

**Lotte Chemical Pakistan Limited
Port Qasim**

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| PROCEDURE NO. | HSE&S Procedure No. 16.03-02 | Page 1 of 9 |
| TITLE | Crisis Management Plan | |
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1. PURPOSE

The purpose of the Crisis management plan is to ensure a coordinated response to emergencies at the correct level of management and to avoid or reduce the damage to the reputation and financial standing of the company in case of a Crisis.

2. SCOPE

This plan shall apply to all major incidents of Lotte Chemical Pakistan Limited (LCPL) Site, City Office, Distribution and Security.

3. DEFINITIONS

3.1 Crisis

A Health, Safety and Environmental Crisis is an unplanned event, which triggers a real, perceived, or possible threat to health, safety, environment & security, or to the organisation's reputation or credibility. Crisis has the potential to significantly impact the company's operations or to pose a significant environmental, economic, reputational or legal liability.

Examples of incidents, which have a potential to become a Crisis, are given in Appendix-1.

Or

A Crisis is critical situation arising out of a major (HSE&S) incident that require the activation of Crisis Management Plan.

3.2 Site

In the context of this procedure, Site is taken to mean the LCPL Site, the Raw Water Pumping Station, and the adjacent 50 Acre Plot.

3.3 Incidents

Incidents include those causing, or with the potential to cause:

- (a) Work related injuries, occupational illnesses and incidents with the potential for harm to LCPL employees and contractors hired by LCPL;
- (b) Harm to a member of the public or complaints from the public;
- (c) Damage to equipment, material or the environment;
- (d) Harm to LCPL employees whilst travelling on company business;
- (e) Harm as a result of the distribution of LCPL product;
- (f) Harm as a result of a security incident (e.g. deliberate product contamination / kidnapping).
- (g) Harm as a result of natural disaster (e.g. earthquake / tremors).

3.4 Business Crisis Manager (BCM)

Chief Executive of LCPL shall be the BCM. He shall also be responsible for communication with the Board of Directors and major share holders of LCPL and Internal Business.

In the absence or unavailability of Chief Executive, General Manger Manufacturing shall take over the responsibility of Manufacturing Location, Commercial Manager shall be responsible for Distribution Emergencies and Chief Financial Officer shall be responsible for Security Emergencies.

3.5 Crisis Management Team (CMT)

CMT will comprise of:

- Chief Executive: Leader of CMT (Substitute: As defined in 3.3)
- Chief Financial Officer: Member CMT (Substitute: Company Secretary)
- General Manager Manufacturing: Member CMT
- Commercial Manager: Member CMT (Substitute: Purchase Manager (Engineering))
- General Manager HR & IT, Member CMT
- General Affairs & Security Manager, Member CMT
- Technical Manager, Member CMT
- Production Manager, Member CMT
- Engineering Manager, Member CMT
- HSE & Technical Training Manager, Member CMT

Filter Teams (FT) for Plant & City Office will comprise of:

- Manager General Affairs, Member FT at Site
- General Manager Manufacturing's Secretary, Member FT at Site
- HR & IT Manager, Member FT at City Office (Substitute: [Executive Secretary](#))
- Executive Assistant Member FT at City Office (Substitute: [Executive Secretary](#))

The names and phone numbers of the Business Crisis Management Team and Filter Teams are given in Appendix-4.

3.6 Incident Supervisor

In case of Crisis, Senior Shift Manager, on duty, will be the Incident Supervisor for Site & Assistant Manager QHSE for Raw Water Pumping Station. For other operations like Distribution and Security, the respective area incharges shall be the Incident Supervisor (Commerical Manager for distribution incidents and General Affairs & Security Manager for security incidents).

In off hours or in the absence of Assistant Manager QHSE at site, Shift Manager Utilities shall have the responsibilities of Incident Supervisor at Raw Water Pumping Station where as for other operations like Distribution and

Security incident supervisor responsibilities will remain unchanged (Commercial Manager and General Affairs & Security Manager).

BCM can also nominate any person as Incident Supervisor who is already at the scene of the incident or who may be sent to the location with pre-determined responsibilities depending on the nature of the incident.

3.7 Crisis Management Centre (CMC)

The location of the Crisis Management Centre will be the Conference Room in Azhar Ali Malik Block. In case it is not possible to reach plant site, the CMT will convene at the Main Board Room in City Office as per address given in Appendix-4. In case it is not possible for plant based CMT members to reach City Office and vice versa, CMT will convene at both the location and communicate through phone and video conference.

3.8 Filter Team (FT)

Filter team is a group of people responsible to handle external communication (telephone, fax, e-mails etc.), assess their importance and pass on relevant communiqué to the CMT.

4. REQUIREMENTS

4.1 Responsibilities of Individual Members of CMT

4.1.1 Chief Executive

- Being the BCM, decide on the need for the activation of the Crisis Management Plan based on the criteria defined in Annexure-7.
- Convene Crisis Management Team (Based in City Office e.g. Chief Financial Officer, Commercial Manager, General Manager HR & IT, General Affairs & Security Manager) at the Crisis Management Centre City Office (Board Room) through City Office based filter team.
- Overall coordination of all activities of CMT and assigning of (additional) responsibilities to individual members.
- Decide on need for Crisis reporting to Board of Directors and major share holders its implementation.
- In a major Crisis (Category-I), be the spokes person of the Company.
- If the incident is of continuing nature, distribute the CMT in groups to cover 24 hours.
- Ensure that internal communication takes place with the employees at the end of the crisis.

4.1.2 Chief Financial Officer

- Designated as BCM in the absence of Chief Executive for security related Crisis (thus all responsibilities of 4.1.1)

- Provide an expert advice to CMT on financial matters
- Co-ordinate with insurance agencies on relevant issues
- Respond to concerns from financial organizations / agencies on the financial implication of the Crisis
- Provide expert advice to CMT on legal matters
- Develop statement(s) stating the Company position / actions etc. for the media and public while taking into consideration all possible legal implications.
- Be the Company's spokes person in face-to-face meetings with the press or other media.
- Handle public / media enquiries.
- Coordinate development and issuance of press statements.
- Manage Press / TV representative that arrive at the business premises.

4.1.3 **General Manager Manufacturing**

Liaison with Chief Executive Officer (CEO) for Site related crisis issues and for effective on board decisions. However Designated as BCM in the absence of Chief Executive for Site related crisis additional responsible for Clause 4.1.

- Convene Plant Based Crisis Management Team CMT (Technical Manager, Production Manager, Engineering Manager, HSE & Technical Training Manager) in Crisis Management Centre CMC (AAM Block Conference Room) through Plant based filter team.
- Provide an expert advice to CMT (Crisis Management Team plant based) on manufacturing matters
- Provide additional and backup resource from manufacturing in case of major Crisis.
- Provide technical information to Chief Financial Officer that is required to be incorporated in the statements for media.
- Be the Company's spokes person at plant site in face-to-face meetings with the press or other media.
- Handle public / media enquiries at plant site.
- Manage Press / TV representative that arrive at the plant site.

4.1.4 **Commercial Manager**

- Designated as BCM in the absence of Chief Executive for Distribution Crisis (thus all responsibilities of 4.1.1).
- Coordinate all administrative activities with reference to CMT operation.
- Initiate and maintain liaison with authorities and other services on relevant issues arising out of the Crisis.
- Maintain a record (log) of the Crisis management activities.

4.1.5 **General Manager HR & IT**

- Notify CMT members what statement(s) is being issued.

- Keep other senior managers (Department Heads, General Managers, Directors) informed and updated on the Crisis and its management.
- Will act as company's spokes person related to security Crisis in absence of Chief Executive.

4.1.7 General Affairs & Security Manager

- Provide expert advice to CMT on all security matters
- Liaison with external security agencies as well as corporate security manager for advice and assistance
- Initiate and maintain liaison with external emergency services when required

4.1.8 Production Manager

- Designated as substitute of General Manager Manufacturing and thus all responsibilities of 4.1.4 3 applies.
- Provide expert advice on operational aspects of plant to General Manager Manufacturing and CMT.

4.1.9 Technical Manager

- Provide expert advice on technical and technological aspects of plant to General Manager Manufacturing, when required.
- Provide expert advice on environmental issues as well as environmental legislation and help General Manager Manufacturing / Chief Financial Officer in preparing media statements
- Coordinate between CMT and FT.

4.1.10 HSE & Technical Training Manager

- Provide expert advice to CMT on HSE issues.
- Coordinate with Emergency Response Team and Incident Supervisor.
- Initiate and maintain liaison with neighbouring industries for any emergency help.

4.1.11 Engineering Manager

- Provide expert advice to CMT on engineering issues.
- Provide help and support to handle press and media at plant site.

4.2 Any serious / major incident occurring shall be reported to the Chief Executive of LCPL (BCM) at the first available opportunity.

4.3 The purpose of activating a crisis management plan is to provide additional support to those who may be dealing with a site emergency or business issue, e.g. by dealing with specific issues such as media relations, the provision of additional resources and expertise or the recovery from the crisis to minimise damage to the reputation of the LCPL.

- 4.4 The CMT will need to make a preliminary assessment of the potential for the event or incident based on the information given to it and against the following criteria and act as stated:

| Category | Criteria | Action |
|----------|---|---|
| Three | An isolated incident where local action should be able to resolve the situation. | The Business Crisis Management Team will acknowledge but will confirm ownership remains with the Business Group affected. |
| Two | In which there has been an isolated incident, damage would appear to be contained and there is unlikely to be significant ongoing business interruption. | The Business Crisis Management Team will closely monitor the situation, possibly offering assistance and / or a deployment to assist. |
| One | In which there is clearly an ongoing crisis which might have a significant impact on: <ul style="list-style-type: none"> ● the life and safety of personnel ● the reputation of the company ● the financial position of the company ● the environment | The Business Crisis Management Team takes full ownership of the crisis. |

- 4.5 Incident notification form (See Appendix-3) shall be filled immediately by the CMT and the checklist (Appendix-7) shall be used for collecting the details.
- 4.6 The CMT shall prepare a draft for providing media information like Holding Statement, Press Release, TV interviews etc (Ref Appendix-9). In case CMT convene at both the locations, all media queries shall be referred to Chief Financial Officer at City Office or General Manager Manufacturing at plant site, who should act as the Company Spokes person respectively. Chief Financial Officer General Manager Manufacturing shall be assisted by a Technical Person from the relevant function.
- 4.7 The Incident Supervisor shall carry out his responsibilities as given in Appendix-2.
- 4.8 BCM will inform the Company Chairman and Board Members of LCPL about the details of Crisis.
- 4.9 The Crisis Management Centre will be equipped with the following:
- Fax Machine
 - External direct phones lines at least two
 - Telephone on PABX
 - Equipment for Recording Telephone Conversation
 - TV and recording system
 - Computer, LAN, and Internet Connection for CMT members
 - MSDS and Dispersion Modelling Folders
 - Flip Charts

- Photocopier
- Company Telephone Directory
- Map of Pakistan
- Recording facilities for recording of conversation in the CMC as well as media news &/or discussions.

Copies of LCPL Crisis Management Plan shall be kept securely in the CMC.

General Manager HR & IT shall be responsible for providing above facilities and maintaining CMC.

- 4.10 A list of emergency telephone Nos. is appended as Appendix-10.
- 4.11 An emergency response team shall be available on Site on rotation basis, providing 24 hours emergency coverage.
- 4.12 General Manager HR & IT shall ensure that procedure exists for handling serious security incidents such as kidnapping, blackmail, (Appendix-11) and bomb threats etc. (Appendix-12)
- 4.13 Business Crisis Manager (BCM) shall also be Business Continuity Manager. However Chief Financial Officer shall be custodian for Business Continuity Plan (BCP) and shall coordinate the preparation and annual updating of the company-wide BCP. Individual functional heads shall be responsible for testing and updating of the BCP in their respective areas of responsibility. [The BCP Committee Meeting will beheld twice per year to review all BCP annual plan actions. HSE & Technical Training Manger shall coordinate for implementation of identified actions of the relevant Business continuity agreed yearly plan.](#)
- 4.14 In case of any natural disaster (e.g. earthquake / tremors) at LCPL plant site, the Senior Shift Manager (SSM) will instruct to activate fire alarm from control room. The SSM will inform ERT / Medical team to reach nearest assembly point as well and not to act as in case of a fire alarm.
- 4.15 This Crisis Management Plan shall be reviewed at least once after every 2 years.

5. COMMUNICATION & TRAINING

- 5.1 HSE & Technical Training Manager shall ensure that this procedure is communicated to all members of the CMT.
- 5.2 HSE & Technical Training Manager shall arrange periodic drills at least once after every 2 years to test the efficacy of the procedure and to suggest further improvement.
- 5.3 Training shall be arranged by General Manager HR & IT for the Business Crisis Management Team and Filter Team members on specific issues such as

media communications, kidnap or threat / ransom demand and kidnap, filtering communication etc.

- 5.4 General Affairs & Security Manager shall arrange Training of emergency telephone handling to telephone operators.

6. DOCUMENTATION

- 6.1 Appendix-1 Major / Serious Incidents Which Can Cause A Crisis
- 6.2 Appendix-2 Role Of Incident Supervisor
- 6.3 Appendix-3 Incident Notification Form
- 6.4 Appendix-4 Crisis Management Team
- 6.5 Appendix-5 Role Of Crisis Management Team (CMT)
- 6.6 Appendix-6 Consideration for Initiation of Crisis Management Plan
- 6.7 Appendix-7 Incident Checklist
- 6.8 Appendix-8 Causes and Consequences of the Incident
- 6.9 Appendix-9 Media Handling
- 6.10 Appendix-10 External Emergency Telephone Numbers
- 6.11 Appendix-11 Sop To Deal In A Kidnap Situation
- 6.12 Appendix-12 Sop For Bomb Threats / Hoax Calls
- 6.13 Appendix-13 LCPL Site Procedure in case of War in Country
- 6.14 Appendix-14 Media Holding Statement

7. REFERENCE

- 7.1 [HSE&S Procedure](#) No. 16.02-01 Emergency Response to Distribution Incidents.
- 7.2 [HSE&S Procedure](#) No. 16.01-01, 2 & 3 Emergency Response Procedures.
- 7.3 [HSE&S Procedure](#) No. 9.01-01 & 2 Location Security Management Procedures.
- 7.4 HSE Statement Dossier (Ref: Public Statement –[HSE&S Procedure](#) No. (15.01-01))
- 7.5 [HSE&S Procedure](#) No. 1.05-01 National HSE&S Management

7.6 LCPL Business Continuity Plans

8. AMENDMENTS

This is the [fourteenth](#) revision.