspection Team is able to identify additional elements for assessment.

In completing the Inspection Record, the Inspection Team should identify all the elements that have been assessed during the inspection period.

9.2 Inspection Team

The Inspection Team should where possible consist of two people with the nominated Manager and/or a nominated worker (safety representative) as the constant nucleus of the team. The second nominated person should preferably have particular expertise in the elements to be inspected.

In addition to the basic team, the Manager, or Safety Manager may accompany or be called upon to assist the team as required.

All persons involved in the workplace inspection should be identified by name, & employment title.

9.3 Inspection Methodology

All operational workplace areas are inspected including office, amenities and general site activity locations on a regular basis. Standard checklists are developed for each area and are used as a guide as there may be additional hazards that appear but not listed and should be considered.

All inspection participants should be briefed on the plan for the Inspection process. On completion of the Inspection, the Team should debrief on the results of the inspection.

At the end of the Inspection a record is raised by the nominated assigned personnel identifying those involved in the inspection process, the inspected elements, hazards identified, a risk ranking assessment and risk control measures.

9.4 Inspection Sign Off

To close-out the Inspection Record, confirmation of the implementation of any corrective actions should be signed off and dated by the Manager.

Where the effectiveness of a corrective action has failed to control the risk, the risk must be reassessed, and an Incident Report form initiated as appropriate for Medium Risks or greater.

10 SAFETY WALKS

Safety walks are undertaken by KGL Resources leaders on a regular basis and in accordance with set leadership key performance indicators. The objective of these walks is to identify safe and unsafe practices, and gain commitment from workers on an agreed solution. The outcomes of Safety Walks are recorded on the Safety Walk Record Form (see JER-8000-MGT-FM-0028).

11 AUDIT & INSPECTIONS CLOSE OUT

Follow up on the Audit & Inspection results is done monthly, to ensure prompt closeout of any action items.

If corrective action is satisfactory, the Auditor signs off as "Closed Out" in the relevant section of the NCR or report.

If the Auditor is concerned about the results of a previous audit, then an additional follow up audit should be conducted.

Inspections are generally conducted either weekly or monthly or both and the location and the close out actions are to be followed up on the same basis as the inspection regime. (i.e. weekly inspection is followed up weekly).

12 RECORD KEEPING

Appropriate records are to be maintained for any audit or inspection conducted as per KGL Resources' Record Management processes.

Any Audits or Inspections on our systems or processes by an external party are to be requested to provide a copy for our reference and subsequent action.

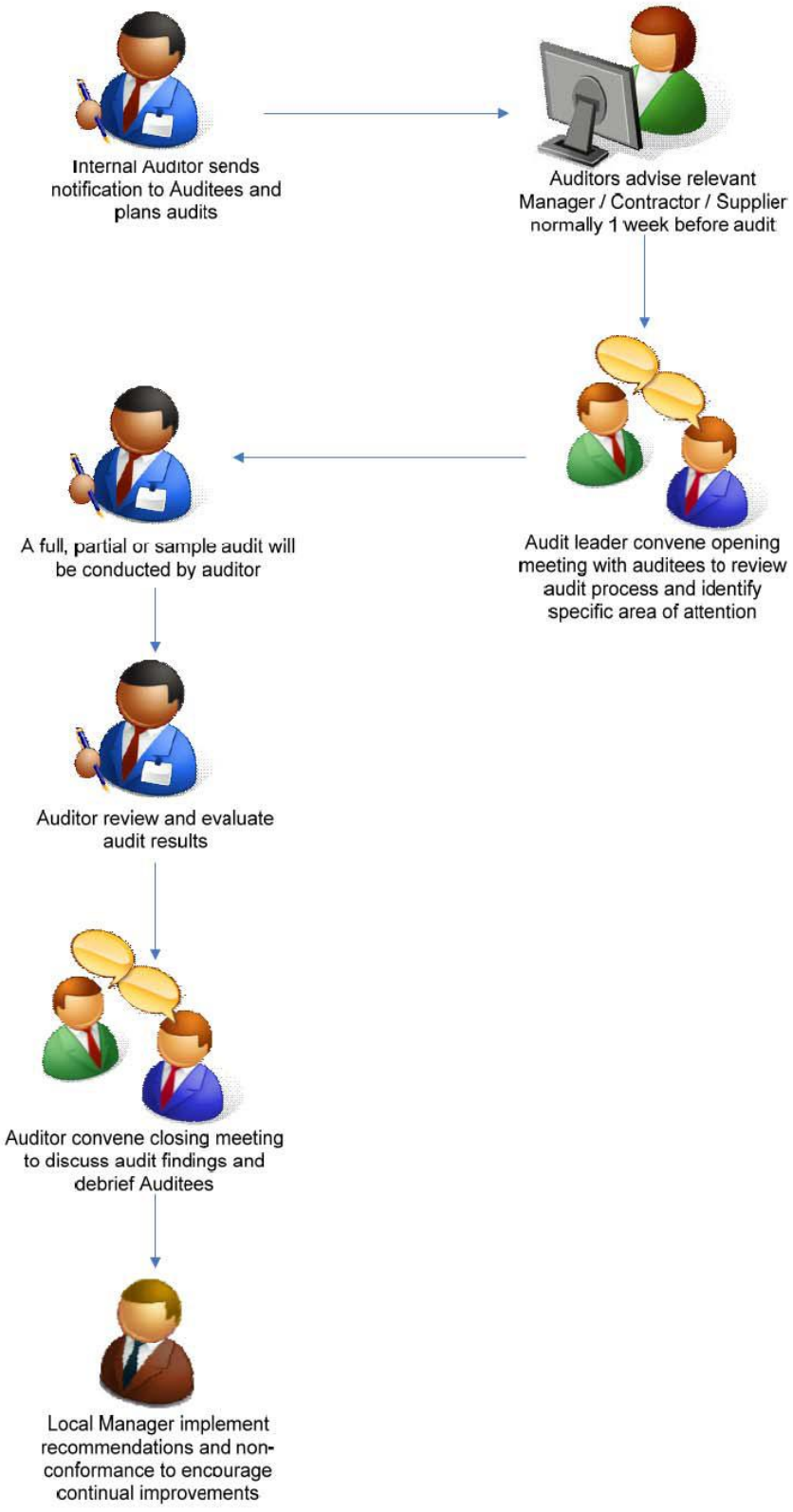
Corrective Actions are to be recorded on JER-8000-MGT-FM-0012 Corrective Action Form.

Internal Audits are to be recorded on JER-8000-MGT-FM-0007 Internal Audit Form.

Management Reviews are to be recorded on JER-8000-MGT-FM-0015 Management Review Agenda-Minutes.

The follow up and close out of any action items arising from any inspection or audit within our projects are to be recorded for audit purposes.

13 Audit Flowchart



14 CONSULTATION

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

15 PRIVACY

KGL Resources will ensure that any information will be handled according to relevant legislation and in accordance with the KGL Resources Privacy Policy.

16 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.

17 RELATED DOCUMENTATION

JER-8000-MGT-PLN-0010	Risk Management Plan
JER-8000-MGT-PRO-0006	Risk Management
JER-8000-MGT-PRO-0023	Incident Management
JER-8000-MGT-FRM-0006	Internal Audit Program
JER-8000-MGT-FRM-0007	Internal Audit Report
JER-8000-MGT-FRM-0011	Incident Report
JER-8000-MGT-FRM-0012	Corrective Action Request Form
JER-8000-MGT-FRM-0015	SMS Management Review Meeting Agenda-minutes

18 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: May 2026

19 APPROVAL

Konrad Litfin

Project Director