

## PSM: DO YOUR SYSTEMS MEET THE MARK?

### How We Conduct the Audit

All audit and assessment activities are carried out on site as a collaborative exercise between HFL Risk Services' personnel and cross-functional teams from the client to ensure that the findings are considered in context. The auditing and assessment process also looks for evidence to support claims made by personnel, where appropriate.

#### An HFL Risk Services Audit covers the four P's of PSM:

- Process – it questions the basis of safety
- Plant – it examines the systems in place for managing asset integrity through the lifecycle
- Procedures – it looks at the design and implementation of procedural systems
- People – it considers workforce involvement, training and competence across the key functional groups

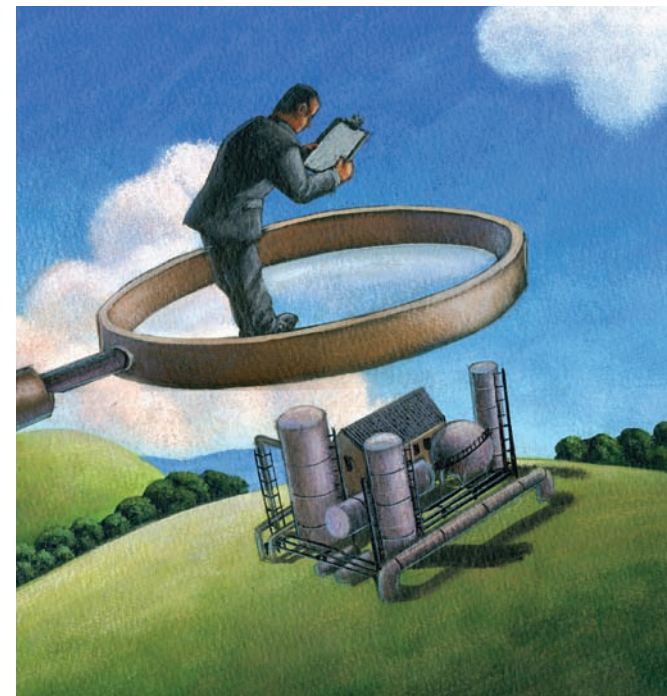
We provide the facilitator, secretary and audit tools in all cases; and the results are provided electronically and in hard copy. A feedback presentation is also given to the key stakeholders to ensure the significance of the findings is fully understood.

The knowledge captured within our INSIGHT Lifecycle® database has allowed us to develop and enhance clients' existing auditing tools to provide a level of detail that is appropriate and proportionate to the attendant risks at their sites.

#### Why HFL Risk Services?

All our personnel have previous industry experience and fully understand the changing requirements of the Regulatory Authorities. Our INSIGHT Lifecycle® auditing and assessment tool has been developed to quickly and accurately target areas for improvement, and can be used within any organisation whatever its size or complexity.

HFL Risk Services has unrivalled experience in developing successful process safety management and risk management programmes across the entire spectrum of companies operating within the chemical and process industries.



## PSM: Do your systems meet the mark?

The Regulatory Authorities increasingly require operators to demonstrate that the systems they have in place to prevent or mitigate accidents have been implemented to appropriate standards and remain effective.

In addition, modern risk-based goal setting legislation requires operators to continually question what more can be done to manage risk in all its forms.

#### How do you know that you are doing enough?

We recognise that it is difficult enough to keep plant and equipment running efficiently and profitably, without the added pressure of keeping abreast of complex and changing legislation. In our experience, most auditing systems fail to address the question of 'what more can be done to manage risk' – they simply check compliance against existing procedures. This is where our professional auditing service can prove invaluable; our systematic and structured approach to assessment of Process Safety Management systems (PSM) allows gaps to be readily

identified whether they are against specific areas of legislation or industry best practice.

Audits can be undertaken at any stage, including ahead of Intervention Visits from the Regulators, to ensure resources are targeted effectively.

#### Benefits of an HFL Risk Services Audit:

- Embraces requirements of Seveso II/COMAH
- Built on good practice guidance recognised by PSLG
- Allows 20 PSM elements to be assessed independently
- Applies to installations of any complexity
- Allows comprehensive action plans to be developed

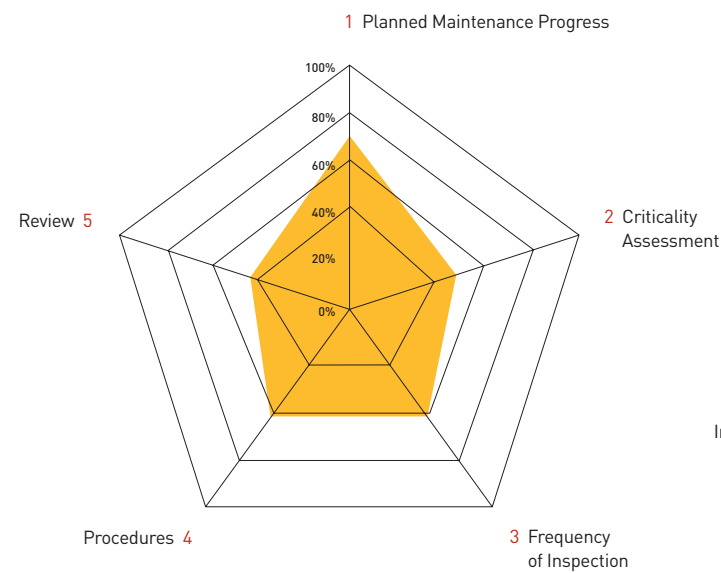
### INSIGHT Lifecycle®

Our audits are conducted using INSIGHT Lifecycle®, our own in-house auditing and assessment tool. It has been developed to allow our auditors to accurately pinpoint those areas where an organisation is strong, and where it is falling short in terms of the management systems and practices in place. The result is that resources can be targeted more effectively. INSIGHT Lifecycle® is deployed to look at an organisation's ability to 'manage' process safety, SHE issues and regulatory compliance from a SHE perspective.

This unique auditing tool comprises a database of question sets which can be selected and assembled to suit a particular company's needs. The findings from an audit are scored, weighted and processed to provide results in an easy-to-interpret graphical format.

The format of the output data allows multi-site operations to readily compare performance across a number of sites. This might be in terms of overall performance or in specific areas such as management of change, management of contractors, maintenance etc.

### Maintaining Integrity



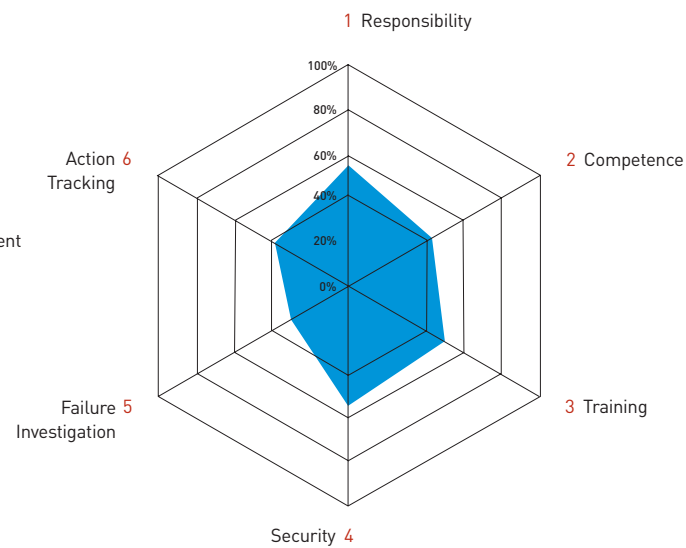
### The Importance of Process Safety Management

In recent years (and especially in the light of investigations into disasters such as BP Texas City and Buncefield), PSM has been placed high on the HSE's agenda. PSM is of particular importance when managing risks at hazardous installations, such as those regulated under the Seveso II Directive (COMAH in the UK).

HFL Risk Services' audits and assessments are undertaken with due consideration for the four 'P's' of PSM – the relationships between the process, plant, people and procedures. Our approach is to focus on the safety-critical elements present on a site or facility, which will vary according to the type of site or facility to be audited or assessed and the nature of the processes and substances being handled.

Our PSM audits can cover all 20 elements listed in the CCPS Guidelines for Risk Based Process Safety, making them of particular relevance to COMAH sites in the UK.

### Management and Organisation



### Elements covered by our PSM Audit tool

Standards (CCPS Guidance, based on requirements of 29 CFR 1910)	Management (HSG 65 Steps)					
	Policy	Organisation	Planning	Monitoring	Audit	Review
<b>Commitment to Process Safety</b>						
Process Safety Culture	●	●	●	●	●	●
Compliance	●	●	●	●	●	●
Competence, Training & Performance	●	●	●	●	●	●
Workforce Involvement & Stakeholder Outreach	●	●	●	●	●	●
<b>Understanding Hazards &amp; Risks</b>						
Knowledge Management	●	●	●	●	●	●
Hazard Identification / Risk Assessment	●	●	●	●	●	●
<b>Managing Risk</b>						
Operating Procedures & Conduct of Operations	●	●	●	●	●	●
Safe Work Practices	●	●	●	●	●	●
Asset Integrity Management & Operational Readiness	●	●	●	●	●	●
Contractor Management	●	●	●	●	●	●
Management of Change	●	●	●	●	●	●
Emergency Management	●	●	●	●	●	●
<b>Learning from Experience</b>						
Accident Investigation	●	●	●	●	●	●
Measurement & Metrics (inc PSPIs)	●	●	●	●	●	●
Auditing & Management Review	●	●	●	●	●	●
Key:				KPIs		Improvement Plans
●	Board level responsibilities					
●	Senior management activities					
CIA Guidance for Process Safety Leadership (Board)						

