



BP Exploration (Alpha) Limited Corporate Social Responsibility Policy: 2019-20

Title and applicability

This document articulates the BP Exploration (Alpha) Limited (“BPEAL”) Corporate Social Responsibility (“CSR”) Policy.

BP Exploration (Alpha) Limited (“BPEAL”) is wholly owned subsidiary of bp plc. It is incorporated in England and has its registered office at Chertsey Road, Building A, Ground Floor Desk 136, Sunbury on Thames, Middlesex, United Kingdom, TW16 7LN. BPEAL has established its project office in India under approval from the RBI (general permission granted to the Authorized Dealers vide its circular no. RBI/2011-12/3 Master Circular No.03/2011-12 dated 1st July 2011) vide letter No. FE.CO.FID dated 20th September 2011.

This Policy applies to all CSR activities of BPEAL in India and seeks to conform to the requirements of Section 135 of the Companies Act 2013, the notified rules thereof and other such provisions. The Policy is underpinned and guided at all times by the bp Code of Conduct (CoC). The bp Code of Conduct is available at www.bp.com.

Mission and objectives

At BPEAL we strongly believe in building long term and sustainable partnerships with the communities around us. We aim to make a positive difference, wherever we do business. CSR is one of the many ways in which we contribute to communities around us. Seeking alignment with the national development agenda and business objectives, the BPEAL CSR strategy aims to create value through:

- Skills: creating access to skill development opportunities to ensure improved quality of life; skills to build a safer and globally competitive workforce.
- Safer Mobility: safety in mobility solutions with a considered focus on reducing accidents, injuries and loss of life on roads in India.
- Energy Transition: strengthening the role of energy in achieving sustainable growth; addressing climate change and the need for access to energy for the citizens of India.

India is set for a period of rapid and sustained growth in energy demand. Already the 3rd largest economy in the world, policies are in place to press ahead with the country’s modernization and expansion of its manufacturing; “24X7 Power for All” and “Make in India” campaigns converge as the country develops the resources and infrastructure to meet the growing aspirations of its people. Energy in general and hydrocarbons in particular are an important part of the Prime Minister’s vision for India’s future. India needs energy which is accessible to the poor. It needs efficiency in energy use. As a responsible global citizen, India is committed to combating climate change, curbing emissions and ensuring a sustainable future. Given global uncertainties, India also needs energy security. The vision for India’s energy future has four pillars:

- Energy access
- Energy efficiency
- Energy sustainability

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- Energy security

India's vast population, its diversity, the variability of services and the differing baselines across regions complicate the aspiration of "development for all". More than 300 million young people will enter the workforce over the next two decades. Several developmental challenges remain, including equitable access to basic health and education facilities, sustainable livelihoods and access to energy.

bp began investing in India more than 100 years ago through the Castrol India lubricants business. Today, bp India's activities span oil and gas, lubricants, petrochemicals, fuels, IT, financial and marine services. As we grow our business, we seek to support to India's development agenda, directly and through our partners, in the areas of skills, safer mobility and the energy transition.

Planning and implementation

The BPEAL CSR strategy establishes the direction and scope for our social investment, in alignment with both business and national priorities.

BPEAL will undertake all CSR activities as stated in Annexure 1, in the above-mentioned focus areas preferably around the operations or areas of presence of the Company.

The CSR Committee may, if required, recommend to the Board as part of the CSR Policy, activities outside of the above-mentioned areas.

All activities will be undertaken in project mode with defined objectives and deliverables, clarity on target beneficiaries, implementation plans with schedule of timeline agreed prior to commencement of activities.

As applicable and appropriate, necessary processes including baseline, midline and end of project assessments will be undertaken to allow for a structured approach and mid-course correction as required.

A robust monitoring and evaluation system will be developed for each project as per its specific requirements. As appropriate, third party evaluations may be built in to assess impact on beneficiaries and progress towards achievement of the objectives of the CSR Policy

Documentation and reporting will be undertaken for all projects to aid availability of updated information and to capture learning for posterity.

BPEAL also currently contributes to CSR activities implemented by Reliance Industries Ltd. (RIL) around the KG D6 project area on the east coast of India.

Budgets

A specific budget will be allocated for CSR activities. This budget will be in accordance with the tenets of Section 135 of the Companies Act 2013 and project driven. Utilisation certificates, as appropriate will be sought for all projects implemented by registered partners. In line with Companies (Corporate Social Responsibility) Rules 2014, the surplus if any, arising out of the CSR activities shall not form part of the business profit of the BPEAL.

Monitoring & Evaluation Framework

All activities will be governed by a pre-set monitoring and evaluation framework.

The framework will include the key performance indicators, milestones and reporting periodicity prior to commencement.

Key performance indicators will include both quantitative and qualitative measurable.

Financial and timelines-based measurement will be included with regular financial and progress reporting mechanisms.

Key objectives of monitoring throughout the implementation period will be to establish whether:

- The projects are making satisfactory and timely progress towards the objectives agreed.
- The financial management and reporting are satisfactory.
- To flag any course correction required.

Projects will evaluate the success of social investments at the end of their implementation period and document any lessons learned.

Governance

The Board of Directors of BPEAL:

- Have constituted a Board level CSR Committee
- Will approve the CSR Policy for BPEAL, based on the recommendations made by the CSR Committee and disclose contents of the Policy in its Report.
- Will ensure that the activities included in the CSR Policy in accordance with the specified activities under Schedule VII of the Companies Act, 2013, are undertaken by the Company.
- Will monitor the CSR Policy of the Company from time to time.

The BPEAL CSR Committee shall:

- Formulate and recommend to the Board, the CSR Policy indicating the activities to be undertaken in accordance with Schedule VII of the Companies Act, 2013 and the expenditure to be incurred thereon.
- Provide oversight and guidance on CSR performance and monitor compliance with the CSR Policy, commitments and the Statutory Regulations.
- Review effectiveness of the CSR Policy and activities included in the Policy.
- Determine the overall scope of, provide input on, and recommend adoption of the CSR report to the Board of Directors of BPEAL.

Annexure 1

CSR Plan for 2019-20

CSR budget for 2020

Based on the calculation of 2% of the average net profit made during the three-immediate preceding financial years, the CSR budget for BPEAL is NIL.

CSR Action Plan

The following CSR action plan is proposed for 2019-20.

The company has the following programmes underway:

S#	CSR Programmes	Schedule VII	Implementation Agency	Implementation schedule			
				Q1	Q2	Q3	Q4
1	KGD6 area CSR Projects (implemented by Reliance Industries Limited - the operator)	Multiple elements	Reliance Industries (Operator)	√	√	√	√