



AFI MANAGEMENT CHANGE POLICY

AFI, like all commercial organizations, will experience constant change in the environment in which it operates. The number of changes an organization experiences depends on many factors, often beyond the organization's control. The influence of disruption and the impact on change that may exist in the organization depends on the level of culture and high leadership in the organization. Organizations that embrace change and actively manage change processes are better equipped to cope with change, and use change management processes to get maximum benefit from any opportunities that arise as a result of these changes. Many innovative processes can be developed and implemented because of change events, if seen as opportunities and not threats. AFI's management and staff are experienced in managing change. This policy has been developed to document how the change management process at AFI should be managed to achieve maximum benefit for the organization and all its stakeholders.

EXTERNAL CHANGE GUIDE

This form of change is driven by technological progress, Globalization, International Trade, Changes in Government Policy, Legal requirements and some other names. Perhaps these changes will be addressed at the Senior Management level, if not at the Board level, and they will provide direction and leadership in how to adapt to these changes. In large-scale change initiatives, teams will be formed to implement these changes, with a project manager appointed to implement these changes as objectives, budgets and schedules are approved. One example is the recent changes to the AFI Forest Resource Management system.

INNER CHANGE GUIDE

Smart businesses regularly make changes to their business processes, which aim either to increase efficiency, adapt to new compliance requirements, reduce or mitigate hazards, manage risks, or introduce new products or services. The triggers for these changes vary but will usually be influenced by unplanned events that cause management to reflect on the completeness or effectiveness of their internal business processes, or the products and services they offer. Changes in knowledge or information as a result of new developments may also lead to the need to review business processes, products, or services.

These unplanned events should be seen as opportunities to achieve innovative solutions to problems hidden in business processes, or to open up potential commercial opportunities for the organization. They can also be triggered by staff suggestions or as a result of regular audits of operations where recurring problems appear, or through visits by customers to AFI operations.

Wherever the case may be, management at every level in the AFI should understand opportunities to improve existing business processes, products, or services. For example this can happen when the cause of the accident or incident has shown that adequate protection is not in place to prevent possible injury or damage to individual health or the environment. Or perhaps if training for a particular process is insufficient and further training is required to achieve



proficiency. All events should be reported on the People Tray or recorded in the minutes of Health & Safety Meetings, or regular operational meetings, with solutions proposed and approved for implementation. All SOPs should be reviewed and approved by the General Manager to be implemented.

OHS staff will monitor actual work practices to ensure compliance with appropriate SOPs, use of appropriate PPE, and in the case of reported incidents and accidents, assess the need to modify SOPs to improve OHS performance. Further improvements should be discussed at the Health and Safety Meeting, or at the Contractor's Operations Meeting. This also includes changes in knowledge or information about OHS hazards and Risks.

It is equally important that a review occurs of any change in the process, product, or service to check for any unintended consequences resulting from the change, and if found, immediate action should be taken by the AFI management to mitigate any adverse effects.

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General Manager

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