



Purpose

The purpose of this document is to:

- To ensure that regular audits are performed to verify implementation of, and compliance with HSE management systems and their associated standards.
- Demonstrate COPA compliance with corporate HSE requirements and [used to identify continuous improvement opportunities](#)
- Demonstrate compliance with PSM regulation 1910.119(o) Compliance Audits
- Define internal HSE and contractor HSE audit requirements
- Establish COPA audit schedules
- Communicate audit schedules to management/audit team members

Scope

The scope of the HSE audit program is defined as follows:

In scope	Out of scope
<p>All scopes of work under operational control</p> <ul style="list-style-type: none"> • Tier II COPA HSE audits • PSM Compliance audits • Tier I HSE audits • Contractor HSE audits • Tier III corporate HSE audits 	<p>All scopes of work outside of operational control and the following:</p> <ul style="list-style-type: none"> • Risk Analysis Survey (RAS) • Permit to work auditing

Audit frequency, requirements and details

HSE audit types, details, and frequencies are found in the table below:

Audit Type	Audit Details	Frequency
COP Tier III Audit	<ul style="list-style-type: none"> • Led by Corporate HSE • Independent, objective, and consistent assessment of company-wide operations 	Every 3 years, in accordance with the Tier III Audit schedule.
COPA Tier II Audit	<ul style="list-style-type: none"> • Led by BU HSE • Provide assurance on the effectiveness of the HSE MS through: <ul style="list-style-type: none"> ○ Identifying non-conformances providing leadership visibility to the HSE MS ○ Evaluating risk and hazard assessment processes ○ Assessing blue line/black line practices ○ Validating existing defenses and identifying absent or weak defenses 	Every 1-3 years, in accordance with the Tier II Audit schedule.
COPA PSM Audit	<ul style="list-style-type: none"> • Led by BU HSE • Validate facility adherence to procedures • Ensure regulatory compliance 	Every 3 years, regulatory required.



	<ul style="list-style-type: none"> Assess the effectiveness of the PSM program 	
Contractor HSE Audit	<ul style="list-style-type: none"> Led by BU HSE Assess contractors' compliance with agreed upon HSE programs, policies, and procedures for all significant and high-risk contracts in accordance with the Contractor HSE Management Program 	Every 3-5 years for select contractors based on risk
Wells Management System	<ul style="list-style-type: none"> Led by BU HSE with Wells Chief Support Provide assurance on compliance to the Wells Management Standard, including, but not limited to: <ul style="list-style-type: none"> Inspection/testing of well control equipment well integrity program verification of competence/readiness of personnel adequacy of the wellsite operations management communication emergency response systems 	Every 3-5 years
Tier I Audit	<ul style="list-style-type: none"> Conducted by leaders and HSE in the field, recorded in Intelex (inspections/verifications) Life Saving Rules Verification, workplace inspections, and EIP audits <ul style="list-style-type: none"> Conducted at the work front provides assurance during the execution of critical tasks. VPP Quarterly inspections <ul style="list-style-type: none"> Ensure that lower risk HSE items are being managed Asset and function level programs will be reviewed periodically to determine: <ul style="list-style-type: none"> Effectiveness If functional participation is appropriate for expected outcomes (focus areas, quarterly targets, etc.) 	Varies

Audit Schedule

The COPA HSE Audit Coordinator will review the COPA audit schedule annually and update as needed.

The 5-Year HSE Audit schedule can be viewed [here](#):

Contractor HSE audit considerations

Contractor HSE audits will be adjusted based on the Corporate [Contractor HSE Management Standard](#).

HSE audit process review

The effectiveness of the HSE auditing processes are evaluated annually as required per the COP HSE Management System Standard. For more



information, see the COPA HSE Compliance Plan and HSEMS Strategy Framework Planning and Review procedure.

Audit Requirements

Plan audit scope	<p>Plan audit scope audit by reviewing:</p> <ul style="list-style-type: none"> • Previous audit findings, action items, OTL's, and resolutions • Operational control boundaries • Alaska-wide HSE trends • Environmental permit requirements • Contract Owner/Sponsor, Functional HSE Director input
Confirm audit scope and schedule	<p>HSE Audit Coordinator will work with Asset Managers or Contract Owners/Sponsor & HSE Directors prior to the audit to:</p> <ul style="list-style-type: none"> • Define scope and recommended focus areas and can include one or many elements of the HSE MS based on business need • Confirm audit schedule & availability of bed space
Identify audit checklists and team member priorities	<p>With support from HSE Directors and SMEs, the HSE Audit Coordinator will:</p> <ul style="list-style-type: none"> • Develop audit scope focused on: <ul style="list-style-type: none"> ○ Federal and State HSE Regulations ○ ConocoPhillips policies, standards and guidelines ○ BU policies, standards, guidelines ○ Contractor HSE Programs, as applicable • Identify audit checklists • Identify applicable environmental & regulatory permits • Define priority items
Identify asset subject matter experts	<p>With support from the Asset single point of contact, the HSE Audit Coordinator will:</p> <ul style="list-style-type: none"> • Identify SMEs for each audit checklist • Ensure availability of SMEs on audit dates



Assemble audit team

With support from HSE directors, the HSE Audit Coordinator will:

- **Assemble** an audit team **in partnership with stakeholders based on knowledge/competency of the following:**
 - audit subject matter expertise through education and/or experience
 - applicable regulations and oil and gas operations
 - previous compliance or HSE MS audit experience
- **Align** auditors' expertise with audit scope and focus areas
- **Define** audit team size with consideration for available bedspace



NOTE: Audit team members must be impartial and not involved with the implementation of the programs at the sites being audited. Specific HSE training for site access and/or auditor training may be required.

Audit team training

With support from the HSE Training Coordinator, the HSE Audit Coordinator will:

- **Assign or provide** guest auditor training
- **Assign** asset specific orientations required for on-site auditing

Coordinate logistics, travel, and lodging

With support from the **AK** HSE Aide, the HSE Audit Coordinator will:

- **Coordinate** flights & billeting for guest auditors
- **Ensure** availability of on-site transportation & field travel protocols

Plan and Hold the Audit

Plan and hold the audit.

Pre-Audit Team Meeting	<ul style="list-style-type: none"> • Chaired by HSE Audit Coordinator • Share audit team schedule • Reinforce audit scope and methodology
Opening Meeting	<ul style="list-style-type: none"> • Coordinate with asset SPOC to identify attendees • Introduce audit team and asset workers • Provide site orientation for audit team • Communicate audit purpose/scope/logistics
Auditing	<ul style="list-style-type: none"> • Use daily agenda to coordinate group travel • Coordinate with asset SPOC to arrange group tours • Work with asset SMEs for ad-hoc tours and field visits • Keep asset representatives aware of potential findings
Daily Wrap-Up Meetings	<ul style="list-style-type: none"> • Chaired by HSE Audit Coordinator • Share focus areas, observations, and follow-up items • Communicate next day's schedule, topics, and needs



Record Findings and Close the Audit

Record findings and close out the audit.

Findings	<ul style="list-style-type: none"> • Submit findings to Lead Auditor • Verify findings are factual and suitably detailed • Avoid using personal identifying information in findings • Accompany findings with references • Identify RR3/RR4 findings; follow the “<i>Significant and High-Risk Rank Non-Conformances</i>” section on Page 6 • Ensure findings contain information found in the “<i>Record potential findings</i>” section below
Quality Assurance	<ul style="list-style-type: none"> • HSE Audit Coordinator and/or Lead Auditor will verify finding accuracy and applicability of citations
Records Management	<ul style="list-style-type: none"> • Return working records to the asset after the audit • Delete/destroy audit records unless covered by legal hold • HSE Audit Coordinator may retain necessary working records until Final Audit Report is issue
Closing Meeting	<ul style="list-style-type: none"> • Chaired by HSE Audit Coordinator • Review the draft report • Provide asset management with a copy of the draft report and final punch-list of items identified during the audit

Record potential findings

For potential findings, auditors must record:

- Date, time, and location of the observation
- Asset representative(s) present
- Description of the potential finding
- What audit checklist the finding relates to
- Applicable regulatory or policy citation
- Additional evidence required to confirm finding



Significant and High-Risk Rank Non-Conformances

For each Significant (RR3) or High (RR4) Risk Rank Non-Conformance, the following requirements apply:

Before audit closing meeting	After audit closing meeting
<ul style="list-style-type: none"> • Identify the initial risk mitigation plan that will be put into place with the lead auditor. <ul style="list-style-type: none"> ○ If completion date is beyond 6 months, an interim risk mitigation plan must be developed to describe steps that will be taken to reduce the risk until the corrective action is complete. Interim steps must be documented in Intelex. 	<ul style="list-style-type: none"> • Submit RR3/RR4 findings into the Intelex Audit module with the identification of a Root Cause Analysis (RCA) investigation team lead. • Conduct RCA in accordance with the COPA Incident Notification & Investigation procedure. <ul style="list-style-type: none"> ○ The Director of Global HSE Auditing must review action items from RR3/RR4 findings identified during a Tier III audit.

Complete and issue the audit report

Complete the following post-audit activities to finalize the [audit report](#).

Risk rank findings	<ul style="list-style-type: none"> • Determine risk ranking of each non-conformance • Use the COP Risk Matrix Standard
Draft report	<p>HSE Audit Coordinator will:</p> <ul style="list-style-type: none"> • Make any changes resulting from the Closing Meeting • Confirm any recurring items and risk ranking • Identify focused attention items, if needed • Highlight repeat findings in the executive summary • Include interim measures in place for high or significant findings • Send draft report to Alaska Health & Safety Director
Final Quality Assurance / Quality Control	<p>Alaska Health & Safety Director will complete QA/QC review of:</p> <ul style="list-style-type: none"> • General content, grammar, conciseness, and the comprehension of audit findings • Consistency of the risk rankings and previously identified findings
Issue final report	<p>Alaska Health & Safety Director will issue final report to:</p> <ul style="list-style-type: none"> • Asset Management and Asset HSE Director • BU President, Vice President, and HSE Manager • HSE Audit Coordinator



Finalize corrective action plan (CAP)

Finalize corrective action plan (CAP):

Asset Management	<ul style="list-style-type: none"> • Develop CAP in accordance with the Corporate Corrective Action Plan Practice • Ensure CAP is sent to HSE Audit Coordinator within 60 days after final audit report
COPA Legal	Complete review of CAP when requested
HSE Audit Coordinator	<ul style="list-style-type: none"> • Review CAP by verifying each corrective action: <ul style="list-style-type: none"> ○ Corrects the specific observed finding(s) ○ Is complete or has a scheduled completion date ○ Contains rationale for any finding believed to be incorrect, inappropriate, or unnecessary ○ Has appropriate responsible party/approver based on risk rank • Approve CAP; requests AK HSE Aide to submit CAP in Intellex
AK HSE Aide	Upon approval, enter CAP in Intellex

Track action items

Action items will be tracked to completion by the applicable HSE Director(s).

Resolve action items

Action items will be resolved and completed in Intellex by assigned Responsible Parties and Approvers after ensuring that:

- Corrective actions:
 - Meet the requirements in the [Corporate Corrective Action Plan Practice](#).
 - Contain clear description of actions taken to address non-conformances
 - **Are sustainable to prevent reoccurrence**
- Supporting documentation is attached in Intellex for RR3/RR4 findings.

Extension for corrective actions

Extensions for corrective actions **must be approved by the appropriate level of COPA management, per the COPA Risk Management procedure**



PSM Compliance Audit Requirements

Certify the Audit	<p>At least every 3 years, each operating unit must certify that they have evaluated compliance with the provisions of 29 CFR 1910.119 using the PSM Certification of Compliance template.</p> <p>The PSM Certification of Compliance template confirms the following:</p> <ul style="list-style-type: none">• the procedures and practices developed under the standard are adequate and• are being followed
Audit Team Requirement	<p>The compliance audit must be conducted by at least one person knowledgeable in the process.</p>
Complete Audit Report	<p>To complete PSM Compliance Audit Report follow, “<i>Record Findings and Close the Audit</i>” on Page 5.</p>
Capture Audit Findings	<p>To capture PSM Compliance Audit Findings follow, “<i>Finalize Corrective Action Plan (CAP)</i>” on Page 7.</p>
Retain Audit Reports	<p>The two most recent compliance audit reports must be retained by the HSE Audit Coordinator for a minimum of 7 years after closure of all corrective actions.</p>