

bp India Private Limited
Corporate Social Responsibility Policy
(Version 1 – Effective 1 January 2021)

I. Title and Applicability

This document articulates the bp India Private Limited (“BPIPL”) Corporate Social Responsibility (CSR) Policy (the “Policy”).

This Policy applies to all CSR activities of BPIPL 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.

BPIPL is a part of the bp Group of Companies in India. BPIPL is in the business of providing business advisory & support services, business development & investigation support services and trained skilled manpower resources to the bp Group Companies and other Companies in India and abroad in respect of their current or future proposed activities.

II. Mission and objectives

bp is an integrated energy company with operations across the world. As our business transforms itself in step with the world we serve, we provide heat, light and mobility to customers all over the world, with a purpose to reimagine energy for people and the planet and an ambition to be a net zero company by 2050 or sooner. Our new strategy drives delivery towards our new purpose and ambition, underpinned by the sustainability frame. The frame has three focus areas – get to net zero, improve people’s lives and care for our planet.

Today, in India, bp’s activities span oil and gas, lubricants, fuels, IT, financial and marine services. As we grow our business, we seek to support the country’s development agenda, directly and through our partners. 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 • 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.

Our CSR strategy is aligned with our business objectives, sustainability frame and the national development agenda. At BPIPL, we are committed to making a positive impact and seek to build long and sustainable partnerships with the communities around us. Our CSR programmes aim at creating 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.

Additionally, the Company aims to support humanitarian aid activities in India, by providing relief and rehabilitation to people impacted by natural disasters.

II. Planning

The CSR strategy establishes the direction and scope for our social investment, in alignment with both business and national priorities. BPIPL will undertake all CSR activities 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 of Directors as part of the CSR Policy, activities outside of the above-mentioned areas.

IV. Selection of NGO

The company follows a process of due diligence of NGOs to ensure compliance with regulatory requirements including the registration with central government by filing of the CSR-1. The NGOs are further evaluated on parameters like expertise in implementation, track record of performance, financial health, transparency, local community outreach, ethics, and compliance. Counter party due diligence (CDD) of the selected NGOs are conducted and NGOs which have risk rating 'Low' and below are considered for evaluation. CSR sub-committee approves the selection of NGOs based on recommendation from CSR team and independent evaluation of the NGOs.

V. Implementation

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.

VI. Monitoring & Evaluation Framework

In compliance with the Act and to ensure funds spent on CSR programmes are creating the desired impact on the ground, a comprehensive monitoring and reporting framework is in place. The key objectives of monitoring throughout the implementation period is to establish that the projects are making satisfactory and timely progress towards the objectives agreed, the financial management and reporting are satisfactory and to flag any course correction required.

The monitoring and reporting mechanism include as applicable and appropriate, necessary processes including baseline, midline and end-of-project assessments to allow for a structured approach and mid-course correction, if any, as required. A robust monitoring and evaluation system, and key performance indicators (quantitative and qualitative) are developed for each project as per its specific requirements. As appropriate, third-party evaluations are built in to assess impact on beneficiaries and progress towards achievement of the objectives of the CSR Policy. Documentation and reporting are undertaken for all projects to aid availability of updated information and to capture learnings and best practices.

VII. Governance

The Board of Directors of BPIPL have constituted a Board level CSR Committee. The CSR Committee will provide oversight and guidance on CSR performance and monitor compliance with the CSR policy, commitments, and the statutory regulations. CSR committee will also determine the overall scope of, provide input on, and recommend adoption of the CSR report to the Board of Directors of the Company and review effectiveness of the CSR Policy and activities included in the Policy.

The CSR committee shall formulate and recommend to the Board an annual action plan detailing the list of CSR programmes, manner of execution, modalities of utilization of funds, implementation schedule, monitoring and reporting mechanism and details of needs and impact assessment.

The annual CSR spend will be certified by the CFO. The Board will monitor performance against the annual action plan to ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by it. The Board will monitor the impact of the CSR programmes and provide input and course corrections if required.

VIII. Impact assessment

Impact assessment study is conducted by an independent impact assessment agency for CSR projects having outlays of one crore rupees or more. The framework for impact assessment study is based on the following:

Objectives:

- Assess efficiency of processes during implementing the programs
- Assess effectiveness in terms of improvements in lives of end beneficiaries
- Improve by providing actionable suggestions

Methodology:

- A quasi-experimental design that compares outcomes between two groups of targets – those who have been part of the programme (treatment group) and those who are not (control group)

Tools: A mix of quantitative and qualitative tools

- Quantitative tools include technical test and structured survey
- Qualitative tools include interviews with NGO partners and trainers and observation of programmes being implemented

Key performance indicators:

- Efficiency of processes in executing the training, which is a significant determinant of its success:
 - Pre-training: mobilization, trainee retention and infrastructure
 - Training: trainer quality, support to trainers, curriculum, pedagogy and assessment
 - Post-training: certification, helpline and follow-up
- Effectiveness of the training in terms of social outcomes for the trainees
 - Improvements in technical skills, life skills and safety performance
 - Increases in incomes and business
 - Better customer management
 - Enhanced well-being and sense of pride in profession

IX. Budget

The Board of Directors of the Company endeavours to spend, in each financial year, 2% of the average net profit made during the three immediately preceding financial years. The CSR Committee recommends the annual budgeted expenditure to the Board for its consideration and approval.