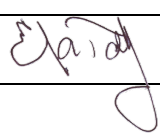


Procedure for Internal Audit and Inspection

Approval

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Jan 2018	00	Natashia Fourie	Draft for Comments.
Jan 2018	01	Natashia Fourie	For Approval.
April 2019	02	Natashia Fourie	Updates to roles and responsibilities, process and forms.
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1. Purpose, Scope and Users

The purpose of this procedure is to describe how KAUST will manage OH&S implementation and compliance assurance in order to verify the effectiveness of the Occupational Health and Safety Management System (OH&SMS).

This procedure applies to KAUST processes, activities and workplaces that are in the OH&SMS scope.

Users of this document are KAUST employees, service providers and contractors.

2. Reference documents

- KAUST OH&SMS Manual
- Procedure for the Management of Nonconformities and Corrective Actions
- Procedural Forms as mentioned in the List of Internal Documents

3. Roles and Responsibilities

3.1. HSE Director

The Director shall allocate adequate resources for the implementation of this procedure.

3.2. Health and Safety Manager

The Health and Safety (H&S) Manager is responsible to develop the annual Internal Audit Schedule, nominating the H&S audit team and maintaining audit records. The H&S Manager shall communicate audit results and corrective action results with the concerned personnel/department(s) or parties. The H&S Manager shall further verify the corrective action for completeness before close-out.

3.3. Health and Safety Audit Team

The H&S Audit team shall consist of suitably qualified and trained auditors nominated by the H&S Manager. The Audit team shall primarily be responsible for conducting internal audits as per the H&S Internal Audit Schedule.

3.4. Department Manager

The Department Manager(s) shall facilitate the H&S Audit Schedule by providing the requested documents/records and appointing supervisors and employees to assist the H&S Audit Team during the audit. The Department Manager is responsible to review and close-out department related non-compliance findings. The Department Manager shall ensure that contractors and service providers under his or her authority has an approved written procedure for internal audits and inspections which is aligned with the requirements of this procedure.

4. Conducting of Internal Audit

4.1. Internal Audit Schedule

The H&S Manager is responsible to prepare the annual Internal Audit Schedule and will take into consideration the results of risk assessment related to organization activities, as well as results of the previous audits. Criteria of the audit can be compliance with international OH&S management standards and/or alignment with legal requirements. Each activity should be audited at least once a year, ensuring cumulative coverage of the entire OH&SMS scope. The HSE Director approves the annual KAUST Internal Audit Schedule. Internal audits are usually conducted before Management Review.

Additional internal audits may be scheduled in the event of:

- High risk activities or critical occupational H&S activities;
- Significant nonconformity or repetition of the same nonconformity (decision about whether the nonconformity is significant and requires additional audit is made by the H&S Manager);
- Significant change in process, activity, and/or products and services (decision about whether the change is significant and demands additional audit is made by the H&S Manager).

4.2. Appointing Internal Auditors

The H&S Manager appoints internal auditors and a leader of the auditor team (if there are more internal auditors).

An internal auditor may be someone from the organization or a person outside the organization. Criteria for appointing internal auditors are:

- Knowledge of principles of auditing;
- Possession of general knowledge for specific areas of audit;
- Knowledge of standards ISO 19011 and international OH&S management standards;
- Necessary competence – achieved through education and experience.

Internal auditors must be selected in such a way as to ensure objectivity and impartiality, i.e., to avoid conflict of interest; auditors are not allowed to audit their own work.

The H&S Manager may appoint a third-party consultancy company to conduct an OH&S audit of the OH&SMS, at self-identified frequencies.

4.3. Audit Preparation

4.3.1. Document Review

The lead auditor and audit team members shall review the relevant OH&SMS documents including records, and determine their adequacy with respect to OH&S.

4.3.2. Audit Objectives, Criteria and Plan

In accordance with the approved annual Internal Audit Schedule, the H&S Manager shall prepare an audit plan identifying the scope (area, department or activity to be audited), criteria, time and

duration, audit methodology, name of auditor and auditees. The H&S Manager shall share the plan with the auditor and auditee at least two weeks prior to the mutually agreed audit start date.

The auditors (lead auditor and/or team members) review the objective, criteria, audit scope, and methods of audit and prepares for the audit. This preparation includes:

- Review of the procedure and policies relevant to the area to be audited;
- Preparation of audit checklist in accordance with the defined criteria;
- The importance of processes will be a key factor in audit planning;
- Review of the internal audit procedure and gathering of relevant reporting formats; and
- Communication with the auditee.

4.4. Conducting Internal Audits

The lead auditor or KAUST HSE Manager shall conduct an opening meeting with the Department Director/Manager and involved employees. The meeting shall be chaired by the lead auditor, who shall discuss the audit agenda containing activities to be undertaken.

The internal audit is conducted in two phases:

- *Document audit.* The lead auditor and team members review relevant documents related to international OH&S management standards and identified processes to determine their adequacy against the audit criteria.
- *Audit of compliance with documentation.* To show whether the processes are executed in accordance with corresponding procedure(s).

Gathering of data is performed through reviewing existing documentation, personal observation, and interviews. During interviews, notes shall be taken for recording of findings. Also, walkthrough inspections to the activity areas shall be undertaken to confirm the effectiveness of processes. The audit team shall document the audit findings in respective forms, such as checklists and audit reports.

The audit team shall communicate the audit findings during the audit to the auditee. In case of any non-conformity identified and acknowledged by the auditee, correction, corrective actions and the target dates can be mutually agreed at the same time.

Upon completion of the audit, the audit team shall conduct a close out meeting with the auditee to communicate the audit findings.

4.5. Internal Audit Reporting

On the basis of the audit findings, and on completion of the audit, the lead auditor shall generate a first draft of the audit report. The report shall be submitted to the Department Manager, process owner and KAUST H&S Manager. The Department Manager will have seven (7) working days from the draft report issuance date to respond. The lead auditor shall incorporate agreed changes into the final audit report. No unauthorized changes are allowed to KAUST audit reports.

The final internal audit report may contain identified nonconformities (major and/or minor and /or potential) that require corrective, good practices observed, areas within the audit scope not covered, root causes, and recommendations for improvement. The audit report will document when only a correction is required to close-out an audit-nonconformity. Corrective and correction actions are undertaken according to the Procedure for the Management of Nonconformities and Corrective Actions.

Obstacles and diverging opinions will be captured in the internal audit report, which shall be escalated to the KAUST H&S Manager for resolution. Further escalation may become necessary.

Below is the description of major and minor non-conformity.

Nonconformity	Description
Major	<ul style="list-style-type: none"> • A failure of the OH&SMS to address a specified requirement of the standard. • A frequent or purposeful failure to follow a specified requirement written in the OH&SMS. • A failure to achieve a fundamental aim of the OH&SMS system requirement. • Failure to achieve legal or statutory requirements. • Multiple minor nonconformities within the same requirement of the OH&SMS. • A purposeful failure to correct a nonconformity. • A minor non-conformity that is persistent (or not corrected as agreed by the organization) shall be up-graded to a Major finding. • Recommendations to be implemented as a priority 1 action.
Minor	<ul style="list-style-type: none"> • An isolated incidence where a requirement has not been fulfilled. • Recommendations to be implemented as a priority 2 action.
Potential	<ul style="list-style-type: none"> • A potential non-conformity is a finding without a clear reference to a standard requirements, or a finding without clear evidence. • Recommendations for improvement will be issued if the process meets the minimum requirements, but can be improved based on the experience and knowledge of the auditor, or it is best practice within the sector or a similar organization that has been audited.

4.6. Follow-up Activities

As soon as the corrections, corrective actions and target dates are mutually agreed, the management for the area audited shall ensure that any necessary correction and corrective actions are effectively implemented without undue delay.

The maximum time limits to be given for the closure of the non-conformities should not exceed 90 (ninety) days. When situations arise beyond the control of KAUST, such as a pandemic, for example, the 90-day close-out period may be extended at the recommendation of the KAUST H&S Manager and the discretion and approval of the Director HSE. If the non-conformity is not closed out within the agreed time frame, it shall be escalated to the KAUST HSE Director who will further decide the course of action within the respective procedural boundaries.

The lead auditor shall track the internal audit findings using a KAUST approved tracking and closing system. Corrective and correction actions shall be verified and tracked to closure. Completed corrective and correction actions may be verified by KAUST H&S to ensure the effectiveness of actions taken at agreed times with the Department Manager. A decision regarding action closure or rejection of closure will then be made.

Inspections

Periodic inspections shall be conducted by the H&S Manager and/or his/her delegate as per the approved annual inspection schedule. Unlike internal audits, prior notification of inspections may be given to the Department Manager/Head, but are not mandatory. The inspection shall be conducted by walking through the facility and observations shall be documented based on procedural noncompliance and facility risk assessment.

The corrective action plan shall be uploaded to a KAUST approved system, and tracked to closure.

Service Providers and Contractors are required to have their own defined process for annual inspection and audit plans. The plan must show frequency and location of audits and inspections, and the criteria for the identification, reporting and tracking of corrective actions.

5. Managing Records Kept On The Basis Of This Document

Record name	Document No	Storage		Responsibility
		Retention time	Location	
Annual Program of Internal Audits	HSE-OHSMS-PR04-F01	3 years	SharePoint	H&S Manager
Internal Audit Plan	HSE-OHSMS-PR04-F02	3 years	SharePoint	H&S Manager
Internal Audit Checklist	HSE-OHSMS-PR04-F03	3 years	SharePoint	H&S Manager
Internal Audit Report	HSE-OHSMS-PR04-F04	3 years	SharePoint	H&S Manager
Annual Program of Internal Inspection	HSE-OHSMS-PR04-F05	3 years	SharePoint	H&S Manager
Inspection Checklists	See the List of Internal Documents	3 years	SharePoint	H&S Manager
Inspection Report	HSE-OHSMS-PR04-F09	3 years	SharePoint	H&S Manager

Only the H&S Manager can grant other employees access to the records.