

**Lotte Chemical Pakistan Limited  
Port Qasim**

<b>PROCEDURE NO.</b>	<b>HSE &amp; S Procedure No. 1.02-01</b>	<b>Page 1 of 3</b>
<b>TITLE</b>	<b>HSE&amp;S Implications of Organization Change</b>	
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## 1. PURPOSE

The purpose of this procedure is to provide guidance to Lotte Chemical Pakistan Limited (LCPL) to have a system in place to ensure that significant organizational changes are reviewed for their potential impact on HSE&S performance.

## 2. SCOPE

This procedure shall apply to all the functions of LCPL.

## 3. KEY DEFINITIONS

### Organizational Change

A change in the Organization that occurs as a result of significant reduction in, or outsourcing of, a Business or location workforce and also as a consequence of a major development or expansion at a location is planned.

## 4. REQUIREMENTS

4.1 The Chief Executive shall have a system in place to ensure that significant organizational changes are reviewed for their potential impact on HSE&S performance. The review planning shall be carried out early in the reorganization planning stage in order to be able to influence the process.

4.2 The Chief Executive shall also ensure that review is carried out when a significant reduction in Business workforce is planned or when a major development or expansion at the LCPL is carried out.

4.3 The review process shall consist of two stages:

a) The first phase review shall be undertaken with typically the relevant Functional Head and any other Manager who may be nominated by the Chief Executive for the review. They shall consider:

- (i) The overall impact of organization change
- (ii) The success criteria and related performance measures
- (iii) The systems required to prevent increased HSE&S
- (iv) Business loss impacts and responsibilities for implementation.

The key points to be considered in the first review are given in Appendix-1.

(b) The second phase where appropriate, shall address the reorganization impact on the process and related operations and shall be carried out by the relevant Functional Head and / or the Management Team nominated by Chief Executive. They shall assess the existing risks and how they are currently managed and review the additional risk control measures, which are required as a consequence of change.

The key points to be considered in the second review are given in Appendix-2.

- 4.5 The Nominated Manager shall summarize the review in the form of an action plan clearly mentioning the identified concerns, agreed remedial actions and nominated owners. The actions shall be concluded before the reorganization is completed.
- 4.6 [Director Admin, HR & IT](#) shall have a system to monitor and record such reviews and action plans. The review and submission of report to HR Department regarding HSE implications occurring due to Organizational change shall be the responsibility of the concerned Departmental Head / Functional Head.
- 4.7 Functional Head will be responsible for filing Functional Capability Assessment of individual ([Appendix-3](#)) on Section Head and above level (grade 36 or above). [Director Admin, HR & IT](#) shall ensure its monitoring for providing common frame work.
- 4.8 Proposals for changes shall be risk assessed, documented and formally authorized.

## 5. COMMUNICATION AND TRAINING

The requirements of this procedure shall be communicated to all the Sectional Managers of the Business.

## 6. DOCUMENTATION

- 6.1 Appendix-1 The key points for the first review are shown below
- 6.2 Appendix-2 The key points for the review on process and related operations
- 6.3 [Appendix-3 Functional Capability Assessment Form.](#)

## 7. AMENDMENTS

This is the [seventh](#) revision.