

## 1. Vision

IndianOil's Sustainability & Corporate Social Responsibility (S&CSR) vision is to operate its activities in providing energy solutions to its customers in a manner that is efficient, safe & ethical, which optimizes the impact on environment and enhances quality of life of the community, while ensuring sustainable growth of business and the nation.

## 2. Mission

In line with the above vision, IndianOil's S&CSR mission is to:

- Meet stakeholders' aspirations for value creation and grow along with the society
- Optimize resources and mitigate environmental impacts by incorporating environmental and social considerations in business decisions
- Earn stakeholders' goodwill and build a reputation as a responsible corporate citizen
- Conduct business with ethics and transparency & follow responsible business practices
- Adopt & harness technological / social innovations for sustainability & achieving Sustainable Development Goals

## 3. Scope

3.1. IndianOil's S&CSR Policy will be operative within the overall ambit of CSR Provisions of the Companies Act 2013 [hereinafter referred to as 'Act'], Companies (CSR Policy) Rules 2014 [hereinafter referred to as 'CSR Rules'], Schedule-VII to the Act [hereinafter referred to as 'Schedule-VII'], DPE's guidelines on CSR & Sustainability [hereinafter referred to as 'DPE guidelines'] and clarifications / amendments thereof from time to time.

## 4. Constitution of CSR&SD Committee

4.1. IndianOil shall constitute a Sustainability & CSR Committee of the Board [hereinafter referred to as 'CSR&SD Committee'], consisting of at least three Directors, out of which at least one Director shall be an independent director.

## 5. CSR Budget & Expenditure

5.1. IndianOil shall earmark at least 2% of average net profits (as defined in CSR Rules) earned during three immediately preceding financial years for 'CSR budget' of the year

- 5.2. Any surplus arising out of the projects / programs / initiatives [hereinafter referred to as 'Activities'], which are funded from the CSR budget, shall not form part of the business profit and shall be dealt with as per the provisions of the Act / CSR Rules, as amended from time to time.
- 5.3. Any excess amount spent on CSR activities during a financial year may be set off against the requirement to spend as per the Act / CSR Rules up to immediate succeeding three financial years subject to compliance with the conditions provided under the Act / CSR Rules.
- 5.4. If IndianOil fails to spend the CSR budget of a year, the reasons for not spending the amount will be specified in the Directors' Report and the unspent amount shall be dealt with as per the Act / CSR Rules.
- 5.5. All S&CSR activities, which are funded from the CSR budget, shall exclude those undertaken in pursuance of normal course of business.
- 5.6. Any capital asset created / acquired through CSR funds shall be handed over to the entity as specified in the CSR Rules.

### **6. Thrust Areas under S&CSR**

- 6.1. Efficiency in operations and processes
- 6.2. Safe and healthy environment in and around the workplaces
- 6.3. Basic livelihood needs & societal empowerment
  - 6.3.1. Safe drinking water and protection of water resources
  - 6.3.2. Healthcare, nutrition and sanitation
  - 6.3.3. Education and skill development
  - 6.3.4. Empowerment of women and socially / economically disadvantaged groups, etc
- 6.4. Tourist friendly facilities in and around monuments/sites of national/cultural importance
- 6.5. Environmentally sustainable practices within & beyond the organization's premises:
  - 6.5.1. To pursue clean energy options including renewable energy and other low carbon solutions
  - 6.5.2. To improve operational water management, including source conservation, treatment & recycling of water, and engage proactively with stakeholders in addressing local water challenges
  - 6.5.3. To reduce greenhouse gas emission
  - 6.5.4. To conserve & promote efficient use of resources, facilitate waste reduction / reuse / recycling to build a circular economy, and ensure waste disposal in an environmentally safe manner
- 6.6. Promotion of responsible business practices: Conduct business with transparency, integrity, inclusivity, and accountability.

6.7. To disclose sustainability performance in line with national & international regulations and practices

### **7. CSR Annual Action Plan & Guiding Principles**

7.1. The Action Plan for undertaking CSR activities shall be formulated annually, based on the following guiding principles:

#### *7.1.1. Selection*

(i) Need Assessment / Baseline Survey,

#### *7.1.2. Implementation*

(i) Modalities of Execution,

(ii) Implementation Schedule

(iii) Modalities of Utilization of Fund

#### *7.1.3. Monitoring & Evaluation*

(i) Monitoring / Reporting Mechanism, and

(ii) Impact Assessment

7.2. The Board will approve the Annual Action Plan based on recommendations of the CSR &SD Committee.

### **8. CSR implementation**

8.1. CSR activities will be undertaken either by IndianOil itself or through the following entities:

8.1.1. A company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or

8.1.2. A company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or

8.1.3. Any entity established under an Act of Parliament or a State legislature; or

8.1.4. A company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

8.2. Any entity covered under 8.1 above will be required to submit CSR-1 form before implementing any activity on behalf of IndianOil

8.3. IndianOil may engage international organisations for designing, monitoring and evaluation of the CSR activities as well as for capability building of its officials for CSR.

- 8.4. IndianOil may collaborate with other companies for undertaking CSR activities.
- 8.5. IndianOil Board shall monitor the implementation of CSR activities including ongoing projects and can make modifications, if any, for smooth implementation of the projects.

### **9. Reporting**

- 9.1. S&CSR Policy and its contents, Annual Action Plan, Projects approved by the Board and composition of the CSR Committee shall be displayed at IndianOil's web site.
- 9.2. The Directors' Report shall include an annual report on S&CSR activities as per the format specified in the CSR Rules.
- 9.3. Impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

### **10. Validity**

S&CSR policy may be reviewed in event of major changes in the Act / CSR Rules / DPE Guidelines, etc. or in every 5 years, whichever is earlier. Any changes / modifications in the policy shall be approved by the Board based on the recommendation of the Sustainability & CSR Committee of IndianOil.