

Ethical Leadership that Inspires Confidence



We have a robust governance framework, supported by well-defined policies, systems, and processes. To cultivate an organizational culture that encourages trust, transparency, and ethical conduct, we maintain strict compliance with recognized benchmarks, with a particular emphasis on embedding ESG into our organizational fabric. This approach ensures that we remain on track to consistently outperform ourselves and deliver long-term value for all stakeholders.

MATERIAL TOPICS LINKED



Corporate Governance



Economic Performance



Cyber Security and Data Privacy



Innovation and Technology (R&D)

UN SDGs IMPACTED



Code of Governance

Our approach to corporate governance is focused on protecting the interests of all stakeholders by being transparent, sharing information openly, empowering our employees, making decisions together, and meaningfully contributing to society.

Role of the Board

Our Board of Directors sets a clear strategic direction aligned with our long-term vision and empowers the Executive Team to deliver on value creation goals. It regularly reviews key matters and supports timely, well-informed decision-making. The Board also endorses key policies that promote integrity, sustainability, and resilience, which helps foster long-term confidence among our stakeholders.

Board Committees

AUDIT COMMITTEE

The Audit Committee oversees financial reporting, internal controls, statutory compliance, auditor performance, and accounting policies. Additionally, it monitors loans, investments, and whistleblower concerns.

PROJECT EVALUATION COMMITTEE

We rely on this committee to evaluate and provide insights into projects with capital costs of ₹ 500 crore and above, including investments in subsidiaries and joint ventures. It supports the Board in assessing project feasibility and delivery efficiency.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The NRC reviews and recommends policies related to employee compensation, incentives, and benefits, ensuring alignment with guidelines issued by the Government of India and promoting fairness and transparency.

STAKEHOLDER RELATIONSHIP COMMITTEE

This committee focuses on addressing shareholder and debenture holder concerns, facilitating faster grievance redressal, and maintaining strong investor relations.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee monitors the utilization of CSR funds, guides program implementation, and maps the progress and impact of our initiatives.

RISK MANAGEMENT COMMITTEE

This committee identifies and monitors risks, formulates mitigation strategies, and ensures business continuity across operations. It coordinates with other role holders to strengthen enterprise-wide risk preparedness.



SUSTAINABLE DEVELOPMENT COMMITTEE

Tasked with advancing our ESG agenda, this committee reviews our sustainability performance, oversees the implementation of key initiatives, and drives sustainable development. It also reviews our Business Responsibility and Sustainability Report (BRSR) and Sustainable Development Report.

Our Policies

- ⦿ Sustainable Development Policy
- ⦿ HSE Policy
- ⦿ Security Policy
- ⦿ CSR Policy
- ⦿ Preservation of Documents and Archival Policy
- ⦿ Policy for Determination of Materiality of Events or Information
- ⦿ Whistleblower Policy
- ⦿ Policy for Material Subsidiaries
- ⦿ Code for Prevention of Insider Trading in the Securities of BPCL
- ⦿ Related Party Transaction Policy
- ⦿ Code of Conduct for Board Members and Senior Management Personnel
- ⦿ Dividend Distribution Policy
- ⦿ Sexual Harassment Policy
- ⦿ Equal Opportunity Policy
- ⦿ Human Rights Policy
- ⦿ Anti-Fraud Policy

Governance

Stakeholder Management

We cultivate enduring relationships with our stakeholders by maintaining open channels of communication. Through regular engagement with customers, employees, investors, regulators, and communities, we gather insights, share updates on our strategies and performance, and align their expectations with our organizational priorities. These interactions encourage transparency and collaboration and reinforce accountability across all touchpoints.

By integrating stakeholder feedback into our decision-making processes, we ensure that our policies, initiatives, and long-term strategies reflect shared goals and deliver inclusive, sustainable value.

STAKEHOLDER CLASSIFICATION

We categorize stakeholders as internal and external based on their level of influence and impact on our sustainability outcomes.

Internal

-  Employees
-  Shareholders and Investors

External

-  Suppliers and Contractors
-  Dealers and Distributors
-  Customers
-  Media
-  Competitors
-  Community and NGOs
-  Government and Regulators
-  Industry Trade and Associations

Materiality Assessment

Our Company reinforces its sustainability commitment through a structured materiality assessment process that identifies and prioritizes key issues impacting both the business and its stakeholders.

This process involves stakeholder engagement, surveys, and internal evaluations to determine material topics, as conducted in FY 2022-23. These topics are managed through a well-defined strategy aligned with the UN Sustainable Development Goals (SDGs). We conduct this assessment periodically to ensure continued relevance and responsiveness to evolving priorities.

A THREE-PHASED APPROACH

Phase 1

Desktop Review

Peer Benchmarking

Conducted a desktop review of BPCL's material topics against market trends and reporting standards such as GRI, SASB, IPIECA and IOGP for identification of material topics.

Phase 2

Stakeholder Engagement

Engaged stakeholders through interviews and surveys to gather valuable insights on material topics and their influence on BPCL's strategic business priorities.'

Phase 3

Validation of Material Topics

In-depth Analysis and Summary of the Findings

Developing matrix with topics prioritized as high, medium and low.

STAKEHOLDER ENGAGEMENT PROCESS

The Company maintains a systematic approach, conducting interactions periodically to ensure effective communication.

Identify Stakeholders:

Identify and prioritize relevant stakeholders.

Identifying Issues:

Carried out a helicopter view-based research to identify a list of issues for stakeholders to consider and rank.

Impact and Influence of Key Issues:

Prioritize material topics which are major and crucial.

Governance

MATERIALITY MATRIX

The assessment included inputs from stakeholders, senior management, and the Board, considering all strategic business units nationwide. The matrix presented below represents the outcome of our materiality assessment.

Topics have been rated on a scale of low, medium and high for their impact on the business and their perceived importance by the stakeholders.

Environment 1. Climate Change 2. GHG and Other Emissions 3. Energy Use and Transition 4. Water Management 5. Waste Management 6. Asset Integrity and Process Safety 7. Availability of Raw Material 8. Product Safety and Quality 9. Clean Tech 10. Biodiversity	Social 11. Human Capital and Labor Rights 12. Diversity, Inclusive Development and Community Relations 13. Talent Management 14. Occupational, Health and Safety 15. Supply Chain Management 16. Customer Satisfaction and Grievance Redressal	Governance 17. Corporate Governance 18. Cyber Security and Data Privacy 19. Economic Performance 20. Innovation and Technology (R&D)
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Not by Scale

Impact on Business	High	6 Asset Integrity and Process Safety 15 Supply Chain Management	5 Waste Management 7 Availability of Raw material 14 Occupational, Health and Safety 16 Customer Satisfaction and Grievance Redressal 19 Economic Performance	1 Climate Change 2 GHG and Other Emissions 3 Energy Use and Transition 4 Water Management
	Medium	11 Human Capital and Labor rights 12 Diversity, Inclusive Development and Community Relations 17 Corporate Governance 18 Cyber Security and Data Privacy	8 Product Safety and Quality 13 Talent Management 20 Innovation and Technology (R&D)	
	Low	9 Clean Tech 10 Biodiversity		
		Low	Medium	High

Impact on Stakeholder

Risk Management

We adhere to the highest standards of corporate governance by implementing a robust and structured Risk Management Framework. This framework supports agile, informed and accountable decision-making across the Board. This approach enhances strategic planning, operational performance and enterprise-wide visibility into key risks and opportunities.

RISK MANAGEMENT FRAMEWORK

Our Risk Assessment and Management Framework is embedded across all business functions and project lifecycles. It ensures the timely identification, evaluation, and mitigation of both internal and external risks while aligning with BPCL's broader strategic objectives. The framework fosters a proactive, risk-aware culture and follows a structured five-step process:

Risk Identification

We identify risks through structured workshops, expert input, historical data analysis, and document reviews. This ensures thorough coverage of controllable and uncontrollable risks across the business.

Risk Analysis

Identified risks are evaluated based on their probability and potential impact. A qualitative model is used to determine inherent risk levels, enabling prioritization.

Risk Prioritization

A composite score is generated from the risk's impact and likelihood. Based on this, risks are ranked and segmented into priority levels to guide response strategies.

Risk Treatment and Mitigation

For each risk, tailored mitigation plans are developed by assessing available options. Action plans are implemented to reduce exposure and manage uncertainty effectively.

Escalation Protocol

Risks that cannot be resolved at the functional level are escalated to senior leadership or addressed during regular review cycles to ensure timely intervention and accountability.

IDENTIFIED RISKS

- ⦿ Business Excellence
- ⦿ Operations
- ⦿ Information Technology
- ⦿ Human Resources
- ⦿ Strategic
- ⦿ Financial
- ⦿ Logistics
- ⦿ Marketing
- ⦿ Legal and Regulatory
- ⦿ Brand
- ⦿ Environment
- ⦿ Security
- ⦿ Procurement
- ⦿ Research and Development

