

To: Williams, Elizabeth J SCAI-HSE <elizabeth.williams@shell.com>
From: Snyder, Phil J SCC-HSE-OE
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Cc:
Bcc:
Received Date: 2005-10-03 02:04:01 GMT
Subject: FW: APME Product Stewardship Position

I think we should discuss this. Phil

-----Original Message-----

From: Smolik, Sam SCC-CHSE
Sent: Wednesday, August 31, 2005 12:07 PM
To: Sykes, Paul B SCC-CF-PS; Snyder, Phil J SCC-HSE-OE
Cc: Williams, Elizabeth J SCAI-HSE
Subject: APME Product Stewardship Position

fyi - some good background information on expats that Elizabeth sent to me.

Sam

-----Original Message-----

From: Tholstrup, Susan C SCC-HSE
Sent: Thursday, November 20, 2003 7:59 AM
To: Kinder, Stephen G SC-CXN-SK; Pianskool, Rut SHLTHAI-CBEO-RP; Chua, Colin BC SC CPSM-CC
Cc: Murrell, Steve SJ SIPC-OIC/9; Williams, Elizabeth J SCAI-HSE; van Ingen, Nicole N SC-CXH; Hays, Gary R SIC-CTHR
Subject: RE: ASIA Product Stewardship Position

Stephen, Rut and Colin

(I have included some specific comments on individuals, so please do not share)

I tried to reach you (Stephen) by phone, but was unable to get you. I would prefer that over trying to do this in writing, but perhaps this will be a start. If you (or others) would like to discuss, please call me at my home at night at +1 281-484-7813.

I am sorry that this plan has not been shared with you. I know that additionally anxiety is not needed with everything else that is happening in the organization. Here's an attempt to summarize the activities. It is rather long, which is why I preferred to do it by phone.

Background

My commitment to Fran was to take \$1.5mln (from \$10.3) out of the CF HSE budget for 2004 (relative to 2003). I have also committed to take roughly \$1mln additional cuts in 2005. In the beginning of 2003, that budget was 87% driven by staff costs and the remainder was for contract work and additional funds for external organizations, etc. The goal is to do this while increasing HSE performance in the organization. HSE performance was loosely defined as:

- * effectively measuring/reporting incidents and then reducing those incidents for our operations
- * ensuring legal compliance in all work in all countries
- * understanding and influencing and/or preparing for changing external and regulatory environments
- * helping the businesses understand the HSE impacts and risks/opportunities to our product portfolio
- * implementing increasing global security requirements

To meet these objects (Costs down, performance up), it was clear that we needed to change the way that we do work and change the process and scope of that work. In addition to obvious detailed financial analysis and the

beginnings of improved reporting processes, we started a series of "engagement" sessions with our internal customers. The primary activities were 1) external consultant interviewed all PBU VP's, several EVP's and a handful of others. 2) the CF HSE LT did a series of interviews with selected individuals across the organization. 3) the results of these engagements and the resultant plan has been shared and endorsed with the CFLT and all PBU VP's. We have been waiting to implement this plan pending the concurrence from the European Staff Councils.

Why an "Asian" Product Steward

One of the consistent themes in our discussions has been the concern over the right balance of HSE skills across the globe. In early 2003, our staff allocation was 25 in Europe, 18 in Americas and 7 in APME. Since that time, we've "lost" two of the 7 APME staff and replaced with part-time roles working in other organizations. The primary concerns regarding Asian support come from the following areas:

- * SM/PO - Jan (and more recently David and Olivier) expressed concern about the support for growth in Asia. Our current product stewardship support is in Germany, Chester and Houston. Due to relatively little activity in the America's, it seems to make more sense to change that balance to stronger Asian support and less in the Americas.

- * Phenol - rapidly growing poly carbonate business in Asia has led to increasing imports of phenol into Asia and pre-marketing work in hopes of the SPAM project. The poly carbonate product will have heavy consumer implications - like HoDer does - that will require strong product stewardship support

- * Aromatics - expected shortages of benzene and xylenes in Asia is expected to increase our market activity there. As we are aware, Benzene has particular concerns from a logistics and product stewardship perspective, as well as ensuring we are leveraging our investment in the Shanghai Benzene Study.

- * REACH - the new European Chemical policy (REACH) has already found some "traction" in the Asia - particularly China. We have deep concerns about what will happen to this program globally - including Asia.

- * Staff enrichment - I have engagement sessions about quarterly with the HSE staff in Asia. One of the concerns expressed by these guys is the lack of opportunity and "movement" in the organization. This organizational change is allowing some growth for the staff (professionally), but it also means that some of their current activity must be re-allocated. Pulling the some of the part-time Product Stewardship activity that they are currently doing into a focused resource will help enable us to do that.

- * skill set - product stewardship and operations support are two very distinct skill sets. I am worried that we are not doing justice to either because of asking our current Asian HSE advisors to do both. To name people -

- * Tiong Jee is overloaded and clearly one of our most experience HSE professionals in the entire skill pool. He is also toward the end of his career. We need to free some of TJ's time to help share his knowledge with others.

- * Boonlert - I am very concerned that he does not have the depth of skills to support Thailand and growth in Thailand. We need to get him some additional support.

- * Dickson - he is a very strong and capable advisor and is frustrated in not seeing growth opportunities. We have asked him to help support our regulatory work in - particularly in China. Road transport is a very hot concern in China.

- * Cliff is doing a fine job. He is new and just needs more experience.

- * Scott - he has not provided the leadership needed for this region and struggles to keep all the work activities moving at appropriate pace.

- * I am very concerned about our marine activity in Asia (actually, all the globe, not just Asia). I believe our current marine advisors do a good job of "shipping" issue for HSE. The interface between marine and product stewardship is the concern. We had a similar concern with road and product stewardship. While we are still working that interface, recent issues have escalated the marine interface as well.

Why an Expat?

- * The "master plan" around product stewardship is to have single, global product steward for product groups. Today, that is 6 groups (Aromatics/Phenols, EOG/PDO, LO, HoDer, Solvents, SMPO). There may be fewer groups in the future. Creating this role is a new and increased job for these folks. It looks like we will have either a 3/3 or 2/4 balance of these jobs in US/Europe. We discussed putting one of these roles in Asia today, but I decided it was too early to put that global role in Asia. Instead, the decision was to put a strong, experience PS in Asia that can provide support for all the PS. Likewise, we will have PS advisors in the US/Europe to provide additional local support to the global product stewards. In all, we are dropping PS support by 2 FTE so it is important to get the right balance.

* This is a new role with limited supervision, so I wanted a strong and experience individual in that role. Tiong Jee is the only one of the existing advisors who could fill that role. I can't afford to lose him from his current role. In addition, he has the opportunity to post for the APME lead role which will enable sharing of his skills and personal growth if he is the viable candidate.

* I believe the Asian PS is a 3 year role. Following that, we will either place one of the global PS roles in Asia, decide we don't need this specific role, or decide it was a good idea and continue the assignment.

* My expat strategy for CF HSE is to have one expat in the "system" at a time. I want that to be a cross-regional assignment. The individual assigned to that job must meet the requirement of having high potential in Chemicals.

I know this was rather long. Hope it helps. Please call me to discuss.

Susan

-----Original Message-----

From: Kinder, Stephen G SC-CPSM-SK

Sent: Tuesday, November 18, 2003 6:29 PM

To: Tholstrup, Susan C SCC-HSE

Cc: Murrell, Steve SJ SC-CHSE-SJM; Williams, Elizabeth J SCCA-HSE; Pianskool, Rut SHLTHAI-CBEO-RP; Eve, Jackie J SC-CHSE-JE; Thorel, Olivier O SC-CPSM; Chua, Colin BC SC CPSM-CC; van Ingen, Nicole N SC-CXH

Subject: RE: ASIA Product Stewardship Position

Thanks Susan,

Backgroud to my email was the note from Mary to Rut and the forwarded note from Dickson to myself as it raised the question from APME PBU managers as to

a) why this resource was needed. ?

b) was anyone in the APME PBUs aware of the resource especially as it is descibed as PBU PS support in APME ?

Perhaps the background to this position needs further explanation in the context of the global changes to the HSE organisation.

Hope useful feedback.

thanks

Stephen G. Kinder

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