

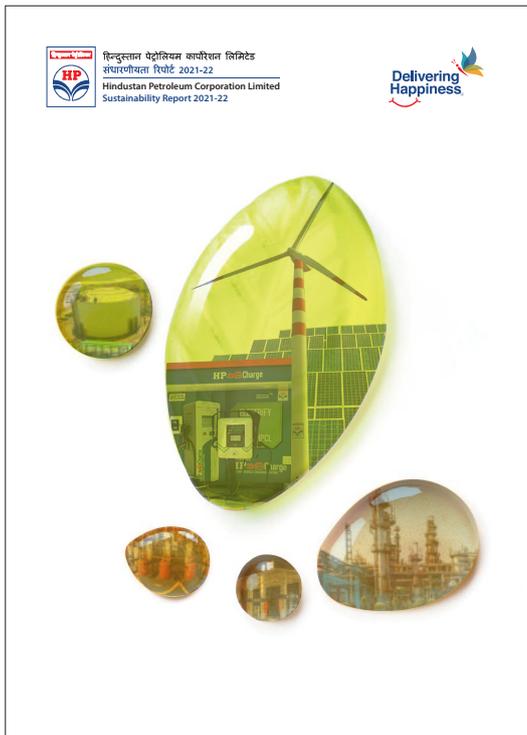


हिन्दुस्तान पेट्रोलियम कार्पोरेशन लिमिटेड  
संभारणीयता रिपोर्ट 2021-22

Hindustan Petroleum Corporation Limited  
Sustainability Report 2021-22



## On the Cover



HPCL is committed to being a responsible of energy solutions in order to meet the needs of the people and the economy, while striving to develop resources in a cleaner and environment friendly manner. Our long-term development model focuses on satisfying society's energy needs in an economically, environmentally and socially acceptable manner. Our growth model banks on creating greater societal value by serving our customers, through innovating business strategies to ensure that it simultaneously leads to the creation of sustainable livelihood opportunities and a positive environmental footprint.

The cover depicts HPCL responsiveness to environmental sustainability. It shows our willingness to adopt pathways for integrating low carbon energy solutions into our existing business portfolios to keep us moving on the time-horizon of growth responsibly by adding further value to the society and the environment.

### Registered Office and Corporate Headquarters

Hindustan Petroleum Corporation Limited,  
Petroleum House, 17, Jamshedji Tata Road,  
Mumbai - 400 020, Maharashtra, India

### Marketing Headquarters

Hindustan Petroleum Corporation Limited,  
Hindustan Bhawan, 8, Shoorji Vallabhdas  
Marg, Ballard Estate, Mumbai - 400 001,  
Maharashtra, India

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### Environmental

#### **Net Zero**

Target for Scope 1 and 2 emissions by 2040

#### **1st**

among OMCs to achieve Ethanol blending in all States/UTs in India

#### **1st**

among Industry to transport ethanol through railway rake (on World Biofuels Day)

#### **1st**

OMC to place an order for Electrolyser to produce Green Hydrogen

#### **1st**

In Indian oil industry to install Building Integrated Photo Voltaic (BIPV) solar roof canopy Gota retail outlet, in Ahmedabad regional office

#### **1st**

ever 'Solar Refueler Cart' developed by any OMC in India (for smaller airports)

#### **9.03%**

Ethanol blending achieved

#### **262**

LOIs released for setting up CBG Plants

#### **155 MWp**

Total Renewable Power Generation Capacity

#### **18.84 Crore kWh**

Energy generation by Wind Farms

#### **1.66 Crore kWh**

Solar energy generation (At Marketing Locations and COMCOs)

#### **70,079 SRFT**

Energy conservation at refineries

#### **1,011**

Electric Vehicle (EV) charging stations

#### **6,35,000 KL**

Water recycled by refineries

## Social

**33.04**

Million man-hours of safe operations  
by Mumbai Refinery

**1,75,022**

Mandays of Training on Health  
and Safety (Employees+Contract  
workforce+Transport Workforce)

**₹ 135.57 Crore**

Expenditure on CSR activities

**9,800+**

Girl children supported under  
Project Nanhi Kali

**125**

Special children provided education,  
therapies and vocational training  
through project Adapt

**37.29%**

Procurement achieved from MSEs

**25 Lakhs**

New customers enrolled  
under PMUY scheme

## Economic

**₹ 3,72,642 Crore**

Highest Sales Revenue

**₹ 6,383 Crore**

Profit After Tax

**₹ 85,746 Crore**

Contribution to Exchequer

**39.14 MMT**

Total Sales Volume

**7.5 → 9.5 MMTPA**

Increase in crude processing capacity of  
Mumbai Refinery

**100**

Patent Milestone surpassed by HPGRDC  
(Total 123 patents granted)

**SAP S4 HANA**

Strategic Modernisation of ERP Platform

**Zero**

Cyber Security incidents leading to breach  
of business critical systems

# About the Report

We stand for trust and commitment to our stakeholders as a part of our journey to a more sustainable future. In furtherance of that purpose, we consider it imperative to share insights into our progress, milestones, challenges and prospects with our valued stakeholders annually.

The report outlines our (Hindustan Petroleum Corporation Limited) approach in integrating sustainability into our policies, structure, management and operations, sustainability journey and provides insights into the strategic way forward. It also highlights the economic, environmental and social aspects of our development and operations. Our aim is to share our sustainability commitment with various stakeholders, including employees, investors, customers, business partners, suppliers, lenders, the community and the government.

1200 kWp Solar Power Plant at one of our locations

## Reporting Period

This report is produced and published annually. It provides material information relating to our strategy and business model, operating context, material risks, stakeholder interests, performance, prospects and governance, covering the financial year April 1, 2021 to March 31, 2022. Restatements to data have been marked in the relevant section of the sustainability report. The most recent previous Sustainability Report for 2020-21 and all our previous Sustainability Reports are available at <https://hindustanpetroleum.com/pages/sustainability>.

## Reporting Boundary

The report boundary remains unchanged from our previous reports and encompasses all fully-owned operations of the Company. This includes our refineries at Mumbai and Visakhapatnam and the operations of the Strategic Business Units (SBUs) under marketing: Aviation, Direct Sales, LPG, Lubes, Natural Gas, Biofuels and Renewables, Supplies, Operations and Distribution, Projects and Pipelines and Retail (Company-owned and Company-operated outlets). This report does not include joint ventures, subsidiaries and international operations. Entities included in the consolidated financial statements are detailed in HPCL Annual Report for FY 2021-22 which can be accessed at HPCL Corporate Website.

## Materiality

Our material issues are those that matter most to our key stakeholders and that have an impact on our ability to create value. An issue is considered to be material if it has the potential to considerably impact our commercial viability, social relevance and quality of relationships with our stakeholders. Our material issues are informed by the economic, social and environmental context in which we operate.

Read more about our materiality issues on page 38

## Frameworks, Guidelines and Standards

- Global Reporting Initiative (GRI) standards: in accordance-comprehensive
- United Nations Sustainable Development Goals (UN-SDGs)
- United Nations Global Compact Principles (UNGC)
- Nationally Determined Contributions

## Assurance

We safeguard the quality of information contained in this Report through a robust assurance process, leveraging our internal expertise and external assurance. The information contained in this report has undergone appropriate internal reviews and has been subjected to independent assurance by a third-party, M/s. Bureau Veritas India Pvt. Ltd. in accordance with the AccountAbility Assurance Standard AA1000AS version 03 Type 2 Moderate assurance. For further details on the independent assurance statement, please refer to the annexure in this report.

## Feedback

We welcome feedback on our suite of reports to ensure that we continue to disclose relevant information in an easily consumable manner. We welcome your queries or suggestions at: [corporatehse@mail.hpcl.co.in](mailto:corporatehse@mail.hpcl.co.in) or online on the HPCL website at: <https://crminterface.hpcl.co.in/CRMInterface/hpclcomplaints.aspx>.



# Catalysing a Sustainable Future



“

Climate change is a defining challenge and its global impacts affect every sector of the economy and hence cannot be ignored. Resilience to climate change can be improved by embedding newer low carbon approaches in the company's value creation strategy. As a responsible corporation, we have already embarked on this journey to address the risks of climate change to our business portfolios and we are an active participant in this transition.

## Dear Stakeholder,

It gives me immense pleasure to release this year's Sustainability Report 2021-22. At HPCL, we believe that agility, adaptability and resilience will help businesses become more sustainable. At HPCL, Sustainability is an essential and non-negotiable factor in fostering a nurturing environment and realising its mission of empowering businesses and societies to flourish. As a responsible organisation, we have created impactful, strategic and evolutionary sustainability pathways.

HPCL is reporting its performance on environmental, social and governance aspects through the publication of annual Sustainability reports for the last 10 years. The 11th Sustainability report for FY 2021-22 is our endeavour to bring out our Sustainable journey through the FY 2021-22.

We are committed to a future that provides dependable, accessible and affordable clean energy to our customers and the communities we serve. We can realise this vision through technological interventions, investment in our communities and training and development of a diverse workforce while leveraging strengths in our existing businesses. These efforts, when combined, will provide long-term value to our customers, employees, suppliers, investors and all other stakeholders.

Environment, Social and Governance (ESG) is an essential part of us and this reflects the way we do our business. Our ESG approach is centered on how we create value in each of these pillars while mitigating the risks in our business. We are also actively engaging with our stakeholders in the development and implementation of our overall ESG strategy.

Climate change is a defining challenge and its global impacts affect every sector of the economy and hence cannot be ignored. Resilience to climate change can be improved by embedding newer low carbon approaches in the company's value creation strategy. As a responsible corporation, we have already embarked on this journey to address the risks of climate change to our business portfolios and we are an active participant in this transition.

HPCL has set for itself a goal of achieving Net Zero Scope 1 and 2 emissions by the year 2040 with an overall reduction in carbon intensity. HPCL is working with world-renowned consultant to develop an Environmental Strategy, a road-map for energy transition to achieve the goal. To have focused development of low carbon offerings, we have created separate SBUs for Natural Gas, Biofuels & Renewables and an Energy Transition Cell to help monitor this activity. Our Visakh and Mumbai refineries' expansion plans include significant improvements in specific energy consumption. Our two new pipelines, the

# 39.14 MMT

## Total Sales Volume

700-kilometer-long Vijayawada-Dharmapuri POL pipeline and the 650-kilometer-long Hassan-Cherlapalli LPG pipeline, shall enable safer transportation of product over longer distances while reducing carbon footprint.

### The year that was - 2021-22

We reported our highest annual sales revenue of ₹ 3,72,642 crore (PY ₹ 2,69,243 Crore), a 38% increase, with a profit after tax (PAT) of ₹ 6,383 Crore. We achieved a sales volume of 39.14 MMT (including exports), up from 36.59 MMT in the same period last year. Mumbai Refinery successfully completed one of the most complex expansion projects for major processing unit revamping and capacity expansion. With the completion of the Mumbai Refinery Expansion Project (MREP) and the revamping of both primary and secondary units, the crude processing capacity of Mumbai Refinery was increased from 7.5 MMTPA to 9.5 MMTPA. Visakh Refinery continued to deliver strong physical performance, with capacity utilisation exceeding 100%.

We also crossed the 20,000 Retail Outlets mark with the commissioning of 1,391 Retail Outlets during FY22, bringing the total Retail Outlets to 20,025. In addition, 51 new LPG distributorships were established during the year, bringing the total number of distributors to 6,243 as of March 31, 2022.

Our Green R&D Centre (HPGRDC) in Bengaluru increased capacity by acquiring additional land and adding seven new laboratories to leverage R&D capabilities. HPGRDC received 33 patents during the year, surpassing the 100-patent milestone, bringing the total number of patents granted to 123 as of March 31, 2022.

Following the successful implementation of the 'T20 Strategy' 5-year strategy roadmap, we have developed the 'T25 Strategy' 5-year strategy roadmap up to 2025-26. The T25 strategy will assist in creating value and responsibly delivering growth by strengthening existing businesses, leveraging new growth engines such as petrochemicals and natural gas and seizing green and emerging opportunities with a focus on technology and innovation.

## From C&MD's Desk



### Leveraging the Power of Digital

With a view to further enhance the digital impact within the organization and to bring about an enterprise view towards each of the initiatives being taken up, HPCL has embarked on an organizational digital transformation program viz. 'Parikalp'. Through this program, HPCL is leveraging various emerging digital technologies to meet the business needs in dynamic business scenario. Some of the key initiatives viz. Video analytics, Data & Analytics based Demand Forecasting Solution, Customer Engagement & Experience Platform, Virtual employee engagement through 'DIGICONN', a Digital Experience Centre are under various stages of implementation.

HPCL is implementing Project 'Aarohan' – a strategic initiative that will transform the digital landscape of the corporation with next generation SAP S/4 HANA platform.

We see technology as a critical value creator in our business and we have always been proactive in adopting technology to enhance the customer experience. HPCL is keeping up with the constant dynamics in today's digital world by utilising cutting-edge technology tools. Pipeline Intrusion Detection System (PIDS) based on OFC (Optical Fibre Cable) has been implemented in the entire operating cross-country pipeline network to leverage technology for improved productivity and safety in pipeline operations. On the marketing front, 11 new SMART terminals with end-to-end automation and seamless integration of various processes were added, resulting in improved operational and cost efficiency, safety and stakeholder convenience.



### Protecting our Natural Environment

HPCL is focussed on environmental sustainability through the implementation of various initiatives in the areas of carbon footprint reduction, energy efficiency, water conservation, waste management, renewable energy among others.

The GoI has set a target of increasing natural gas's share of the energy mix from 6.7% to 15% by 2030. In accordance with the intent, HPCL is involved in the entire value chain of the natural gas business. We have been awarded the right to establish CGD networks in three geographical areas as part of PNGRB's 11/11A City Gas Distribution (CGD) bidding. With this, HPCL and its JVs have been granted permission to operate in

23 geographical areas across 12 states in the country. HPCL is also building a 5 MMTPA LNG Regasification Terminal at Chhara, Gujarat through HPCL LNG Limited.

Electric Vehicle (EV) charging stations are available at 1,011 retail outlets as of March 2022. We are collaborating with a number of organisations, including start-ups, to provide end-to-end EV charging infrastructure across the country in order to provide customers with multi-fuel options. In accordance with the National Green Hydrogen Mission, HPCL is constructing a 370 TPA Green Hydrogen plant at Visakh Refinery to meet a portion of the refining process requirements. Solar panels were installed at 1,763 retail outlets during the year, bringing the total number of retail outlets with solar power to 6,411 outlets, in keeping with our commitment to transition to a low-carbon economy through increased use of renewable energy.



### People power

Our employees drive progress and we work hard to attract, motivate, develop and retain the best industry talent. Our decades of knowledge and insight has served us well over the years and we are committed to steadily and sustainably improve our business acumen and agility. By committing to a fair, transparent and inclusive work culture, we aim to create a safe and sustainable environment for our employees. We make the workplace smarter by improving people's experiences, leveraging technology and simplifying policies and processes. Our workforce is an ideal blend of experience, youthful energy, of innovative mindset and a variety of perspectives. Our keen focus on people orientation and enablement through trainings has resulted in the development of committed, dedicated and competent employees who serve as the organisation's backbone.

**'HP FIRST' set values will be the compass that will continue to guide our actions, as they have in the past. Conducting business and living by our values, will help in developing a distinct cultural identity, protect against failures and lead us to success. While all the values represented by HP FIRST are critical, I would particularly like to emphasise on the values 'Respect for Individual' in the context of creating employee first culture.**

HPCL ensured continuity of business during the second wave of COVID-19, with a focus on various interventions such as conducting recruitments through virtual mode, provision and support for employees to work-from home, arranging vaccination for employees & other stakeholders etc. with extensive use of technology. For capability building, we extensively used the digital learning systems during the year to clock around 7.7 training man-days per officer. Employee engagement initiatives were also enhanced to create an enabling, participative, nurturing & winning work culture at HPCL and for reaching out to the families of the employees to build a stronger bond with the HP Family. Towards enhancement of the awareness about various labour laws and compliances, 'Labour Law-Statutory Compliance Fortnight' was conducted across all locations in 2021-22.

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### Corporate Social Responsibility

Our long-term success is deeply intertwined with the health and well-being of the communities we serve. As part of Corporate Social Responsibility (CSR), we have undertaken various activities during the year under the focus areas of childcare, education, health care, skill development, environment & community development and sports, thus positively influencing the lives of less privileged. During 2021-22, ₹ 135.6 Crore has been spent in CSR activities including the contribution to PM CARES Fund, provision of Oxygen cylinders & concentrators to various hospitals and support to fight against COVID-19.

To promote the objectives of procurement from MSEs as laid down in Public Procurement Policy, multiple Vendor Development Programs/ Buyer-Supplier meet for MSEs were conducted during the financial year. Against the above set target for FY 2021-22, we achieved 37.29% (₹ 4,257.58 Crore) of procurement of goods & services from MSEs.

# 37.29%

## Procurement from MSEs

For providing convenience and access of LPG to rural customers, HPCL enrolled more than 20,000 Common Services Centers (CSC) operated by Village Level Entrepreneurs (VLE) promoting rural entrepreneurship and ensuring social inclusion.



### Awards

For outstanding performance across various spheres of business, HPCL was recognised with several prestigious awards during the year including "Oil Marketing Company of the Year" for leadership in Oil Marketing business in India by Federation of Indian Petroleum Industry (FIPI) awards for second consecutive year.

### Outlook

As the global energy system evolves, we are focused on delivering affordable, reliable and ever-cleaner energy to meet the demands of a growing world. We are committed to taking lead in collaborating for change and we hope that our solutions shall benefit society. We are entrusted with the responsibility of running our businesses responsibly and sustainably, supplying high-quality products, working to reduce environmental impacts and supporting the communities in which we live and work. Finally, I would like to take this opportunity to thank stakeholders and employees for their hard work and resilience throughout a very demanding year. I am deeply grateful for their ongoing involvement and commitment to the success of our sustainability initiatives.

Thank you

**Pushp Kumar Joshi**  
**Chairman and Managing Director**  
**(Additional Charge - Director Marketing)**

## Message from Directors



**VINOD S. SHENOY**  
Director - Refineries

HPCL Refineries are committed to meeting our nation's energy needs while focusing on environmentally sound and robust practices. During the FY 2021-22 refineries registered combined refining throughput of 13.97 MMT.

Despite the challenges posed by the COVID-19 pandemic, Mumbai refinery (MR) increased its nameplate crude processing capacity from 7.5 MMTPA to 9.5 MMTPA in FY 2021-22 by successfully and safely executing a very complex revamp of a major processing unit. Mumbai Refinery has achieved best ever safety performance by clocking 33.04 Million man-hours of safe operations as on 2021-22.

Visakh refinery (VR) delivered robust physical performance by recording capacity utilization of more than 100%.

Both HPCL refineries are participating in performance benchmarking study conducted by M/s. Solomon Associates, USA for the sixth successive bi-annual period towards achieving reliability & operational excellence. Both refineries are also participating in Refinery Performance Improvement Program (RPIP) towards process optimisation & energy consumption improvement. Consistent implementation of energy conservation recommendations has assisted refineries in saving approx. 70,079 SRFT (Standard Refinery Fuel Tonnage) in 2021-22.

Refineries continue to focus on environmental protection. Both the refineries have implemented internationally accepted 'Environmental Management Systems' based on ISO-14001 Standards. Best in class practices, such as Volatile Organic Compound (VOC) emission monitoring and Leak Detection and Repair (LDAR) program, have been adopted for monitoring and controlling fugitive emissions. Gaseous emissions to the environment and ambient air quality are continuously monitored including real time data transfer to regulatory agencies. Hazardous waste treatment and disposal systems are employed for waste management. Environment awareness programs are regularly conducted to enhance stakeholder awareness.

During the year, Mumbai refinery continued to source about 70% of its power from the grid. As part of VRMP, Visakh refinery executed a project to connect the refinery to 220 KV power grid. HPCL is the first Oil Marketing Company to place an order for Electrolyser to produce Green Hydrogen. A 2.6 MW Electrolyser will be installed in Visakh Refinery to produce 370 TPA of Green Hydrogen.

During the year, HPGRDC continued to provide advanced technological support to Refineries and Marketing SBUs with the development and launch of 13 new products/ technologies. During the year, 33 patents were granted to HPGRDC taking the cumulative patents granted to 123 as on March 31, 2022.

HPCL refineries stand steadfast in playing their major role in achieving the Net Zero Scope 1 and 2 emissions target by 2040, that HPCL has set for itself. Through incremental as well as step changes, the refineries have made substantial headways and are exploring further avenues for reducing their GHG emissions.



**RAJNEESH NARANG**

Director - Finance  
(Additional Charge - Director HR)

HPCL has been consistently operating towards its motto of serving as India's energy source. This year we were presented with a challenging operating environment because of the fluctuating prices as an outcome of the geopolitical scenario and various uncertainties attached to the pandemic. However, our workforce's unwavering determination and cohesive performance, coupled with our board of directors' guidance and a robust enterprise management framework, helped us in navigating the crisis and achieving the net profit of ₹ 6,383 Crore. As of March 2022, HPCL commands international long term issuer ratings at par with sovereign rating from Moody's Investors Services and Fitch Ratings.

With a forward-looking view, substantial investments have been planned for energy efficiency improvement measures at refineries, enhancing renewable power generation capacities, optimisation of supply chain, initiatives for asset utilisation improvement, biofuel generation and distribution among others. The finance function is also working in tandem with the strategy function on the corporation's plans on energy transition to achieve the set targets.

HPCL has adequate Internal Financial Controls for ensuring the orderly and efficient conduct of its business including adherence to the its policies; the safeguarding of its assets; the prevention and detection of frauds and errors; the accuracy and completeness of the accounting records and the timely preparation of reliable information, commensurate with its operation.

Adapting to today's VUCA (Volatile, Uncertain, Complex and Ambiguous) world and regulatory requirements in relation to Risk Management, HPCL has reviewed and revised its Enterprise Risk Management (ERM) framework which is embedded at the forefront of business strategies and focuses on the stronger, deeper and trust-based relationship with the stakeholders. We recognise the criticality attached to our operations and are committed to fostering economic growth while considering the impacts our business has on the environment, our people and the communities we work with.

# Securing Energy Needs, Sustainably

Hindustan Petroleum Corporation Ltd. (HPCL) is one of the largest public sector enterprises under the administrative control of the Ministry of Petroleum and Natural Gas, Government of India with 'Maharatna' status. HPCL stands 129<sup>th</sup> and 128<sup>th</sup> by market capitalisation as on March 31, 2022 at the BSE Limited and National Stock Exchange of India Limited (NSE), respectively. HPCL has a strong presence in the petroleum refining and marketing sector with a market share of approx. 21% among the Indian public sector Oil Marketing Companies (OMCs) as on March 31, 2022.

HPCL provides mobility fuels and LPG services to millions of Indian homes. Besides, it is India's largest marketer for industrial and automobile lubricants and is steadily growing its presence in renewable energies segment too with wind and solar power generation. The Company is engaged in sale of bulk petroleum products and pipeline transportation of petroleum products.

HPCL refineries at Mumbai and Visakhapatnam process crude oil into many value-added products which go in making multiple grades of lubricants, specialties and greases. In addition, we source our product requirements from 11.3 MMTPA capacity Guru Gobind Singh Refinery at Bathinda, which is a joint venture between HPCL and Mittal Energy Investments Pte. Ltd., Singapore with equity holding of 48.99% each. We also hold an equity of 16.96% in Mangalore Refinery and Petrochemicals Ltd. (MRPL) which is a schedule 'A' Miniratna, Central Public Sector Enterprise (CPSE) and operates a 15 MMTPA refinery at Mangaluru.

HPCL is currently operating petroleum product pipeline network of 3,775 km with mainline capacity of 32.55 MMTPA and branch line capacity of 15.57 MMTPA. Our pan-India marketing network comprises 137 regional offices. This network is supported by a supply and distribution infrastructure comprising Terminals, Pipeline Networks, Aviation Service Facilities, LPG Bottling Plants, Inland Relay Depots, Retail Outlets, SKO/LDO, Lube and LPG Distributorships.



**13.97 MMT**

Refinery throughput

**39.14 MMT**

Total sales volume  
(including exports)

**137**

Regional offices

## Vision, Mission and Values



### Vision

To be a world-class energy company known for caring and delighting the customers with high quality products and innovative services across domestic and international markets with aggressive growth and delivering superior financial performance. The Company will be a model of excellence in meeting social commitment, environment, health and safety norms and in employee welfare and relations.



### Mission

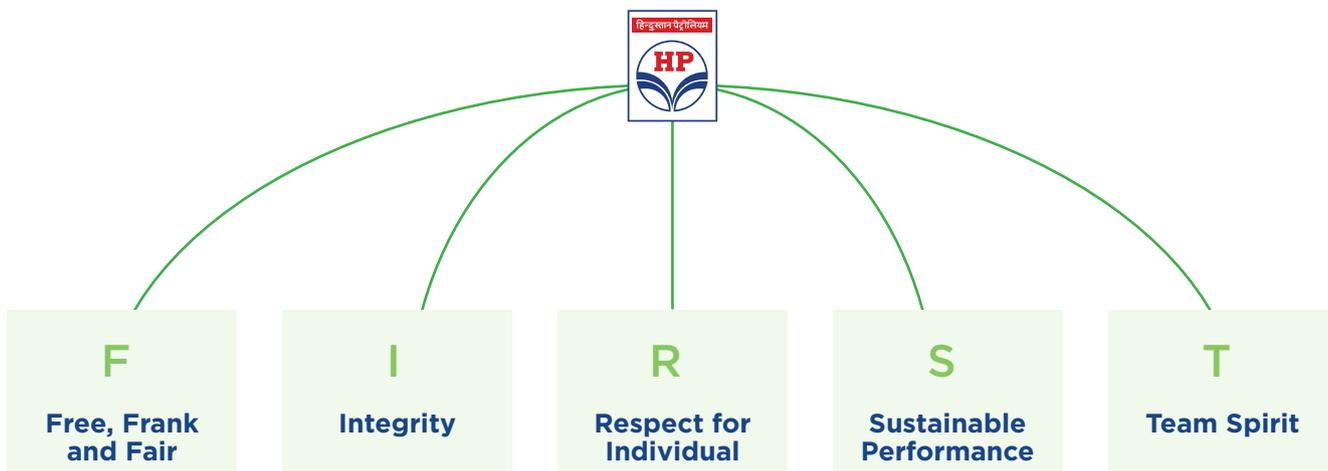
HPCL, along with its joint ventures, will be a fully integrated Company in the hydrocarbons sector of exploration and production, refining and marketing; focusing on enhancement of productivity, quality and profitability; caring for customers and employees; caring for environment protection and cultural heritage.

It will also attain scale dimensions by diversifying into other energy related fields and by taking up transnational operations.



### HP 'FIRST'

Building an 'Enabling Culture' is key to realize our vision and fulfil our mission. Our cultural motto **'HP FIRST'** instils pre-eminence of HPCL's vision and mission above all else and guides in all our professional endeavours and engagements. Our corporate values define who we are as well as who we will continue to be. Nothing less will do.



# HPCL at a Glance

## Our refining and marketing infrastructure

2

Refineries



2

LPG Import Locations



81

Terminals, TOPs and Depots



53

LPG Bottling Plants



6

Lube Blending Plants



47

Aviation Fuel Stations



6

Pipelines (Main Lines - POL)



4

Pipelines (Branch Lines - POL)



2

Pipelines (Main Line - LPG)



2

Specialty Product Pipeline (Lube Oil/ATF)



31

Exclusive Lube Depots (COLD/COD)



20,025

Retail Outlets



6,243

LPG Distributorships



1,638

SKO/ LDO Dealerships



156

Auto LPG Dispensing Stations (ALDS)



1,087

CNG Outlets



122

Clearing and Forwarding Agents (CFA)



274

Lube Distributors



## HP Green R&D Centre

In 2016, HPCL established its prestigious 'HP Green R&D Centre' in Bengaluru, India, with the goal of developing innovative and ground-breaking technologies and products. The R&D center's Phase-I laboratories are equipped with cutting-edge research facilities and equipment in the areas of FCC / RFCC, Hydroprocessing, Catalysis, Bioprocesses, Crude Evaluation & Fuels Research, Analytical, Process Modelling & Simulation and Nano Technology. Petrochemicals & Polymers lab, Engine Testing lab, Tribology lab, Corrosion Studies lab, Novel Separations lab, Residue Upgradation lab and Battery Research lab were inaugurated in April 2022 as part of Phase-II. The Department of Scientific and Industrial Research (DSIR) has recognised the R&D centre, which has collaborations with research institutes in India and abroad.

With the development of new products for government and private sector customers, our Lube R&D Centre continues to be innovative and proactive. It worked closely with the Army, Air Force and other agencies, resulting in a number of new product approvals during the year. Lube R&D in Mumbai was merged with HPCL Green R&D Centre in Bengaluru during the year, resulting in enhanced synergy and resource optimisation.

## Refineries

HPCL's refineries located at Mumbai and Visakhapatnam process a variety of crude oils into value added products while focussing on maximum asset utilisation and reliability improvement. The capacities of the Mumbai Refinery and Visakh Refinery are 9.5 MMTPA and 8.3 MMTPA, respectively. Our Mumbai Refinery has the highest lube oil production capacity in India.

Despite the unforeseen challenges posed by the COVID-19 pandemic, our Mumbai and Visakhapatnam refineries achieved sound physical performance as compared to their installed capacities during the year and recorded combined refining throughput of 13.97 MMT, registering a combined capacity utilisation of 88.4%. 2021-22 witnessed Mumbai refinery enhancing its crude processing capacity from 7.5 MMTPA to 9.5 MMTPA by successfully and safely executing a complex revamp of major processing units as part of the Mumbai Refinery Expansion Project (MREP) despite the challenges posed by multiple waves of the pandemic.

2021-22 also observed a robust performance by the Visakh refinery, which recorded a capacity utilisation of more than 100%. Our Visakh Refinery Modernization Project (VRMP) to enhance crude processing capacity from 8.3 MMTPA to 15.0 MMTPA is progressing well and mechanical completion for units has commenced in a phased manner.

## Marketing

HPCL serves the energy needs of millions of citizens through its widespread marketing network. The end users of our products include domestic, automotive, commercial and industrial segments. Our business verticals include Retail, LPG, Lubes, Direct Sales, Aviation, Natural Gas, Biofuels and Renewables, Supplies, Operations and Distribution, Projects and Pipelines. During the year, we continued our operations and ensured availability of petroleum products to the society while maintaining the safety and wellbeing of our stakeholders and the workforce. Our efforts led us to achieve total sales volume of 39.14 MMT (including exports) during the financial year.

### Major Products

#### Light Distillates



Liquefied Petroleum Gas  
Motor Spirit  
Naphtha  
Hexane  
Propylene  
Solvent

#### Middle Distillates



High Speed Diesel  
Superior Kerosene Oil  
Light Diesel Oil  
Aviation Turbine Fuel  
Mineral Turpentine Oil  
JBO  
Lube Oil Base Stock / Turbine Oil Base Stock

#### Heavy Distillates

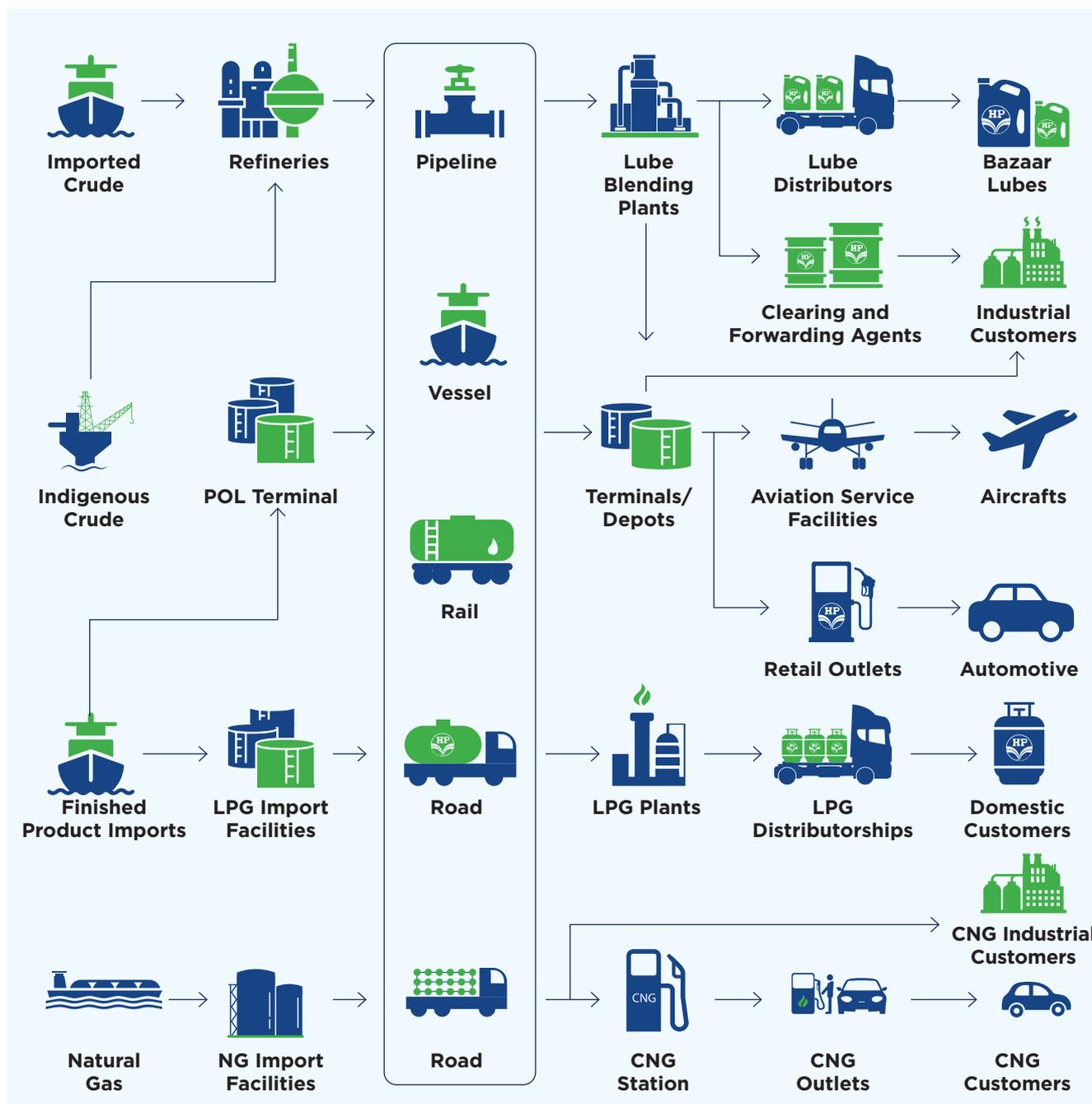


Bitumen  
Furnace Oil  
Low Sulphur Heavy Stock  
Others



## Supply Chain

Ensuring sustainability at all levels across the value chain is integral to how we operate. An inclusive supply chain is central to our value-creation strategy and our inclusive procurement goes above legislative mandates to create a real, positive difference in the lives of our host communities. To manage these intricate details in the supply chain, we have an integrated procurement system, which helps us ensure cost effectiveness, prompt delivery, reliability, responsible sourcing of raw material and inventory management



Suppliers, distributors, dealers and transporters have been identified as important stakeholders and are involved in stakeholder engagement sessions in order to make them aware of the important sustainability topics. We choose our suppliers on a combination of quality, cost, location and compliance to our policies. Supplier due diligence is a fundamental part of our supplier selection process.

We use best in class optimisation tools to plan and optimise the sourcing, transportation linkages and long term infrastructure needs. This reduces carbon footprint and cost by maximising product movement through energy efficient modes like Pipeline, Coastal and Rail over road transportation. HPCL has dedicated rakes for LPG transportation service. We encourage various local and small vendors to participate in the green initiatives being undertaken by the organisation.

Our suppliers have to abide by various terms and conditions of contracts which cover topics of safe and healthy working environment, compliance to labour laws enactments thereby, human rights, ethical behaviour, environmental preservation etc. We ensure that while our suppliers help us meet our business objectives and targets, quality and safety remain sacrosanct.

## Promoting Local Procurement and Vendor Development

HPCL collaborates with its suppliers for optimising operations and collective responsible growth. We continue building strong and long-lasting relationships with suppliers for greater effectiveness and efficiency. We nurture these symbiotic relationships through a progression of various engagements from time to time.

HPCL has achieved 37.29% in 2021-22 against a target of 25% of procurement of goods & services from MSEs excluding items, which are beyond the scope of MSEs. The excluded items are Crude Oil, Petroleum Products, logistics cost through shipping, Railways & Pipelines, LNG/Natural Gas, API Line pipes, OEM spares & services, proprietary items and services, Technology Licenses and Licensor mandated items, Plant & Machinery and single item value equal to or more than ₹ 50 Crore.

## Supplier Assessment

HPCL makes a concerted effort to ensure that all our suppliers adhere to national and international standards. We work with a vast network of suppliers, including contract workers, supplying agencies and suppliers of materials, equipment and products.

For HPCL, crude oil is a major raw material. HPCL's International Trading department undertakes only Principal to Principal sourcing. Tender Documents and Purchase Orders/ Awards include Anti-bribery and Anti-corruption clauses.

To ensure that shipping logistics are responsibly carried out, the vessels engaged are required to meet global emission standards set by the International Maritime Organisation, whereby they use VLSFO for fuel or use scrubbers in the event of high sulphur fuels. Vessels necessarily have to undertake Protection and Indemnity for USD One Billion and are bound by International Conventions such as Civil Liability Convention, International Maritime Organization (IMO), International Convention for the Prevention of Pollution from Ships (MARPOL) and International Convention for the Safety of Life at Sea (SOLAS) guidelines.

Vessels calling on ports adhere to the regulations of the port authority for enabling grant of free pratique (to ensure health of crew) prior to berthing.

Young Vessels, are contracted to ensure that they are environment friendly and safe. Only vessels which have valid Ship Inspection Report (SIRE) assessed and cleared as per Oil Companies International Marine Forum (OCIMF) guidelines and which are issued by Oil Majors, are engaged by HPCL.

HPCL engages a large fleet of tank trucks and LPG packed trucks for transportation of its products. During induction of these vehicles under contract and during the pendency of the contract, it is ensured that they are having RTO certified fitness certificates, PESO approval and Pollution under Control Certificate before the trucks are loaded. Regular checks are also carried out at locations for ensuring that vehicles used for transportation are fit for the road.

**To ensure that shipping logistics are responsibly carried out, the vessels engaged are required to meet global emission standards set by the International Maritime Organisation, whereby they use VLSFO for fuel or use scrubbers in the event of high sulphur fuels.**

# Awards and Recognitions

Glimpses of a few awards and recognitions to HPCL during 2021-22 at various national and international forums.



### HR and CSR

- 1 'Rajbhasha Keerti Puraskar' for outstanding performance in Hindi implementation in 'B' region for the year 2020-21 among all PSUs by Government of India.
- 2 'Seva Ratna Puraskar' for outstanding performance in Hindi implementation by Governor of Maharashtra.
- 3 Recognised among the 'Best Organizations for Women, 2022' by the 'Economic Times'.
- 4 'Best Use Of Media: Digital Website' and 'Insight & Innovation Total Communications Campaign' at Media360 Awards 2021 by Campaign India.
- 5 'Commendation for Significant Achievement in HR Excellence' at the 11th CII National HR Excellence Award 2020-21.
- 6 'Swachhata Pakhwada Awards 2021' in recognition of CSR efforts and contribution towards Swachhta activities across the country.
- 7 'Energy & Resources In-House Team of the Year 2021' to HR Legal Cell at the 3rd Asian Legal Business India Law Awards for the year 2021.
- 8 'Excellence in CSR' Award by FICCI in the Petrochemical PSU company category.
- 9 '8th CSR India Award 2021' for outstanding achievements in 'Employment Enhancing Skills' category to the Skill Development Institute (SDI), Visakhapatnam, managed by HPCL.
- 10 'Global HR Skill Development 2022' under Platinum category by Energy & Environment Foundation to Skill Development Institute (SDI), Visakhapatnam.
- 11 'PRSI National Awards 2021' by Public Relations Society of India in 14 categories.
- 12 'PRCI Excellence Awards' by Public Relations Council of India in 11 categories.
- 13 HPCL in 'Reputation Today's 30 Top Corporate Communication Teams 2021'.

## Business

- 14 'Oil Marketing Company of the Year' for leadership in oil marketing business in India by Federation of Indian Petroleum Industry (FIPI).
- 15 'CII SCALE Excellence Award' for 'Innovation in Supply Chain' under oil, gas & petrochemical category.

## Digital

- 16 Excellence in Business Transformation' by HT Mint & Tech Circle for innovative approach to digitalise supply chain touch points through a unique in-house initiative.
- 17 'ET Brand Equity Shark' award in 'Data Analytics & Consumer Insight' category for accelerated adoption of LPG in rural India.
- 18 'CII Digital Excellence Awards 2021' for most Innovative Best Practices under 'Deploying Digital Solutions' for Udgam, an HPCL startup initiative.
- 19 'CII DX Award 2021' in the 'Innovative' category for digitalisation of R&D, an initiative towards IP & data security.
- 20 'CII DX Awards 2021' in the 'Customer Experience' category for video analytics at retail outlets and for the HP VITRAN App, a flagship mobile-based application developed for our LPG distributor and LPG delivery staff.

## Safety

- 21 'Apex India Occupational Health and Safety Awards 2021' was awarded to Mazgaon Lube Plant and MPSPIL under the Platinum category in Petroleum Storage & Transportation Sector.
- 22 'Fame India Safety Excellence award' to Mangalore LPG Import Facility.
- 23 'Safety Award' by the Department of Factories, Kerala to Calicut ASF.

## Environment and Sustainability

- 24 'Best Supplier' under 'Environmental Health and Safety' category to HP Lubricants by M/s Gabriel India Ltd.
- 25 'Best Energy Efficiency Index (EEI)' by PCRA to Hazarwadi LPG Plant.



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# Guiding with Prudence and Foresight

**We believe sound corporate governance is the bedrock of a sustainable and commercially successful business. Our culture of corporate governance is based on transparent dialogue and insights garnered from our stakeholders. Ongoing and transparent communication with stakeholders is an essential tool for better understanding of their requirements.**

At HPCL, Corporate Governance implies following systematic processes, policies, rules, regulations and laws by which companies are directed, controlled and administered by the management in meeting the stakeholders' aspirations and societal expectations.

HPCL conducts its business in accordance with policies, internal and external regulations and in a transparent manner. As a Government Company, our operations are scrutinised by several external authorities, including the Comptroller and Auditor General of India (CAG), the Central Vigilance Commission (CVC) and Parliamentary Committees, among others. We are a signatory to the United Nations Global Compact on principles of human rights, labour standards, environmental norms and ethical practices. Management pays close attention to these areas to ensure compliance.

### **Main principles and practices**

- Well-developed internal control, systems and processes, risk management and financial reporting;
- Full adherence and compliances of laws, rules and regulations;
- Timely and balanced disclosures of all material information on operational and financial matters to the stakeholders;
- Clearly defined management performance and accountability;
- Enhanced accuracy and transparency in business operations, performance and financial position

### **We have a well-defined policy framework for the effective implementation of Corporate Governance comprising of:**

- Code of Conduct for Directors and Senior Management Personnel
- Integrity Pact to enhance transparency in business operations
- Public Grievance Redressal Mechanism
- Whistle blower Policy
- Limits of Authority Manual
- Procurement Manual

### **Board of Directors**

The Board of Directors is HPCL's highest governing body. Through strategic supervision, the Board establishes policies, strategies and goals for the Corporation's triple bottom line performance in accordance with our vision, mission, values and business strategies. The Board also provides guidance and exercises appropriate control to ensure that the Corporation meets its objectives. All statutory and other significant material information is presented to the Board in order for it to discharge its responsibilities effectively and efficiently. The Company's Board of Directors is constantly striving to establish new goals and targets that complement the Company's vision and mission in order to protect the interests of stakeholders.

Being a government company, HPCL Directors are appointed by the Government of India through the administrative ministry i.e., Ministry of Petroleum & Natural Gas (MoP&NG), after assessment as per guidelines. The Whole Time Directors having specified skills/expertise/ competencies in the context of Company's business and sector to function effectively are selected by Public Enterprises Selection Board (PESB), a high-powered body constituted by GoI and appointed by MoP&NG as duly approved by Appointments Committee of Cabinet. Independent Directors are selected by Search Committee constituted by GoI from a mix of eminent personalities having requisite expertise & experience in diverse fields.

The Board holds periodic meetings to review and evaluate matters of business, policy and strategic importance for the corporation and provide insight, guidance and approvals across various aspects of business, including human resources, refining, finance, accounting, marketing, strategy, projects, technology and operations, among others. The outcomes of the Board meetings are implemented and executed by respective functionaries. In addition to new items of discussion based on agenda, specific progress review of actionable items from previous meetings are also undertaken and discussed. Key decisions of the Board and its Committees are communicated to the stock exchanges.

The MoP&NG (Government of India) undertakes performance evaluation of the Directors at the end of each financial year. This is done through the process of MoU on specified economic, environment and social parameters. The MoU ratings directly affect the performance related pay of the Directors.

The Chairman and Managing Director and other Whole-Time Directors are generally appointed for a period of five years from the date of their taking over charge or till the date of their superannuation or until further orders from the GoI, whichever is earlier. Independent Directors are usually appointed for a period of three years. Government Nominee Directors continue on the Board at the discretion of the Nominating authority or till ceasing to be officials of such nominating authority.

### Role of the Board in Addressing Climate-Related Issues

The Board has constituted Corporate Social Responsibility and Sustainability Development (CSR&SD) Committee, headed by an Independent Director. The subcommittee defines the sustainability vision, reviews the sustainability strategy, identifies projects aligned with our sustainability approach and provides leadership and direction. It also conducts an annual review of progress and performance across identified focus areas in sustainability. The Corporate HSE Department headed by Executive Director - HSE (Corporate) formally carries out the process of material topics identification, reporting on identified material topics, review and approval of Sustainability Report based on a consultative process with the Committee of Functional Directors (CFD), Strategic Business Unit (SBU) Heads and other officers concerned.

### Board Committees

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework of delegated authority and make specific recommendations to the Board on matters within their areas or purview. The decisions and recommendations of the Committees are placed before the Board for information or for approval, as required.

### Nomination, Selection Processes and Remuneration of Directors

The Corporation has constituted a Nomination and Remuneration Committee as required under the Act, SEBI LODR and DPE Guidelines.

HPCL, being a Government Company, the remuneration payable to its Whole Time Directors is approved by the GoI and advices thereof are received through MOP&NG. The remuneration of the Whole Time Directors includes Basic Salary, allowances and perquisites as determined by GoI. Moreover, they are entitled to Provident Fund and Superannuation Contributions as per the rules of the Company. The remuneration payable to officers below the Board level is also approved by the GoI.

The Independent Directors are paid sitting fees for Board Meetings and Committee Meetings of the Board attended by them. HPCL does not pay commission on profits to any of the Directors of the Company. The Government Nominee Directors are not paid any remuneration/sitting fees.

Annual total compensation ratio of highest-paid individual to the median annual total compensation for all employees (excluding the highest paid individual) is 2.79\* in 2021-22. The ratio of percentage increase in salary of the highest paid individual to the median percentage increase of all other individuals, excluding the highest paid individual is -10.99\*.

(\*These figures are calculated considering the Basic Salary + Dearness Allowance applicable to employees.)

There is no disparity in pay scales of women and men employees.

**There are six Committees of the Board which were functional as on March 31, 2022, details of which are as follows:**



## Board of Directors

### Whole-time Directors



**Shri Pushp Kumar Joshi**  
(DIN: 05323634)  
Chairman & Managing Director  
(from May 8, 2022) and Additional  
Charge of Director - Marketing  
(from April 1, 2022)



**Shri Vinod S. Shenoy**  
(DIN: 07632981)  
Director - Refineries



**Shri Rajneesh Narang**  
(DIN: 08188549)  
Director - Finance  
(from March 22, 2022) and  
Additional Charge of Director - HR  
(from May 8, 2022)



**Shri Mukesh Kumar Surana**  
(DIN: 07464675)  
Chairman & Managing Director  
(upto April 30, 2022)



**Shri Rakesh Misri**  
(DIN: 07340288)  
Director - Marketing  
(upto March 31, 2022)



**Shri R. Kesavan**  
(DIN: 08202118)  
Director - Finance  
(upto June 30, 2021)

## Government Nominee Directors



**Shri Sunil Kumar**  
(DIN: 08467559)  
Government Director (Ex-Officio)



**Shri Pankaj Kumar**  
(DIN: 09252235)  
Government Director  
(from June 22, 2022)

## Independent Directors



**Shri G Rajendran Pillai**  
(DIN: 08510332)  
Independent Director  
(upto July 14, 2022)



**Smt. Vimla Pradhan**  
(DIN: 09398793)  
Independent Director  
(From November 16, 2021)



**Shri Bechan Lal**  
(DIN: 09397116)  
Independent Director  
(From November 16, 2021)



**Shri Vivekananda Biswal**  
(DIN: 00977767)  
Independent Director  
(From November 16, 2021)



**Shri Ramdarshan Singh Pal**  
(DIN: 09400298)  
Independent Director  
(From November 16, 2021)



**Shri Nagaraja Bhalki**  
(DIN: 09451587)  
Independent Director  
(From December 30, 2021)

The Brief Particulars in pursuance of relevant provisions of the Act and SEBI LODR are provided in HPCL Annual Report 2021-22.

## Internal Systems and Controls

We give utmost importance to compliance with corporate governance requirements including compliance of regulations, transparent management processes and adherence to both internal and external value norms. We have established policies and mechanisms, such as Code of Conduct, Vigilance, Integrity Pact, Whistle Blower Policy, CDA-Conduct, Discipline and Appeal Rules to ensure that our decisions, actions and conduct are ethical and transparent. These mechanisms strengthen our commitment to conducting business in an ethical manner, thereby creating a sustainable business.

In line with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, HPCL has formulated policies on material subsidiaries and policy of material related party transactions. These are publicly available on our website. Material Related party transactions were approved in line with the provisions contained in the relevant Act/Policies.

### Risk Management

HPCL recognizes that all aspects of its business involve significant risk and that with the evolving regulatory landscape there is an increased exposure to a greater scrutiny by the public, regulators, investors and its stakeholders. Risk Management is focused at ensuring that these risks are known and addressed through a pragmatic and effective Risk Management process.

Keeping attune with today's VUCA (Volatile, Uncertain, Complex and Ambiguous) world and regulatory requirements in relation to Risk Management, HPCL has reviewed and revised its Enterprise Risk Management (ERM) framework under the Corporation's Risk Management Charter and Policy, which is embedded at the forefront of business strategies and focuses on the stronger, deeper and trust-based relationship with the stakeholders.

The Risk Management Charter and Policy is built on the established principles of sound risk management which enables not only management of the existing risks but anticipates emerging risks and deploys mitigating strategies on a continuous basis. It provides necessary support to the business to steer through the continuously evolving risk terrain through dynamic risk management approach that embraces disruption and enhances resiliency and trust. The pandemic and uncertainty in the last two years has stricken communities across the globe. The rapid geographical spread (and multiple variants) of this virus has caught the world off-guard, with major implications for personal health, business continuity and the world economic order.

HPCL has not only reviewed the risks arising out of this pandemic but also suitably included new risks, as well as, amended existing risks with mitigating strategies

in place. The Risk Management Committee (RMC) receives regular insights on risk exposures faced by the organization, thereby enabling it to provide inputs on prompt actions to be taken as well as monitor the actions taken. The Board is also updated regularly on the risk assessment and mitigation procedures. Keeping with leading global best practices, technology remains at the forefront to support the Enterprise Risk Management processes with a focus on optimizing risk exposures and automating risk reporting across the organization.

For more details, please refer to HPCL Annual Report 2021-22

### Delegation of Authority and Roles and Responsibilities

The Members of the Board, Executive Directors, Chief General Managers and General Managers constitute the Senior Management of the Corporation. The head of SBU/Department is accountable for activities related to the respective SBU/Department's performance. The provisions contained in the Limits of Authority Manual guide decisions pertaining to various levels of officers. The decisions related to key concerns requiring approval from the Committee of Functional Directors (CFD) or the Board as per the LAM are put up for the consideration of the CFD or the Board.

We have detailed manuals and guidelines to facilitate decentralised decision-making at multiple levels of the organisation. Some of these are as follows:

**Limits of Authority Manual (LAM):** The Limits of Authority Manual serves as a reference guide for employees at all levels. It stipulates the authorities along with the monetary limits, where necessary, that can be exercised by the various levels of officers in the Corporation in their day-to-day functioning.

It defines the scope of authority for the Board, Committee of Functional Directors and the Executive Committee, the Contracts Committee, the Bids Committee and the senior individual positions. Separate chapters on different functions, such as Sales, Crude and Shipping, Sourcing of RLNG/Gas, Procurement and Marketing of Bio Gas, Capital Projects, Supplies/Operations/Distribution, Finance, HR, Information Systems and other functions, guide transparent decision-making process, which leaves no room for uncertainty.

**Procurement Manual:** The Procurement Manual is a handbook developed with the objectives of outlining policies and procedures governing the following functions:

1. Purchase of materials and supplies and award of construction/ service contracts.
2. Disposal of obsolete, surplus, unserviceable and slow-moving materials and equipment as well



Visit of Additional Secretary, CVC to HPCL Corporate HQO

All the purchase policies and procedures currently prevalent in the corporation, as also the guidelines issued by the Government from time to time, are incorporated in the manual in a comprehensive and lucid manner. It details the procurement procedures while undertaking and finalising procurement contracts. It also clearly provides procurement authorities at multiple levels for procurement activities.

Over and above this, there are manuals at corporate and SBU levels, which form the basis of guiding decisions and administrative functionalities across our business domains.

## Code of Conduct (CoC)

HPCL has a “Code of conduct for Board Members and Senior Management Personnel of Hindustan Petroleum Corporation Limited” in compliance with the terms of Regulation 17 (5)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the duties of Independent Directors as envisaged in Regulation 17 (5) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Code aims to further enhance ethical and transparent process in managing the affairs of the Corporation. This Code has been made applicable to:

- a) All Whole-Time Directors
- b) All Non-Whole Time Directors including Independent Directors and
- c) Senior Management Personnel

The code would be read in conjunction with the Conduct, Discipline and Appeal Rules for Officers applicable to Whole-time Directors and senior management personnel. All Board Members and senior management personnel have provided the Annual Compliance Certificate duly signed by them as on March 31, 2022. During the financial year 2021-22,

there were no materially significant related party transactions with Directors or their relatives having potential conflict with the interest of the Company.

## Vigilance Mechanism

To ensure fair and transparent practices throughout the organisation, HPCL has a full-fledged Vigilance Department led by a Chief Vigilance Officer (CVO) who oversees and controls all Vigilance matters within the Corporation. To ensure the integrity of business operations, the department focuses on preventive and proactive measures to minimise or eliminate deviations from HPCL’s values, policies and procedures.

Vigilance mechanism in HPCL is based on the guidelines from Central Vigilance Commission (CVC) on vigilance management in public sector enterprises and instructions issued from time to time by the Department of Personnel and Training (DoPT) as well as the administrative ministry i.e. Ministry of Petroleum & Natural Gas (MoP&NG).

The matters regarding corruption and bribery are dealt in accordance with the Vigilance Manual (updated 2021) issued by Central Vigilance Commission. The Vigilance Manual (updated 2021) is hosted in HPCL Corporate website under Vigilance tab (URL : <https://www.hindustanpetroleum.com/pages/vigilance>)

The CVC, the country’s apex integrity institution and the MoP&NG’s vigilance wing review the Vigilance activities on a regular basis. We place an emphasis on preventive vigilance, which allows us to review procedures and practices, identify vulnerable areas and fine-tune business processes in response to dynamic scenarios. Creating awareness and disseminating information is a key activity for keeping all employees up to date on the latest developments, allowing them to respond proactively to any situation.

# Governing a Successful Organisation

All procurement for supplies is governed by the provisions enumerated in the Procurement Manual of the Corporation which include various anti-corruption policies based on the broad principles outlined in the GFR of Gol. Further Purchase Orders of value ₹ 1 Crore and above placed for contracts for goods and services include an Integrity Pact in line with the directions of CVC on the subject.

Apart from conducting preventive vigilance activities, the major work areas of Vigilance include the investigation of complaints received from a variety of sources, including citizens, stakeholders, the Ministry of Petroleum and Natural Gas, the Central Vigilance Commission, the Management and others.

Throughout the year, various operational areas were reviewed for systemic improvements. In addition to investigating complaints, surprise inspections of Depots, Terminals, LPG Plants, Regional Offices, LPG Distributors, Retail Outlets, Tank Trucks, Major Works (CTE Pattern), Tender Review and other facilities were conducted. Employees were subjected to a variety of focused group training programmes.

Vigilance Awareness Week was observed under the central theme for the year "Independent India @ 75: Self Reliance with Integrity". Various outreach activities viz., focused group presentations, quizzes, drawing/painting competitions, skits/street plays, workshops, technical talks, grievance redressal camps/awareness gram sabhas, rallies/ walkathons, school/college programs etc. were undertaken during the week.

HPCL officials engaged with various stakeholders while spreading awareness on vigilance related matters throughout the country.

Vigilance Awareness Programme	Number of programmes	No. of stakeholder engaged
Awareness in Gram Sabhas	124	7,967
School Programmes	212	20,046
College Programmes	38	3,506
Seminar/ Workshops	151	6,305
	<b>525</b>	<b>37,824</b>

HPCL had 32 vigilance related complaints pending as on April 01, 2021 and 396 complaints were received by vigilance department during 2021-22. A total of 398 complaints were resolved during 2021-22 and the balance 30 complaints are under investigation as on March 31, 2022.

## Business Ethics

Ethical business conduct is company's most valuable asset which determines a company's future and is essential to conducting business responsibly. It is an important market differentiator that safeguards our employees, customers and our financial performance.

## Public Grievance Redressal Mechanism

HPCL strives for excellence in delivering services, customer delight and sustainable business conduct thereby targeting minimal grievances to public. Our Public Grievance Redressal system has designated officers at specified times at our major locations to facilitate redressal of grievances of the public. The details of the Grievance Redressal Officer are available on our corporate website. We have toll-free helpline numbers for registering customer complaints. We have customer complaint management systems embedded in our SBUs to handle specific queries, feedback or complaints. We also promote the use of the Centralised Public Grievances Redress and Monitoring System (CPGRAMS), a web-enabled grievance redressal system of the Department of Administrative Reforms & Public Grievances (DARPG) through link on our corporate website. We attend to and promptly redress grievances of citizens in a meaningful manner by effective coordination and qualitative disposal. Root cause analysis of grievances and necessary updation of our service standards is done to eliminate recurrence of such cases.

We had 79 of public grievances pending as on April 01, 2021 and received 3,330 public grievances during 2021-22. A total of 3,368 of the pending grievances were resolved and the closing number of public grievances as on March 31, 2022 is 41. The average disposal time for the complaints was 12 days, well within permissible timeline of 30 days as per the directive of Prime Minister's Office [PMO].

## Right to Information (RTI)

The primary goal of the Right to Information Act is to establish a practical regime for citizens to secure access to information under the control of public authorities in order to promote transparency and accountability in the operations of all public authorities. An informed citizen is better equipped to monitor governance instruments and hold the government accountable to the people. The Act is a significant step toward informing citizens about the activities of the government.

We comply with the Right to Information Act, 2005 (RTI), which went into effect on October 12, 2005. Detailed information is available on the website [www.hindustanpetroleum.com](http://www.hindustanpetroleum.com), which is updated on a regular basis. Officers from various departments across the country have been appointed as Public Information Officers and Appellate Authorities to deal with RTI queries from Indian citizens.

We are affiliated with the DoPT (Department of Personnel & Training), Government of India's Online RTI portal and all applications / appeals received through the portal, including physical applications, are handled through the portal itself. Mandatory reports, such as quarterly and annual reports, are submitted on a regular basis within the timeframes specified

on the Central Information Commission's website, [www.cic.gov.in](http://www.cic.gov.in). Furthermore, all relevant details, as well as suo-motu disclosures under Section 4(1)(b) of the Act, have been hosted on the corporate website [www.hindustanpetroleum.in](http://www.hindustanpetroleum.in) for greater transparency and public understanding.

We have designated a Nodal Officer at our Headquarters' Office to coordinate and oversee the implementation. The RTI applications are addressed within the stipulated time period of 30 days, through the Online RTI portal [www.rtionline.gov.in](http://www.rtionline.gov.in). A team of 225 Central Public Information Officers(CPIO) and 44 First Appellate Authorities(FAA) spread across the country, covering Refineries and major SBUs like Retail, LPG, HR functions such as Recruitment, etc. ensured smooth handling of RTI applications received, despite the pandemic and associated issues of lockdown, postal delays, etc.

## Integrity Pact

We have introduced "Integrity Pact" (IP) to enhance ethics/transparency in the process of awarding contracts. An MoU has been signed with "Transparency International" on July 13, 2007. This was made applicable in the Company effective September 01, 2007 for contracts of ₹ 1 Crore and above. The Integrity Pact had become a part of tender documents to be signed by the Company and by the vendor(s)/bidder(s).

The references received from the Vendors are placed before the Independent External Monitors (IEM) for their review and recommendation of their decision to the Management for compliance. Meetings of the IEMs are also held regularly to brief on the Purchase Process of the Company and review of orders covered under Integrity Pact.

During the year 2021-22, HPCL has received 04 references from vendors, which were reviewed and resolved by the IEMs.

## Whistle Blower Policy

The whistle blower policy of HPCL is approved by the Board and the same is available to stakeholders through the website of the Corporation. This policy is a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. This mechanism also provides for adequate safeguards against victimization of employees, who avail of the mechanism and for direct access to the Chairman of the Audit Committee. It provides protection from unfair treatment or victimisation for genuine whistle blowers while warranting disciplinary action against misuse of the policy. It aims to build an environment where employees feel safe and empowered to raise concerns regarding non-compliance with laid rules, regulations and policy directives.

## Memberships and Affiliations

We engage responsibly with government bodies and regulators in public policy discussions to share our views and the perspectives of our clients, employees and communities on issues relevant to our business.

HPCL participates in consultative committee meetings for setting up policy framework as and when asked by Government or regulatory departments. In-addition, HPCL also contributes by providing its opinion to Ministry of Petroleum & Natural Gas and other bodies such as Oil India Safety Directorate (OISD), Petroleum and Natural Gas Regulatory Board (PNGRB), Center for High Technology (CHT) etc. towards advancement of public good and nation building.

Some of our Institutional Memberships are with:

- All India Association of Industries
- All India Management Association (AIMA)
- The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- Bombay Chamber of Commerce and Industries (BCCI)
- Bombay First
- Bombay Management Association
- Chemicals & Petrochemicals Manufacturers Association
- Confederation of Indian Industry (CII)
- Council for Fair Business Practices
- Federation of Indian Chamber of Commerce & Industries (FICCI)
- Federation of Indian Petroleum Industry (FIPI)
- IMC Chamber of Commerce & Industry
- Indo German Chamber of Commerce
- Maharashtra Economic Development Council
- Press Club of India
- Standing Conference of Public Enterprises (SCOPE)

# Trends Shaping our Business

Oil and gas companies are striving to redefine themselves by focusing on financial health, committing to climate change and transforming business models. Throughout the year, the oil and gas industry has rebounded strongly, with oil prices reaching their highest levels in six years. However, there is still uncertainty about the market dynamics considering the fluctuating prices and changing geo-political scenario in the coming year.

The decisions our sectors make and the trends we prioritise will determine the path forward. This indicates that the industry's transformation journey has just begun and simply managing or riding oil price cycles is no longer an option.



Renewable energy (Solar) power plant at one of HPCL's terminals

## Growing Demand and Policy Support

The oil and gas sector serves as one of India's eight key sectors and it has a significant impact on all other important sectors of the economy. Because India's economic expansion is directly related to its energy demand, the demand for oil and gas is expected to rise further, making the sector enticing for investment. India continues to be the world's third-largest consumer of oil.

To meet the rising demand, The Government has implemented a variety of policies in many sectors, including natural gas, petroleum products and refineries.

## Climate Change and Shift Towards the Renewable Energy Era

This sector which has been traditionally dependent on upstream cycles is gradually experiencing a structural shift due to the rapid energy transition because of climate change. The calls for accelerated action have increased in line with COP26 held in Glasgow, Scotland and many of the oil and gas majors have laid out carbon mitigation plans.

The changing composition and expectations of hyperconnected consumers and Government policies will trigger structural industry and consumption shifts towards investment in clean technology. There's an upward trend driven by public policies promoting environment friendly technologies. With a broader decarbonization mandate across industries, oil and gas sector has opportunities to lead the way for customers by reengineering traditional business models and low-carbon fuels will play a significant role in transitioning towards this clean energy era.



HPCL is leveraging varied benefits of digitalisation to enhance business sustainability

## Digitalisation is the Way Forward for Decarbonisation

To meet aggressive carbon reduction targets, oil and gas companies will need to make radical changes in how they operate. This is where digital technologies come into play. Digitalization is critical for remote operations and driving human-machine collaboration. According to Gartner, 85% of CIOs in the oil and gas industry have assumed responsibility for creating a change-enabling technical platform and 79% are working to build a stronger change leadership culture in IT.

Advanced analytics, Artificial Intelligence and Machine Learning can monitor machines in real-time and analyze operating efficiency, enabling oil and gas operators to identify significant opportunities to reduce their carbon footprint, improve asset performance and manage assets more effectively.

## Increased ESG Reporting

There is an increasing need for oil and gas companies to develop a holistic view of ESG that extends beyond their operational focus and actively engage with stakeholders and regulators. Stakeholders are demanding transparency in terms of how companies are integrating sustainability into their business models, strategies and governance system.

Companies are disclosing their ESG performance and integration through international frameworks including GRI, Integrated Reporting (IR), IPIECA, Task Force on Climate-related Financial Disclosures (TCFD) and CDP.

# Stakeholder Engagement

## Fostering Meaningful Partnerships

We believe in creating shared value through effective and transparent communication with our stakeholders. We have taken proactive measures to understand and address the suggestions and concerns of our extensive network of people, organisations and communities to better assimilate our material sustainability topics

Our structured stakeholder engagement approach has played a pivotal role in identifying key material issues by prioritising key concerns of our internal and external stakeholders. We ensured regular communication and engagement through one-on-one as well as segmental interactions, annual general meetings, press releases, trainings, group discussions, surveys and grievance redressal mechanisms, which helped us gain insight. Our various SBUs and departments remain connected with our stakeholders through a structured mechanism.

### Our Approach

We conduct effective discussions at various levels to evaluate the concerns raised by our stakeholders. In line with this, we sensitise our stakeholders on sustainability issues and garner feedback through stakeholder engagement workshops/ meetings/ interactions. We further enhance our stakeholder engagement process through continuously reviewing and incorporating the inputs received from our stakeholders.



### 1. Identifying our Stakeholders

We identify our key stakeholders based on their impact on our organisation and the value we create for them in return. For our business, we have established distinct stakeholder categories.

#### Internal and External Stakeholder Groups

Internal Stakeholders	<ul style="list-style-type: none"> <li>Employees                             <ul style="list-style-type: none"> <li>▪ Management</li> <li>▪ Non-Management</li> </ul> </li> </ul>
External Stakeholders	<ul style="list-style-type: none"> <li>Customers</li> <li>Dealers and Distributors</li> <li>Suppliers/Contractors</li> <li>Transporters</li> <li>Forecourt Staff at Retail Outlet</li> <li>LPG Delivery Person/Staff</li> <li>Contract Workmen/Security Personnel</li> <li>Competitors</li> <li>Investors</li> <li>Local Community</li> <li>Regulatory Departments</li> <li>Local Administration</li> <li>Shareholders</li> </ul>

## 2. Stakeholder Prioritisation

Stakeholder prioritisation is the preliminary step in determining the manner and frequency of stakeholder engagement. The frequency and method of engagement ranges from one-on-one interaction at a different frequency to annual group-level meetings in order to strengthen the strategic partnership. We analyse the nature and depth of the impact these stakeholders may have on our business, as well as the extent to which our business decisions may affect them to develop an effective strategy.

## 3. Stakeholder Engagement

Stakeholder engagement is a method for understanding stakeholders' realistic expectations, interests and information needs. Each stakeholder may have varying understanding, opinions and appreciation for a specific subject in the context of our business. As a result, we have built and refined our stakeholder engagement approach over years of organising engagement workshops across the country.

Our comprehensive materiality analysis consists of customised questionnaires for our targeted stakeholder groups. During the stakeholder engagement workshops and materiality assessment exercises, we discuss on varying topics, such as sustainable development, environmental challenges, current trends, best practices, regulatory landscapes and future scenarios.

### Perspectives of top management, regulatory authorities and the investor community are critical to building HPCL's strategic vision

Key Stakeholders	Significance to the materiality assessment
Employees: Top Management	<ul style="list-style-type: none"> <li>Setting the strategic decision for HPCL's long term future</li> <li>Key decision makers and approver for large scale projects and organisational changes</li> </ul>
Regulatory Authorities	<ul style="list-style-type: none"> <li>Determining the regulatory framework in which we operate</li> <li>Decisions and regulatory compliances can have a direct impact on our strategy and cost of operations</li> </ul>
Investor Community	<ul style="list-style-type: none"> <li>They are financially impacted by HPCL's performance</li> <li>Investor approval signifies strategic direction of our organisation</li> </ul>
Local Communities	<ul style="list-style-type: none"> <li>Environmental and natural resource impact of HPCL's operations</li> </ul>

## 4. Managing our Stakeholder Expectations

Key Topics	Modes of Engagement	Our Response
 <b>Management and Non-Management Employees</b>		
<b>Why they are important</b>		Our employees are at the centre of all our operations; their collaborative skill and expertise are essential for our growth
<b>COVID-19 Response</b>	<ul style="list-style-type: none"> <li>Virtual engagement at varying frequencies.</li> </ul>	<ul style="list-style-type: none"> <li>Adhering to all COVID-19-related protocols set by the Government, we have created a safe working environment for our employees.</li> <li>We provide online counselling sessions to employees to assist them with their physical and mental wellbeing.</li> <li>We provide nutritional supplements, appropriate PPE kits and conduct workplace sanitisation.</li> <li>Employees are given medical equipment for preventive and diagnostic purposes, such as pulse and oxygen monitors, blood pressure monitors and thermometers.</li> <li>Employees are given the necessary hardware, software and training to enable them to operate from home remotely.</li> </ul>

# Stakeholder Engagement

Key Topics	Modes of Engagement	Our Response
<b>Focus on health safety</b>	<ul style="list-style-type: none"> <li>Annual/biannual recognitions schemes</li> </ul>	<ul style="list-style-type: none"> <li>We conduct numerous safety training programmes to internalise and embed safety into the culture and also behavioural-based safety (BBS) training programmes.</li> <li>Our employees are eligible for periodic medical check-ups under the Periodical Medical Examination (PME) Scheme, which is determined by their age and the nature of their work</li> <li>We conduct frequent safety training, health checks and awareness programmes to make our workplace incident-free.</li> </ul>
<b>Aspirations for career progression and higher education</b>	<ul style="list-style-type: none"> <li>Annual performance reviews and appraisal system</li> <li>Education Growth Plan (EGP)</li> </ul>	<ul style="list-style-type: none"> <li>Timely performance evaluations and appraisals are provided through an appropriate feedback mechanism through an online performance review and appraisal system.</li> <li>We have created an education progression strategy for our employees, enabling them to complete their higher education.</li> </ul>
<b>Grievance redressal</b>	<ul style="list-style-type: none"> <li>Regular interactions</li> <li>E-platforms</li> </ul>	<ul style="list-style-type: none"> <li>We have effective online grievance-redressal mechanisms in place, such as MERC, ICS E-Care, HR Direct and Reflexion among others. These are designed to address the concerns of our employees</li> </ul>
<b>Ecosystem based and need-based trainings</b>	<ul style="list-style-type: none"> <li>Regular in-house technical and behavioural trainings</li> <li>Nomination to external trainings, conferences and seminars</li> </ul>	<ul style="list-style-type: none"> <li>We organise technical and behavioural training with projects and programmes that help our employees, develop competencies and improve their skills.</li> <li>Our learning culture encourages our employees to utilise the online learning platform.</li> <li>Courses through collaboration with premium institutes, HP Academy, employee nomination to international conferences and seminars, among others are some of the capability developmental projects offered to our employees.</li> </ul>
<b>Work-life balance</b>	<ul style="list-style-type: none"> <li>Regular interactions</li> <li>Employee-connect forums</li> </ul>	<ul style="list-style-type: none"> <li>Various online engagement initiatives, including online learning, online fitness, yoga sessions and online competitions were undertaken during COVID-19.</li> <li>Through Paramarsh, we consult and support our employees and their families.</li> <li>In light of the COVID-19 pandemic, we updated our existing HR policies regarding leave and remuneration.</li> </ul>
<b>Rewards and recognition</b>	<ul style="list-style-type: none"> <li>Annual/biannual recognition schemes</li> </ul>	<ul style="list-style-type: none"> <li>We provide incentives like Performance Related Pay (PRP) to management workers and productivity incentive schemes to non-management employees to encourage them to achieve higher levels of performance.</li> <li>We have programmes such as HP Icon, Outstanding Achievements Awards and the HP Gaurav Award to recognise and reward deserving employees.</li> </ul>

Key Topics	Modes of Engagement	Our Response
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## LPG Distributors

### Why they are important

Key for enhanced purchase experience along with best after sales service

<b>Product quality and product delivery</b>	<ul style="list-style-type: none"> <li>Regular distributor meets</li> </ul>	<ul style="list-style-type: none"> <li>Distributors are regularly advised on product safety management.</li> <li>We are supporting development of novel solutions and utilising technologies, such as a Vehicle Tracking System.</li> <li>(VTS), Optimised Logistics Assistant (OLA), online inventory monitoring, online LPG connection, etc. to ensure timely product delivery.</li> <li>Our operating workforce carries out regular inspections.</li> </ul>
<b>Safety</b>	<ul style="list-style-type: none"> <li>Regular distributor meets</li> </ul>	<ul style="list-style-type: none"> <li>The distributors are consistently guided on safe management of products.</li> <li>LPG distributors undergo periodic safety inspections and evaluations.</li> <li>We have offered a Special Ex-Gratia Scheme and Floater Group Medclaim Policy to extended workers hired by our stakeholders and their family members (who are not covered by ESIC) for hospitalisation for any ailment, including COVID-19.</li> </ul>
<b>Competition from peers</b>	<ul style="list-style-type: none"> <li>One-to-one meetings</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate solutions are identified and executed based on the situation.</li> </ul>



## Retail Dealers

### Why they are important

Key for enhanced purchase experience along with best after sales service

<b>Safety</b>	<ul style="list-style-type: none"> <li>Regular visits, inspections and safety audits</li> </ul>	<ul style="list-style-type: none"> <li>Retail outlets undergo periodic safety inspections and evaluations.</li> </ul>
<b>Upgradation of outlet and infrastructure</b>	<ul style="list-style-type: none"> <li>One-to-one discussions</li> <li>Regular dealer meets</li> </ul>	<ul style="list-style-type: none"> <li>We are constantly upgrading the DUs, infrastructure and equipments with new configurations, which we share with our dealers.</li> </ul>
<b>Improvement in vendor services</b>	<ul style="list-style-type: none"> <li>Regular meetings with vendors and dealers</li> </ul>	<ul style="list-style-type: none"> <li>We have established a portal for filing, reviewing and resolving grievances within a specified time frame.</li> <li>An effective monitoring system is established for compliance.</li> </ul>

# Stakeholder Engagement

Key Topics	Modes of Engagement	Our Response
 <h2>Supplier and Vendors</h2>		
<p><b>Why they are important</b> Our operations are closely linked with the timely availability of services that we source. These, in turn, have a material impact on the efficiency of our service delivery.</p>		
<p><b>Health and safety (including COVID-19 measures)</b></p>	<ul style="list-style-type: none"> <li>■ Training programmes on safety</li> <li>■ Regular health check-ups</li> <li>■ Regular meetings</li> </ul>	<ul style="list-style-type: none"> <li>■ Suppliers and contractors are frequently engaged in training programmes and fire drills organised by work sites.</li> <li>■ With the assistance of recognised hospitals, regular health check-ups are arranged.</li> <li>■ To promote secure and safe driving habits, safety guidelines, trainings and awareness initiatives, such as Sadak Suraksha, are carried out on a regular basis for our transporters and their crew.</li> <li>■ Drivers of the vehicles also possess special endorsement to carry hazardous goods from RTOs after detailed trainings as per CMV Rule 9.</li> <li>■ We assisted our suppliers and contractors by providing regular advice on COVID-related issues.</li> <li>■ We have offered a Special Ex-Gratia Scheme and Floater Group Mediclaim Policy to extended staff employed by our stakeholders and their family members (who are not covered by ESIC) for hospitalisation for any ailment, including COVID-19.</li> </ul>
<p><b>Higher running and maintenance costs</b></p>	<ul style="list-style-type: none"> <li>■ Trainings</li> <li>■ Tank truck health check-up</li> </ul>	<ul style="list-style-type: none"> <li>■ Regular training programmes are planned to raise awareness about fuel conservation and defensive driving habits.</li> <li>■ Camps for tank truck fleet are organised in collaboration with leading OEMs. We also award the best drivers.</li> <li>■ SAKSHAM, a fuel conservation programme involving carriers and TT staff, has been organised.</li> </ul>
<p><b>Complaint redressal mechanism</b></p>	<ul style="list-style-type: none"> <li>■ Online platforms</li> <li>■ One-on-one meetings</li> </ul>	<ul style="list-style-type: none"> <li>■ We have a strong grievance mechanism for our suppliers and contractors. Complaints can be directed to the unit heads at the operating locations.</li> </ul>
<p><b>Improved RTKM transportation rates</b></p>	<ul style="list-style-type: none"> <li>■ Regular meets and discussions</li> <li>■ One-on-one interactions</li> </ul>	<ul style="list-style-type: none"> <li>■ We have implemented the improved Online Logistics Assistant (OLA) in-line with local requirements and necessities.</li> </ul>
<p><b>Increased transparency</b></p>	<ul style="list-style-type: none"> <li>■ Regular supplier meets at operating level</li> <li>■ Panel meetings</li> <li>■ Pre-bid meetings</li> </ul>	<ul style="list-style-type: none"> <li>■ In order to ensure transparency and reliability in the bidding process, we have a real-time tendering process.</li> <li>■ We arrange panel meetings with select representatives.</li> </ul>
<p><b>On-time payments; Payment process</b></p>	<ul style="list-style-type: none"> <li>■ Email communications</li> <li>■ Online platforms</li> <li>■ Need-based communications</li> <li>■ Vendor trainings</li> </ul>	<ul style="list-style-type: none"> <li>■ A strong system has been set up to cater to online payments, allowing transporters to check their payment status, taxes and the amount of TDS deducted.</li> <li>■ We offer an integrated disbursement module, which provides a platform for suppliers to submit and track bills.</li> <li>■ We are constantly automating and improving existing procedures in order to minimise cycle time and improve transparency.</li> </ul>

Key Topics	Modes of Engagement	Our Response
<div style="display: flex; align-items: center;">  <h2 style="margin: 0;">Delivery Men</h2> </div>		
<p><b>Why they are important</b> Involved in final delivery of product / service to the customer, important component for customer satisfaction</p>		
<p><b>Customer retention</b></p>	<ul style="list-style-type: none"> <li>■ Regular training sessions</li> </ul>	<ul style="list-style-type: none"> <li>■ Customised training programmes are created to enhance the understanding of deliverymen and create a culture of customer-centricity.</li> </ul>
<p><b>Training needs</b></p>	<ul style="list-style-type: none"> <li>■ Regular interactions</li> <li>■ Training sessions on safety</li> </ul>	<ul style="list-style-type: none"> <li>■ Specific SOPs for delivery men for both LPG and Retail, on product safety and handling are in place.</li> <li>■ Regular training sessions are conducted for the delivery staff.</li> </ul>
<p><b>Health and safety</b></p>	<ul style="list-style-type: none"> <li>■ Regular interactions and trainings</li> </ul>	<ul style="list-style-type: none"> <li>■ We continue to advise the extended workforce on appropriate COVID-19-related protocols to be followed.</li> <li>■ We have provided a Special Ex-Gratia Scheme and Floater Group Medclaim Policy to extended workers engaged by our stakeholders and their family members (who are not covered by ESIC) for hospitalisation for any diseases, including COVID-19.</li> </ul>
<div style="display: flex; align-items: center;">  <h2 style="margin: 0;">Contract Workers</h2> </div>		
<p><b>Why they are important</b> Involved in various non-core activities of operations, necessary for executing various initiatives</p>		
<p><b>Health and safety (including COVID-19 measures)</b></p>	<ul style="list-style-type: none"> <li>■ Annual health check-ups</li> <li>■ Regular wellness sessions</li> <li>■ Regular interactions</li> </ul>	<ul style="list-style-type: none"> <li>■ We conduct health checks for our contract workforce and also have regular seminars on healthy living.</li> <li>■ We continue to advise the extended staff on relevant COVID-19-related processes to be followed.</li> <li>■ We have offered a Special Ex-Gratia Scheme and Floater Group Medclaim Policy to extended workers hired by our stakeholders and their family members (who are not covered by ESIC) for hospitalisation for any ailment, including COVID-19.</li> </ul>
<p><b>Regular payment</b></p>	<ul style="list-style-type: none"> <li>■ Regular interaction</li> <li>■ Need-based communication</li> </ul>	<ul style="list-style-type: none"> <li>■ We disseminate awareness on Provident Fund and ESI-related matters among others, thus enabling the contract workforce to understand minimum wages in a better way.</li> </ul>
<p><b>Training needs</b></p>	<ul style="list-style-type: none"> <li>■ Regular trainings</li> </ul>	<ul style="list-style-type: none"> <li>■ Regular trainings on workplace safety and emergency preparedness are conducted.</li> </ul>

# Stakeholder Engagement

Key Topics	Modes of Engagement	Our Response
 <h2>Regulators</h2>		
<p><b>Why they are important</b> Key for ensuring compliance, interpretation of regulations and uninterrupted operations.</p>		
<p><b>Compliance</b></p>	<ul style="list-style-type: none"> <li>Regular interactions with government departments and statutory bodies</li> </ul>	<ul style="list-style-type: none"> <li>We ensure that all applicable statutory rules and local legislation are followed on time.</li> <li>We make certain that there is continuous interaction with various government departments and statutory authorities regarding compliance requirements.</li> </ul>
<p><b>Disaster management</b></p>	<ul style="list-style-type: none"> <li>Training on safety issues and mock drills for emergency preparedness</li> <li>Mutual-aid meetings</li> <li>Meetings with local authorities</li> </ul>	<ul style="list-style-type: none"> <li>During on-site and off-site mock drills, we involve individuals from local communities and neighbouring industries to increase their readiness and instil confidence.</li> </ul>
 <h2>Communities</h2>		
<p><b>Why they are important</b> A harmonious relationship with the communities where we operate is key to our social licence to operate; they are our partners in progress.</p>		
<p><b>Community development</b></p>	<ul style="list-style-type: none"> <li>Regular interaction with the community through our CSR initiatives</li> </ul>	<ul style="list-style-type: none"> <li>We are committed to upliftment through CSR initiatives that focus on childcare, education, healthcare, the environment, community development and skill development among others.</li> <li>Throughout the year, we carried out different initiatives such as provision of Oxygen cylinders &amp; concentrators to various hospitals, mask distribution, health camps, COVID-19 awareness programmes, donating to the underprivileged and underserved in society and so on.</li> </ul>
<p><b>Meeting project deadlines</b></p>	<ul style="list-style-type: none"> <li>Meetings with local administration, NGOs and implementing agency</li> </ul>	<ul style="list-style-type: none"> <li>We collaborate closely with local governments, non-governmental organisations and implementing agencies to inform them on the process and outcomes of each project.</li> <li>The completion of designated projects within the specified time frame is ensured through timely follow-up.</li> </ul>
<p><b>More support and regular meetings in healthcare</b></p>	<ul style="list-style-type: none"> <li>Regular meetings with communities</li> </ul>	<ul style="list-style-type: none"> <li>We maintain constant communication with the local community in order to upgrade and improve the amenities that they have access to.</li> </ul>

Key Topics	Modes of Engagement	Our Response
 <h2>Shareholders and Investors</h2>		
<p><b>Why they are important</b> As providers of capital, they are key to our growth and expansion plans.</p>		
<p><b>Financial performance</b></p>	<ul style="list-style-type: none"> <li>Annual Report</li> <li>Periodic press releases</li> <li>Annual General Meeting</li> <li>Analyst meet</li> </ul>	<ul style="list-style-type: none"> <li>We update our shareholders and investors on the current business environment and our strategy for dealing with future challenges.</li> </ul>
<p><b>Good corporate ethics and compliance</b></p>	<ul style="list-style-type: none"> <li>Regular meetings</li> <li>Online platform</li> </ul>	<ul style="list-style-type: none"> <li>Our Stakeholders Relationship Committee addresses our security holders' grievances.</li> <li>We also seek feedback from our shareholders in order to better understand their concerns.</li> </ul>
 <h2>Customers</h2>		
<p><b>Why they are important</b> Customer feedback, or as we call it, the Voice of Customer, is key to process improvements, quality enhancement, service performance and cost optimisation.</p>		
<p><b>Awareness on safety and environment aspects</b></p>	<ul style="list-style-type: none"> <li>Periodic campaigns on safety and resource conservation</li> </ul>	<ul style="list-style-type: none"> <li>Safety awareness sessions to increase our customer understanding of product safety is conducted.</li> <li>We educate LPG users, particularly PMUY consumers, about safe LPG handling.</li> <li>We undertake programmes on oil and gas conservation (SAKSHAM) in various places, retail shops and LPG distributorships to sensitise and promote awareness among the population.</li> </ul>
<p><b>Product quality and service standards</b></p>	<ul style="list-style-type: none"> <li>Periodic customer satisfaction surveys and customer meets</li> </ul>	<ul style="list-style-type: none"> <li>We have built appropriate systems and processes to avoid degradation in quality and to sustain products of the highest quality standards from refining to distribution.</li> <li>We assure product availability at client touchpoints through effective planning and logistics.</li> <li>We are continually upgrading to reduce our environmental impact.</li> </ul>
<p><b>Resolving complaints</b></p>	<ul style="list-style-type: none"> <li>One-on-one meetings</li> <li>Need-based communication</li> <li>Online complaint management system</li> </ul>	<ul style="list-style-type: none"> <li>We communicate with consumers on a regular basis to learn about their perceptions of our service standards.</li> <li>We ensure that client connections are strengthened by using multi-language web applications.</li> <li>We have strong complaint management processes to respond to customer complaints on a timely basis manner.</li> <li>We also make certain that we are in sync with the Centralised Public Grievances Redress and Monitoring System (CPGRAMS).</li> </ul>

# Materiality

## Identifying and Addressing Mutual Concerns

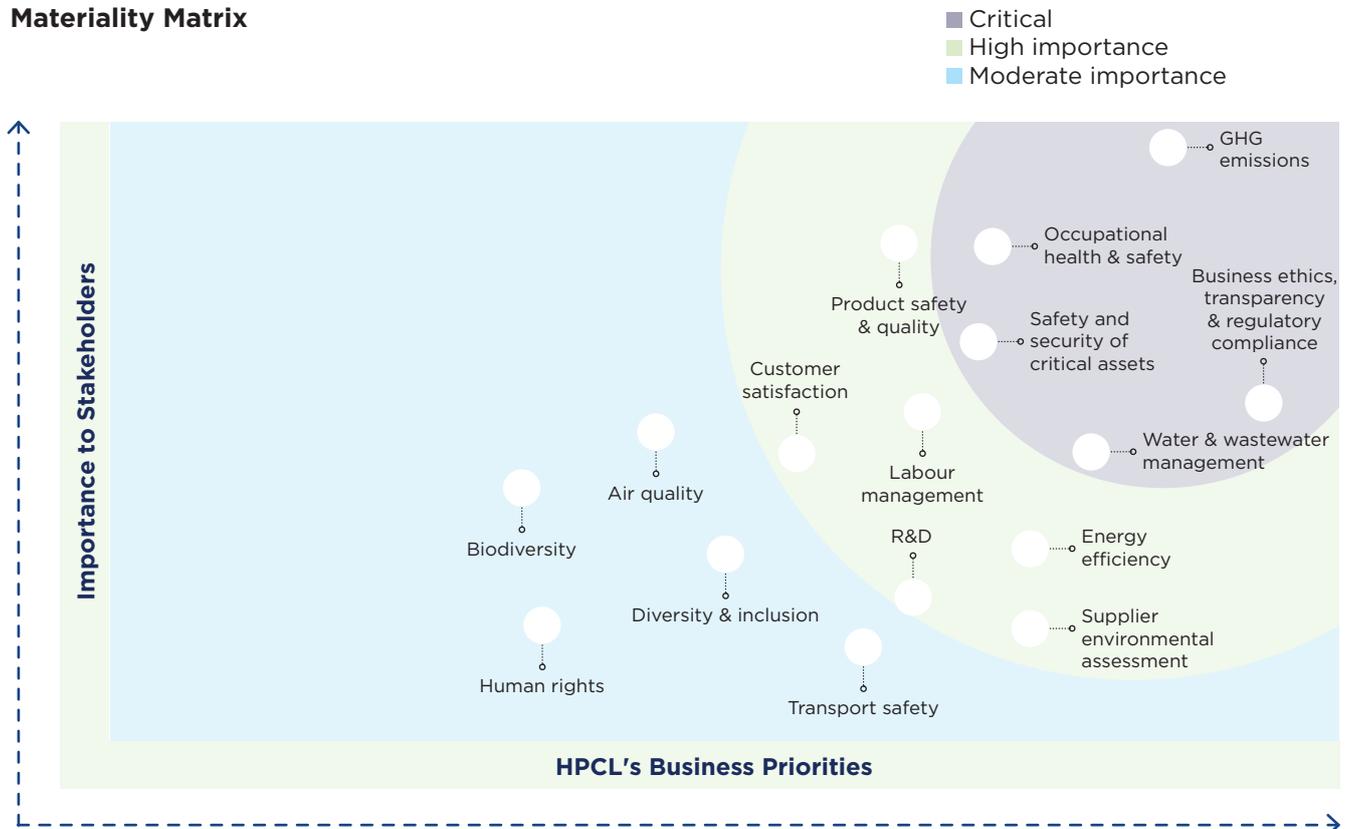
Materiality assessment is a significant component of our Company’s ESG planning, strategy and reporting. It helps us in identifying key issues that are material to our Company and stakeholders.

We consider material issues based on the impact they have on our business and stakeholders. Getting their perspectives and feedback on relevant ESG topics helps us in designing an effective and robust sustainability strategy.

### Materiality Process

Identifying Material Issues	Prioritising Material Issues
Identifying material issues through research and peer review	Engaging with internal and external stakeholders through belief audits and literature review for ranking in order of relevance and importance
Aligning with frameworks	Preparing the materiality matrix

### Materiality Matrix



During 2021-22, HPCL undertook the task of creating its environment strategy to achieve net zero scope 1 and scope 2 emissions by year 2040 by engaging the services of a world renowned consultant who have helped in redefining materiality matrix for HPCL.

The belief audits undertaken with top and senior management as part of the environment strategy suggests that top management supports a change in business model and product portfolio to transition to a low carbon future.

Regarding Indian investors, currently few ESG topics are material, however many of the international rating

agencies are already analyzing ESG performance on behalf of investors.

Further, Since HPCL is governed by the various regulation in place in the country, varied Materiality topics for different ministries were studied and included; Regular check for policy announcements & regulations is a materiality indicator.

A new materiality matrix is proposed for HPCL clubbing existing topics, adding new topics such as biodiversity, supplier assessment, human rights, diversity & inclusion, labour management & air quality.

ESG	Topics	Reason for Strategic Prioritisation	GRI Standards	Boundary
Environment	GHG Emissions and Renewable Energy	<ul style="list-style-type: none"> <li>Must have topic given strategic direction</li> <li>Suggested focus on Scope 1 and Scope 2</li> </ul>	GRI 305, OG2,OG3, OG 8 and OG 14	Internal / External
	Water and wastewater management	<ul style="list-style-type: none"> <li>Relevant topic given shortage of water in India</li> <li>Important to maintain integrity of water resources</li> </ul>	GRI 303 – 2018 and 306, 307	Internal
	Product Quality and safety	<ul style="list-style-type: none"> <li>Important given the flammable nature of hydrocarbons</li> </ul>	GRI 416 and 417	Internal / External
	Energy Efficiency	<ul style="list-style-type: none"> <li>Important as a decarbonisation lever</li> <li>Helps direct technological upgradation efforts</li> </ul>	GRI 302	Internal
	Supplier Environmental Assessment	<ul style="list-style-type: none"> <li>This determines indirect responsibility for environmental impacts &amp; Scope 3 emissions</li> </ul>	GRI 308	Internal / External
	Air Quality	<ul style="list-style-type: none"> <li>Includes all non-GHG emissions</li> <li>Air pollution is a major issue in India</li> </ul>	GRI 305	Internal / External
	Biodiversity	<ul style="list-style-type: none"> <li>Crucial to minimise environmental impact of operations</li> </ul>	GRI 304	Internal
	R&D	<ul style="list-style-type: none"> <li>R&amp;D will be the key to support decarbonisation initiatives</li> <li>Technical capabilities drive business model transformation</li> </ul>	Non GRI	Internal
Social	Occupational Health & Safety	<ul style="list-style-type: none"> <li>Major for employee well-being and business reputation</li> <li>Crucial to create a culture of safety</li> </ul>	GRI 403-2018	Internal
	Safety, security of critical assets	<ul style="list-style-type: none"> <li>Relevant topic given locations of refineries and other assets</li> </ul>	Non GRI	Internal/ External
	Labour Management	<ul style="list-style-type: none"> <li>Uphold employee rights to increase productivity</li> </ul>	GRI 402 and 407	Internal
	Customer Satisfaction	<ul style="list-style-type: none"> <li>Key purpose of business</li> </ul>	Non GRI	External
	Human Rights	<ul style="list-style-type: none"> <li>Important to uphold rights of indigenous people and labour rights</li> </ul>	GRI 412	Internal
	Diversity & Inclusion	<ul style="list-style-type: none"> <li>Important for uniformity in growth and development across societies, genders and geographies etc</li> </ul>	GRI 405 and 406	Internal
	Transport Safety	<ul style="list-style-type: none"> <li>On account of impact on society due to continuous interaction and important role in supply chain</li> </ul>	Non GRI	Internal
Governance	Ethics, transparency & Regulatory Compliance	<ul style="list-style-type: none"> <li>Important to protect against litigation and reputation risk</li> <li>Transparency positively impacts stakeholders</li> </ul>	GRI 205, 206 and 419	Internal/ External

## Economic Performance

# Creating Consistent Value

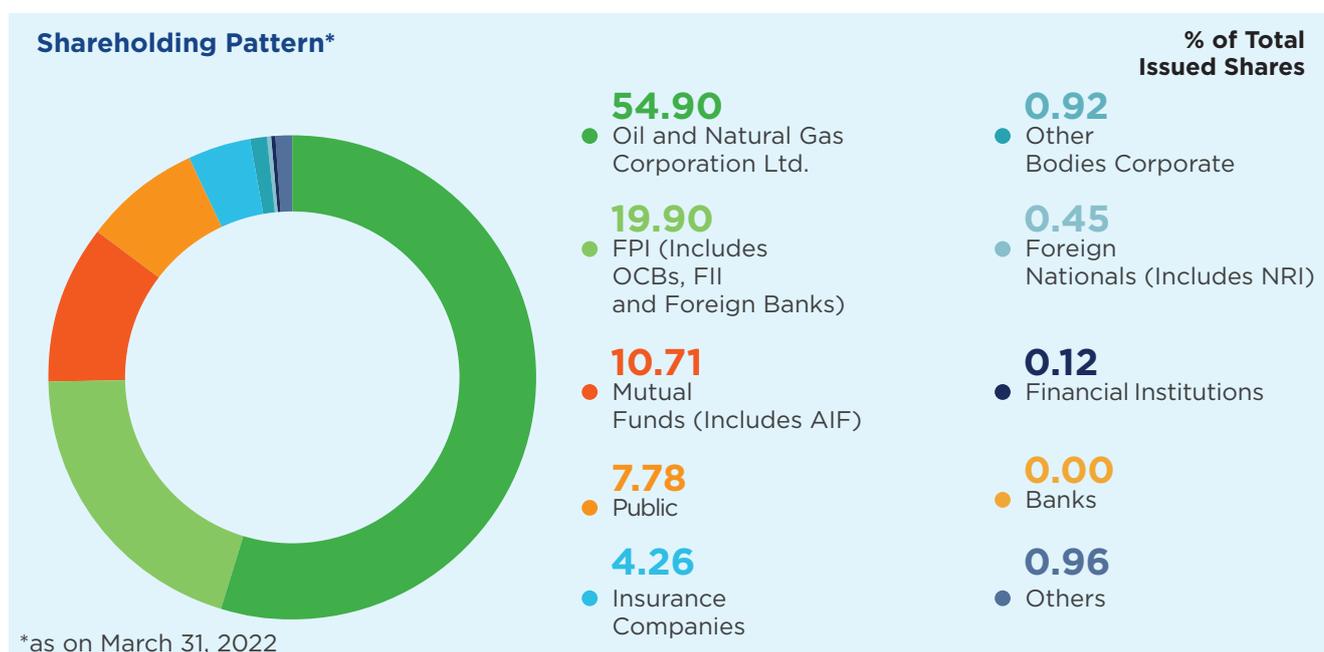
Even though the global economy grew to 6.1% in 2021 after a retraction of 3% in 2020, the momentum of the economic recovery from COVID-19 was hampered by a number of scenarios. These include the shift in the energy sector and its demand, globally as well as nationally and the increasing prices in international crude oil market with the Russia-Ukraine war— both contributing to a fluctuating global economy.

Demonstrating resilience and strategic planning, HPCL showed upward growth overcoming the varying challenges. We reported the highest ever annual sales revenue of ₹ 3,72,642 Crore (PY ₹ 2,69,243 Crore), a growth of 38.4% with a Profit after Tax (PAT) of ₹ 6,383 Crore.

## Financial Performance

	(₹ Crore)		
Economic Value Generated	2021-22	2020-21	2019-20
Total Revenue	3,76,866.42	2,73,115.05	2,89,255.10
Profit After Tax	6,382.63	10,663.88	2,637.26
Economic Value Distributed			
Operating and Service Cost	10,187.67	9,200.15	10,436.94
Employee Wages and Benefits	2,982.45	3,188.38	3,193.46
Payment to Providers of Capital	4,199.93	2,400.45	2,808.54
Contribution to Exchequer	85,745.58	95,332.94	76,133.41
Community Investment	135.57*	156.35	182.24

\*Includes ₹ 9.51 Crore of provision towards unspent CSR for the Financial Year 2021-22, which has been deposited and will be spent subsequently in accordance with CSR Rules.



# Physical Performance

## Refineries

With the execution of Mumbai Refinery Expansion Project (MREP) the nameplate capacity of Mumbai Refinery has increased from 7.5 to 9.5 MMTPA. Methodical planning and execution, observance of safety standards and protocols and involvement of stakeholders resulted in successfully and safely executing a very complex revamp of major processing units despite challenges posed by multiple waves of COVID-19 pandemic. Mumbai Refinery registered highest monthly and quarterly crude throughput in the month of January 2022 and Q4 of FY 2021-22 respectively.

During the year, Visakh refinery delivered robust physical performance by recording capacity utilization of more than 100%. Visakh Refinery Modernization Project (VRMP) to enhance crude processing capacity from 8.3 MMTPA to 15.0 MMTPA is progressing well and mechanical completion for units have commenced in a phased manner.

## Crude Throughput

Refinery	(MMT)		
	2021-22	2020-21	2019-20
Mumbai	5.56	7.37	8.07
Visakh	8.41	9.05	9.11

## Operating Performance in 2021-22

Refinery	Crude Throughput	Capacity Utilisation	Specific Energy Consumption	Fuel and Loss	Distillate Yield	Distillate Yield
	MMT	%	MBN	%	%	(\$/bbl)
Mumbai	5.56	74.1	106.7	8.33	70.4	7.60
Visakh	8.41	101.3	85.0	8.09	70.7	6.92

## Marketing

The marketing performance of HPCL continues on a high note in 2021-22 with total sales volume of 39.14 MMT, a 6.8% growth from the previous year.

## Operating Performance of Marketing SBUs

Year	(MMT)
	Total Sales Volume
2021-22	39.14
2020-21	36.59
2019-20	39.64



Hon'ble Union Minister for P&NG and H&UA, Shri Hardeep Singh Puri, dedicating the 'Mumbai Refinery Expansion Project' to the Nation

# Strategic Planning Initiatives



T25 Strategy for Leveraging emerging opportunities and navigating future challenges in Energy Transition scenario

### Strategic Roadmap

At HPCL, we have a well-structured 5-year roadmap for all functions across the organisation. The 'T25' strategy has been mapped till 2025-26 with an aim to leverage opportunities in the evolving energy scenario and a focus on diversification into new businesses while minimising the risk for all portfolios.

The T25 strategy aims to help the company in value creation and sustainable growth. Green and more environmentally conscious opportunity landscapes are the main areas of focus supported by technology, innovation and sustainability goals to remain ahead.

Several large-scale projects have been undertaken by the Company for strengthening of existing businesses of Refining and Marketing. HPCL is presently exporting products to 19 countries and expansion of business footprints in overseas geographies is being pursued aggressively by leveraging the subsidiary company 'HPCL Middle East FZCO' set up in Dubai Free Trade Zone. HPCL is also formulating its export strategy for expanding its global footprint.

We are participating in the entire value chain of the natural gas business with the setting up of an LNG import and regasification terminal through 100% subsidiary, participating in natural gas pipelines through joint ventures and expanding our reach in the City Gas Distribution (CGD) business.

Large-scale investments by HPCL are underway for building the petrochemical manufacturing capacities through joint venture route. For marketing of HPCL's own produced and externally sourced petrochemical products, the 'Route to Market' strategy has been developed and is under implementation. Pre-marketing plan for the petchem products are under formulation

focussing the changing industry dynamics, trends in demand patterns, evolving global trade flows, etc.

Apart from this, we are looking forward to leveraging green and sustainably conscious business opportunities by venturing into advanced and alternative fuels and expanding in biofuel through Compressed BioGas (CBG) plants. This strategy also paves the way for better engagement with more stakeholders.

Aggressive initiatives towards green expansion includes solarisation of retail outlets, enhanced usage of renewable power for meeting the operational requirements of refineries, setting up of infrastructure for power import at both refineries etc. At the Visakh Refinery, HPCL is setting up a 370 TPA Green Hydrogen plant to provide green hydrogen meeting the partial refining process requirement in alignment with the National Green Hydrogen Mission. With respect to alternate fuels/energy storage, new avenues of value creation are being explored in collaboration with various technology start-ups & OEMs etc. in the Electric Vehicle (EV) ecosystem. The vast network of over 20,000 retail outlets of HPCL is being leveraged while foraying into emerging opportunities including non-fuel and adjacent business opportunities.

We understand the importance of technology and innovation in ensuring growth and sustainability of a business. Today, data analytics, artificial intelligence, internet of things, machine learning, virtual reality are embedded in mainstream processes. Surveillance systems like CCTV and drones are also deployed for a more real-time view of operations for better safety, security and efficiency, providing better value to customers.

A single-view approach helps us with a better understanding of the needs of the customer and

incorporating feedback and suggestions at all levels. For achieving greater business flexibility, higher digital agility and enhanced efficiencies, the project on modernisation of the existing ERP system is being executed.

An increased focus on sustainability has put innovation and leveraging energy through green operations on radar for HPCL as well. The 'HP Green Research and Development Centre' at Bengaluru works with multiple strategic business units for development and implementation of services and products across domains and functionalities. To track proper execution of all programmes, an 'Initiative Management Office' is set up, known as an 'Idea Junction'. We also have an entrepreneurship scheme 'Udgam' for ideation and incubation of start-ups driven by technology and with scope for future commercialisation.

Environmental, social and governance parameters are of paramount importance and HPCL is committed towards the protection of resources and growing sustainably. As a reflection of our commitment, the organisation has set a target of achieving Net-Zero Scope 1 and 2 Emissions by 2040.

### Central Procurement Organisation

The Central Procurement Organisation (CPO) helps HPCL incorporate and work according to all government policies and directives. This further strengthens the ecosystem for MSMEs, while increasing efficiency, competitiveness and transparency. CPO especially works towards centralised procurement for SBUs with effective vendor management.

### 2021-22 highlights

- Finalised purchase orders worth ₹ 12,000 Crore (including GeM and excluding Ethanol), recording a savings of ₹ 505 Crore at 4.21 % over benchmarked price through strategic procurement
- Purchase orders worth ₹ 900 Crore finalised through GeM platform registering an increase of 414% over last year
- Handled about ₹ 6,600 Crore worth Ethanol Procurement and ₹ 10 Crore worth Bio Diesel Procurement

### Promotion of Local Enterprises

- HPCL achieved 37.29% in 2021-22 against a target of 25% of procurement of goods & services from MSEs excluding items, which are beyond the scope of MSEs. The excluded items are Crude Oil, Petroleum Products, logistics cost through shipping, Railways & Pipelines, LNG/Natural Gas, API Line pipes, OEM spares & services, proprietary items and services, Technology Licenses and Licensor mandated items, Plant & Machinery and single item value equal to or more than ₹ 50 Crore.
- Total 98 MSE Vendors have been onboarded on all TReDS Platforms combined and bills worth ₹ 277 Crore were discounted during the year.

- For a more efficient supply chain, vendor meetings were conducted with a focus on procurement from MSMEs and MSEs run by women and by people belonging to the SC/ST communities. Public Procurement Policy compliance was ensured where benefits of EMD (Earnest Money Deposit) were exempted and vendor quoting within +15% of L-1 rate were issued orders up to 25% of requirement subject to matching L-1 rate. Regular orders including developmental and trial orders were also released to improve capacity and capability of local vendors including MSEs. HPCL has been in complete compliance with various government directives/policies to provide support to MSMEs and promote indigenisation of products and services.

### Integrated Margin Management

After severe demand destruction in 2020-21 due to Covid-19 induced lockdowns, Year 2021-22 was characterized by revival of demand for petroleum products, Faster rollout of Covid vaccine in Europe and US helped to lift mobility restrictions. This resulted into rebound in global oil demand.

To meet higher product demand while ensuring maximization of Net Corporate Realization (NCR), Integrated Margin Management (IMM) group undertook various initiatives to facilitate maximization of crude throughput and production of value-added products in refineries, effective utilization of HPCL supply and logistics infrastructure, leveraging margin improvement opportunities in crude oil and product sourcing and optimizing inventory.

HPCL Mumbai refinery expansion project was completed in the year to enhance the capacity from 7.5 to 9.5 MMTPA. The project implementation required outage of many existing units for hook up with new units. The opportunity was planned to be utilized for turnaround of few units. Due to second wave of COVID during Q-I and unforeseen scarcity of contract resources, the units were restarted in a phase wise manner which pose a major challenge in managing crude oil inventories. Timely interventions by IMM was done to minimize the impact of demurrages and inventory value loss. To ensure supply of value added products during phase wise startup of refinery, IMM facilitated Refinery by outsourcing MS blend stock. For the first time MTO was produced from Medium sulfur crude oils by suitable operating changes. Intermediate streams were transferred from Mumbai to Visakh to maximize capacity utilization of secondary units at Visakh.

For sustaining continual improvement various studies were carried out by IMM for medium and long term margin enhancement initiatives like integrated planning for lube oil base stocks production and value added lubes, enhancing bitumen supplies to meet high demand growth, crude mix optimization at Visakh refinery in post RUF scenario, strategy for LNG sourcing etc.

# Economic Performance

To reduce carbon emission through optimization of transportation modes, IMM focused on maximization of pipelines throughputs and various actions were implemented in this direction. The surplus pipeline capacity in MDPL was rented out for additional revenue generation. MHMSPL LPG pipeline linkages were enhanced optimally to increase thrupt. MHMSPL LPG pipeline achieved highest ever annual throughput of 1.15 MMT. For increasing market share of MTO with competitive advantage of reduced logistics cost and carbon emission reduction Vs supply by road, rail loading and unloading facilities for handling MTO were commissioned at Mahul & Bahadurgarh. Total 5 rakes were loaded in the year.

The journey of Ideation continued to be strong in HPCL as a cumulative employee participation of 43% was achieved during the year. The Milestone of receiving 10K Ideas was achieved in Oct-21 – within 4 years of launching Idea Junction initiative. So far over 13000 ideas have been received. Faster evaluation of ideas is key to faster implementation of ideas and realizing intended benefits and also for higher satisfaction levels of idea originators in terms of getting to know fate of ideas originated. With continual focus of Idea management team and duly supported by strong team of 70+ idea catalysts and 1000+ subject line experts in SBUs/functions, 82% of ideas received have been evaluated. Theme based idea campaigns relevant to all SBUs were run during the course of the year to help our budding ideators capture key trends in the oil and gas industry.

As a part of IMM, The Oil Price Risk Management (OPRM) group continued its activities towards stabilizing margins. The risk management scaled up its activities towards stabilizing margins through formalizing hedging strategies for refinery margin and also providing hedging solutions for crude and products including LNG. For the first time, an HPCL officer from OPRM group got selected for working on India specific chapter in OPEC's annual World Oil Outlook 2022.

## Information Systems

### 1. ERP Modernisation

#### ERP Modernisation with adoption of SAPS4 Hana Platform

Project Aarohan is an organisational strategic initiative aimed at transforming the digital landscape with the SAP S/4 HANA platform. A component of the ERP modernisation programme aims to integrate emerging technologies with ERP solutions while also contributing to ESG and sustainability.

One of the critical processes handled by HPCL is hydrocarbon inventory management across the entire supply chain, from refineries to depots to retail outlets. The new ERP will aid in increasing visibility across the value chain, providing real-time

analytics and optimising supply chain processes. It will also improve overall EHS performance by leveraging previous learnings recorded in SAP as incidents. Above all, it will aid in the improvement of ESG compliance and sustainable processes.

SAP also facilitates 'management of change,' which aims to improve safety systems through systematic reviews, risk mitigation and necessary approvals. LOTO, or Lock Out Tag Out, ensures safety during maintenance work and SAP's Maintenance Safety application also supports Work Clearance Management and Permit to Work processes.

With SAP's Environment Management application, the new ERP system under implementation has features to measure, track, monitor and report air, water and waste emissions. All of these operational and managerial changes contribute to HPCL's operations becoming more robust, cost effective and sustainable. The ERP Modernisation Project will help to establish a strong EHS culture and sustainable processes.

### 2. Digital Initiatives under IS Strategy

#### a. Overall Approach of the IS Strategy

HPCL has always been at the forefront of technology adoption and understands the critical importance of leveraging emerging technology developments in its business. With a view to further enhance the digital impact within the organisation and to bring about an enterprise view towards each of the initiatives being taken up, a dedicated team 'IS Strategy' was formed under the Corporate Strategy & Planning department of the organisation that was tasked with running this organisational digital transformation programme, 'Parikalp'. As part of this project, the IS Strategy team collaborated with its Digital consulting partner to create a comprehensive strategy aligned with HPCL's business context, priorities and requirements. This provided a roadmap for the implementation of various digital initiatives.

#### b. Initiatives Leading to Enhancement in Safety, Environmental Sustainability (energy, water savings, material conservation, emissions reduction etc.)

Certain initiatives have been taken up for implementation as part of HPCL's Digital roadmap to help improve safety and environmental stability. Throughout the year, digital initiatives on video analytics at operating locations that leverage the power of data analytics to provide near real-time views of operations and safety incidents were launched. This, in turn, contributes to the locations' robust safety, security and operational readiness, resulting in reduced downtime, workplace safety, improved monitoring and increased productivity.



DIGICONN - Annual Virtual Event to enable digital adoption at workplace

**c. Initiatives Leading to Process/Logistics/ Procurement Optimisation Leading to Cost Savings, Resource Conservation, Fuel Savings etc.**

Digital have the potential to optimise various processes and improve logistics and procurement processes, thereby benefiting the organisation in terms of cost, resource and fuel conservation and optimisation. As a key digital initiative of the organisation, an enterprise-wide data and analytics-based demand forecasting solution was implemented through 2021-22. This aims to improve forecasting accuracy, resulting in more efficient product sourcing, placement and inventory management.

**d. Initiatives Leading to enhancement in Employee Satisfaction, External Stakeholder Satisfaction**

Digital plays a key role in enhancing employee and stakeholder satisfaction in an organisation and is a key enabler to build a future-forward culture. Customers and citizens at large, have been the prime focus for the organisation and various initiatives have been implemented towards this purpose. Digital initiatives offering personalised

products and services are being taken up to enhance the customer experience.

- Implemented Video Analytics at retail outlets, focussing on enhancing the customer service standards and its operations by leveraging analytics and thereby ensuring enhanced customer experience.
- A Customer Engagement and Experience Platform providing a uniform customer view has been set-up to enable personalised offerings and promotions.
- To enable Digital adoption at the workplace, the annual Digital event of HPCL, 'DIGICONN' was organised. This virtual event enabled participation of employees across the organisation and demonstrated how digital adaptability can be leveraged while showcasing global technological advancements.
- 'Digital Experience Centre' is one of HPCL's key digital initiative at HPMDI Nigdi aimed at providing an insight to the emerging digital technologies leading to digital awareness across the organisation.

# Economic Performance

## 3. Information Systems and Cyber Security

### Adoption of Zero Trust Security Framework

The demand for IT resources saw a sharp rise with the onset of the pandemic. Work from home facilities provided to employees during the lockdown resulted in a distributed work environment while in the traditional setup, the majority of workload from within the trusted zone that is the HPNET or the Company network. The users and devices within the organisation's perimeter were automatically trusted. Mobility adoption had already started posing information security challenges, which were further accelerated during the COVID-19 lockdown.

The IS management responded to the challenge by adopting the Zero trust security framework. In this model, there is no traditional network perimeter that is trusted by default. Key features of this security model are

- No implicit trust.
- Security is designed with an assumption that all users and devices whether inside or outside the organisations network pose equal information security risks.
- The users/devices should be continuously validated prior to granting any access.
- Apart from the above preventive mechanisms, in case of a security breach, the new design shall limit the impact of the breach.

Security at all layers of IS services are being designed/redesigned as per principles of Zero trust security framework.

Cyber Security is a major risk to the business as automation and technology adoption is high in our organisation. The implementation of the Zero trust security principals at all layers of IS infrastructure and services will mitigate this risk significantly and help the business users/organisation gain the much-required agility. The business will be able to adopt mobility, distributed work environment, cloud etc. quickly and safely.

### Enhancing Data Security

ISD has implemented Aadhaar Data Vault along with tokenisation. It is a secure encrypted centralised Enhancing Data Security

ISD has implemented Aadhaar Data Vault along with tokenisation. It is a secure encrypted centralised storage for all the Aadhaar numbers and related data collected by us for specific purposes under Aadhaar Act and Regulations, 2016. It is inside our infrastructure accessible only to authorised personnel and services. The Aadhaar data vault provides a reference key, which is a unique token to represent the Aadhaar number in the entire internal ecosystem. The mapping of reference key and Aadhaar number is maintained in the Aadhaar Data Vault itself.

### Ensuring Cyber Security

To build up on the existing Information Systems and in view of the fact that the pandemic continued to impact during the financial year, several initiatives were undertaken for ensuring digital service delivery, employee health and safety at workplace & privacy and data security. These initiatives necessitated augmentation of infrastructure, as required and adoption of appropriate security model for protecting business from cyber-attacks. Initiatives like enabling security patch updates over internet for user devices helped in strengthening security posture of the organisation. For the year 2021-22 there was no cyber-security incident leading to breach of our business-critical systems.

### Employee Training and Awareness

IT and digital awareness is important for all the users and employees who work as a part of the team and it is important for them to know about the associated risks and safety practices. Anti-phishing campaigns and similar cyber security awareness trainings are provided to all employees across locations. A module on cybersecurity was created in collaboration with HR team and is available on the internal training portal, which all employees undergo as mandatory protocol.

### Reduction in Energy Consumption

- The Hyderabad Data Centre reduced energy and improved Power Utilisation Effectiveness (PUE) from 2.0 to 1.7 in 2021-22 through the following initiatives:
- Usage of Integrated Energy Management system for monitoring energy consumption of the building.
- Installation of LED lights in the entire building.
- Installation of cold air containment in server rooms.
- PAHU room partitioning for proper hot air movement.
- Complete insulation of server room façade for reducing impact of outside temperature in PAHU rooms and server rooms.
- Installation of Dx type PAHUs for night operation eliminating dependency on chiller units.

### Data Center Building and Equipment Protection

- Implemented Surge Protection & Lightning Arrestor Systems as per NBC (2016) standard.

### Adoption of Continuous Integration and Continuous Delivery (CI/CD) methodology

With increasing stakeholders demand internally as well as externally, agility and constant innovation is a necessity in any kind of business. Focusing on the same, the IS Function has ensured automation



HPCL information systems centers employ robust measures for ensuring Cyber Security

of applications through Continuous Integration & Continuous Delivery (CI/CD) methodology.

**Secured Application Authentication and Authorization Framework**

ISD has setup a secured application authentication and authorization framework and delegated the secured authentication mechanism of application by bifurcating the existing way of authentication with adoption of UI standards defined by the corporation. The framework allows us to define various levels of authentication and allows seamless checks by multi-factor authentication. It also blocks malicious attempts and has an alerting and self-locking mechanism on identifying such attempts.

**Better Accounting Practices and More Tax Transparency**

Our business processes are effectively managed by Enterprise Resource Planning (ERP) system and a large number of other applications including workflow applications and portals are in place to address specific requirements. During the year, the existing ERP system was integrated with GeM portal for fetching of GeM Contract/Invoice data & sharing the complete Invoice-wise payment details with the GeM portal in an automated mode.

The ERP System was enabled to give a credit of the TDS amount to eligible customers when Income tax TDS on purchase of goods was introduced. Printing of a dynamic QR Code on all B2C invoices

for GST products was implemented, which enabled customers to make digital payments.

**Safety and Security of Operating Locations**

To meet the emerging global challenges, digital technologies are being leveraged to enhance the operational effectiveness and efficiencies. The technologies also address the safety and security of operating locations and cross-country pipelines, which is a key focus area.

To provide a near real-time view of operations and ensure robust, safe & secure locations, digital technologies like video analytics, CCTV and drone surveillance system are being leveraged. This has enabled reduced downtime, workplace safety, better monitoring, enhanced productivity, efficiency and a more effective response. Energy sustenance and optimised energy usage is also essential at locations for which real-time energy management solutions are being deployed.

While various industries have been seriously impacted by the COVID-19 pandemic, HPCL, through digital interventions, has enabled the employees to work remotely, while ensuring that business operations are not affected, employee safety is not compromised and data and information is accessed in a secure way.

## Protecting our Natural Environment

# Optimising Resource Consumption

**We are committed to being stewards of the natural environment in which we operate by minimising the footprint of our operations on land and the ecosystems. We direct our efforts towards delivering positive and lasting environmental outcomes for our host communities and the planet as a whole.**

As a responsible Corporate Citizen, HPCL is dedicated to caring for the environment and reducing its carbon footprint. We have enacted a 'Climate Change Policy,' which is also available to all. Our actions are guided by our Board-approved environmental and sustainable development policies, with a goal of going beyond environmental compliance and achieving best-in-class performance. We are in the process of developing a roadmap to achieve net zero Scope 1 and Scope 2 emissions by 2040. HPCL strives to incorporate adaptation and mitigation measures to counteract the potential impacts of climate change on its infrastructure, operations and future projects. Our management systems are focused on best practices with respect to Health, Safety and Environment (HSE). Our major installations have environmental management systems certification.

Our vision is to plan and implement programmes and practices that will help us reduce the environmental impact of our business operations. We implement processes that assist us in striking a profitable balance between our business objectives and environmental risk mitigation. We are constantly looking for effective ways to incorporate climate resilience and adaptation into our business strategy.

Environmental Impact Assessment is done for eligible projects and PHA studies are done on a continuous basis. These are available at HPCL Website - Regulatory Requirements, <https://hindustanpetroleum.com/pages/Regulatory-Requirements>

### Climate Risk Management

We see Climate change as one of the greatest scientific challenge of the 21st century. Climate risks can and should be addressed while meeting the growing demand for affordable and secure energy, which is essential to ensure a just and orderly energy transition that aligns with the United Nations Sustainable Development Goals and Nationally Determined Contributions. Governments, businesses and civil society must work together on cost effective policies to meet this dual challenge and we support transparent carbon accounting and disclosures to encourage the investments needed to accelerate decarbonization across all sectors of the economy while keeping energy affordable.

We are working with world renowned consultant for finalisation of our environment strategy for achieving Net Zero scope 1 and scope 2 emissions by the year 2040. As part of this engagement, we are studying the various risks and opportunities related to climate transition. Climate related opportunities are being studied as a part of the above process.

We have also formed a biofuel and renewables SBU for focused attention on the clean fuel segments. HPCL's natural gas SBU is proliferating HPCL's presence in the natural gas value chain. To have an overall coordination and governance of the climate transition initiatives, we have formed an energy transition cell to coordinate monitor and facilitate energy transition and low carbon and newer energy pathways

### Testing Our Resilience

We are committed to contributing to the transition to a low-carbon economy. At the same time, we continue to work on lowering our operational and product footprint. To supplement our ongoing climate change efforts, we are studying how the world might develop under various climate change scenarios and attempt to comprehend the potential outcomes and opportunities to align our business. While the exact future pathway is uncertain, we expect climate change to affect the industry through risks and opportunities in two broad areas:

**Physical risks/opportunities:** The potential impact on our operations and surrounding communities from both acute weather events and chronic shifts in climate patterns

**Transition risks/opportunities:** The potential impact on demand for different products, given assumptions on regulatory, technological and behavioural changes in the transition to a low carbon economy.

To anticipate these potential impacts and formulate strategic responses, we are working on a customised set of climate change scenarios that represent a broad range of potential outcomes. As a part of refreshing our Enterprise risk management register, we are including evaluation of operational, regulatory, finance, strategic, sustainability in particular ESG (Environmental, Social and Corporate Governance) related risks, cyber security risks, business continuity risks across all levels of the organisation and the same is in progress.

We have implemented a Sustainable Development Policy, which is a statement of our commitment applicable across business verticals and functions. Every business unit is expected to adhere to the objectives, commitments and guiding principles enshrined in the policy.

### **Sustainable Development Policy**

We at HPCL, are committed to achieve the economic, ecological and social responsibility objectives of sustainable development consistently through our varied operations and activities.

We will strive to contribute to sustained overall economic growth by continually improving the efficiency and productivity of our operations. We will execute our business activities in such a way that the ecological balance is not impacted. We will develop and conduct programmes for the community, suitably designed towards building their individual capabilities.

We will:

- Promote sustainable development concepts amongst our employees, customers, stakeholders and others.
- Integrate the sustainable development objectives and considerations in all our business plans.
- Deploy efficient and clean technologies towards realising minimal impact on environment.
- Develop and implement good practices for optimal usage of natural resources.
- Continuously monitor and control our activities to minimise carbon footprint.
- Endeavour to provide a clean, healthy and safe working environment to our employees, neighbours, customers, consumers and stakeholders.
- Sustain appropriate development programs for our employees, customers and neighbouring communities.
- Incorporate customised management systems to monitor and control progress of Sustainability development objectives.
- Remain committed to disseminate information on our sustainability performance.

### **Our Environment Policy**

The Corporation is committed to conduct its operations while staying aligned with the conservation of the environment and economic development of the community. Its aim is to sensitize our people about the importance of conservation of environment by ensuring equal participation. The employees are encouraged to focus on leveraging operational best-practices, philosophy and training which are better suited for the environment.

**Objectives of this policy are:**

- Adopt environment sound operating systems, practices and procedures.
- Strive to progressively bring about an improvement in the environmental performance of our facilities by adopting eco-friendly techniques/processes for optimal use of energy and to reduce hazardous emission and wastes.
- Establish procedures and devise suitable method for disposal of toxic, other hazardous waste and scrap.
- Create environment awareness amongst its employees and develop programmes for environment protection.
- Comply with the relevant statutory rules & regulations and devise appropriate standards on other cases wherever required.
- Maintain highest standards of vigilance and preparedness to respond to emergencies supplemented with mutual aid of neighbouring facilities and Government agencies.
- Endeavour to associate with and support R&D on environment by Government agencies and reputed research institutes.
- Programme reviews and evaluation to measure progress of compliance with the policy.

# Environmental Performance

## Materials Management

At HPCL, we prioritise resource utilisation in order to deliver the energy and non-energy products in our portfolio. We are working on a variety of initiatives to reduce material consumption in our processes, as well as developing products that help consumers achieve resource efficiency.

### Material Consumption in Refineries

Materials	Unit	Total
Additives, Chemicals and Catalyst	MT	17540
Caustic	MT	7689
Lube Oil and Greases	MT	446.1
Dry Chemical Powder	MT	3.11
Cotton Waste	MT	4.5
Foam	KL	39.64
Corrosion Inhibitors	KL	13
Rubber Hoses	MT	13.8
Batteries	MT	4.1
Metal Containers	MT	17.6
Orange dye	KL	22.4
Ethyl Mercaptan	MT	8.74
Paint and Primer	KL	3.5
Purchased Hydrogen	MT	45.6
Liquid Nitrogen	MT	4938

### Associated Material Consumption in Refineries

Materials	Unit	Total
Refrigerant	MT	1.8

# 277 MT

savings in steel consumption by optimizing MS drum sheet thickness by Lubes SBU

### Material Consumption in Marketing Locations

Materials	Unit	Total
Bottling Cylinders*	MT	90656
Brass Valves*	MT	1318
Additives and Chemicals	MT	46708
HFHSD	MT	1720
Pressure Regulators	MT	1978
MTO	MT	683
O-rings	MT	22
Dry Chemical Powder	MT	53
Lube Oil and Greases	MT	130
Conkote	MT	760
Cotton Waste	MT	54
Caustic	MT	18.26
Base Oils	KL	490266
Paint & Primer	KL	185
Corrosion Inhibitors	KL	462
Foam	KL	206
Blue Dye	KL	22.5
Cartons	MT	12616
Plastic Seals and Caps	MT	483
Rubber Hoses	MT	473
Wooden Pallets	MT	241
Metal Containers	MT	18586
Plastic Containers	MT	32170
Batteries	MT	254
Ethyl Mercaptan	MT	13.4

\* Since these materials undergo reuse multiple times (subject to testing) before completing their service life, quantities of new materials put into service are reported.

### Recycled/Reused Materials in Refineries

Materials	Unit	Total
Catalyst	MT	20
Used Oil	MT	24.3

### Recycled/Reused Materials in Marketing Locations

Materials	Unit	Total
Lube Blending Interface (Oil)	MT	926

## Energy Performance

We are a well-known organisation serving the energy needs for mobility and other sectors with high-quality value-added products (fuels and non-fuels) that are used by millions of citizens. Manufacturing and distribution of these products require a significant amount of energy and we place a high priority on energy efficiency in our operations and distribution. We strive to collaboratively reduce environmental impact by transitioning to lower carbon energy solutions and deploying innovative operations and technologies.

We measure and monitor our energy consumption and derive actionable insights through process modifications, the use of energy-efficient equipment and technologies and the adoption of best practices at our refineries and marketing locations. Energy conservation is one of the most important factors in lowering refinery operating costs and it is given top priority.

### Direct Energy Consumption at our Refineries and Marketing Locations



Energy consumption values for 2021-22 include solar energy, values for 2020-21 and 2019-20 have been recalculated for parity

### Indirect Energy Consumption at our Refineries and Marketing Locations



Local Conversion factors are used for energy consumption calculations

# Protecting our Natural Environment

## Energy Consumption Outside the Organisation

This year, we estimated 9.742\* Million GJ of energy consumption towards product movement of Marketing SBUs. (\*Energy consumption accounted for product movement by road and employee commute).

## Energy Intensity (Direct and Indirect) at our Refineries and Marketing Locations



For Refineries: per MT of Crude processed; For Marketing: per MT of product throughput  
 Energy consumption values for 2021-22 include solar energy, values for 2020-21 and 2019-20 have been recalculated for parity



Energy conservation initiatives at refineries yielded savings of 70,079 SRFT in 2021-22

## Energy Conservation at Refineries

Both Mumbai and Visakh refineries have taken proactive role in the area of energy conservation and achieved significant improvement by continuously streamlining operating practices and implementing energy conservation projects.

Mumbai Refinery is certified with ISO-50001:2018.

- Bureau of Energy Efficiency (BEE) has extended PAT (Perform, Achieve and Trade) programme to petroleum refineries. Both HPCL refineries have successfully completed PAT cycle-II. The refineries have received over 7,200 Energy Saving Certificates (ESCerts) for implementing energy saving programmes. Currently, both the refineries are participating in PAT Cycle-VI.
- Energy savings of 45,037 Standard Refinery Fuel Tons (SRFT) and 25,042 SRFT were achieved in Mumbai and Visakh Refineries respectively during 2021-22 by implementing energy conservation measures.

Mumbai and Visakh refineries celebrated Sanrakshan Kshamta Mahotsav (SAKSHAM) under the aegis of PCRA to generate mass awareness amongst the public for conservation of petroleum products. As part of Mahotsav (SAKSHAM) 2022, steam leak audit was carried out by CHT nominated team in both the refineries.

Capital investment on energy conservation equipment during 2021-22 is ₹ 78 Crore for Mumbai refinery and ₹ 13.7 Crore for Visakh refinery.

## Energy Conservation at Marketing Locations

Electrical energy is primarily used to power our distribution terminals and plants. Aside from routine maintenance of the equipment we are constantly looking for ways to reduce specific energy consumption. Implementing measures for the identified areas aid in achieving significant energy savings.

During the reporting period, our marketing locations took several initiatives to achieve energy savings such as:

- Measurement and close monitoring of energy consumption
- Installation of high efficiency prime movers and associated equipment
- Conducting periodic energy audits to identify energy saving opportunities
- Maintaining power factor near unity by using the capacitor banks
- Replacing conventional lighting with LED lights
- Educating stakeholders on energy conservation

## Various energy conservation measures are implemented at refineries during the year as given below:

### Mumbai Refinery:

- Achieved higher flare gas recovery from hydrocarbon flare by implementing modification in fuel gas system.
- Usage of antifouling chemical for cleaning of fouled up exchangers resulting in higher coil inlet temperature of Fuels Refinery (FR) & Fuels Refinery Expansion (FRE) furnaces.
- Pinch Analysis and modification in preheat train resulting in increased crude preheat temperature.
- Commissioning of new single Vacuum Distillation Unit (VDU) in place of two old VDUs resulting in higher energy efficiency.
- Commissioning of Packinox exchanger as new Continuous Catalytic Reforming (CCR) unit combined feed exchanger leading to enhancement in energy efficiency.

### Visakh Refinery:

- Improvement in Crude pre-heat temperature in Crude Distillation Units (CDUs) through cleaning of pre-heat exchangers.
- Replacement of Continuous Catalytic Reforming – Pressure Swing Adsorption (CCR-PSA) adsorbent leading to higher recovery and reduction of flaring.
- Unplugging of Diesel Hydro Treater (DHT) steam generator/super heater leading to reduction in steam venting.
- Replacement of magnetic resonators in Gas Turbine Generator (GTG)-IV resulting in improved Specific fuel consumption.
- Modification of Fluidised Catalytic Cracking Unit (FCCU)-II stripper packing resulting in enhanced energy efficiency.
- Dry ice blasting of Make-up Water Header (MUH) tube surfaces in Heat Recovery Steam Generator (HRSG)-4 leading to higher heat transfer.

# Protecting our Natural Environment

## GHG and Air Emissions

We recognise that being an Oil & Gas company, we have a unique responsibility and opportunity to contribute to the development of solutions to reduce global greenhouse gas emissions. We reduce our carbon footprint by reducing specific energy consumption, switching to environmental friendly modes of fuel transportation, optimising fleet utilisation, implementing biofuels and increasing green cover in and around our refineries and locations. We are investing in cutting-edge low-carbon technologies. The implementation of these technologies contributes to the nation's energy security and the reduction of carbon emissions.

Our Sustainable development policy emphasises on Carbon footprint measurement and mitigation where in it requires to “Continuously monitor and control our activities to minimise carbon footprint”. We have been measuring and monitoring our GHG emissions and have plans in place to reduce the GHG emissions and our refineries and marketing locations are working on various carbon-reduction projects.

The table below displays a comparative analysis of Scope 1 and Scope 2 emissions for the last three financial years:

### Scope 1: Direct GHG Emissions at Our Refineries and Marketing Locations



The Scope 1 GHG emissions for refineries for 2020-21 and 2019-20 are being restated due to recalculation

### Scope 2: Indirect GHG Emissions at Our Refineries and Marketing Locations

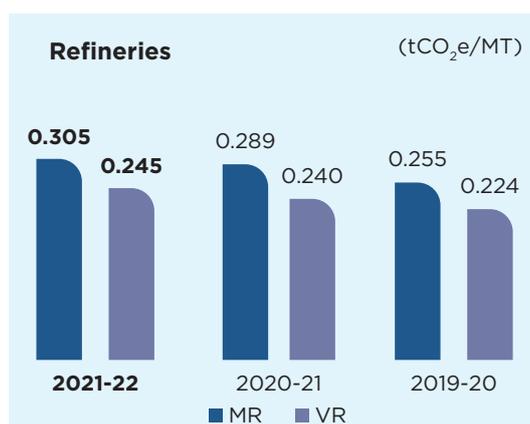


## Estimation of Scope 3 Emissions

This year, HPCL has expanded its boundary of reporting Scope 3 emissions. GHG emissions for HPCL under the following Scope 3 categories are:

Scope 3 category	GHG emissions in million tCO <sub>2</sub> e
3 - Fuel and Energy (Includes WTT and T&D emissions)	0.133
4 - Upstream Transportation and Distribution (Includes transportation of crude in oil tankers and liquid petroleum products)	0.273
6 - Business Travel (by Air)	0.002
7 - Employee Commuting	0.015
9 - Downstream Transportation (includes scope of transportation by rail, road and ship)	1,375
11 - Use of Sold Products (Includes sold products combusted as fuels by end consumer, assuming complete combustion of fuels)	114.503

## GHG Emissions Intensity at our Refineries and Marketing Locations (Includes Scope 1 and Scope 2 GHG emissions)



For Refineries: per MT of crude processed; For Marketing: per MT of product throughput

The GHG intensities for refineries for 2020-21 and 2019-20 are being restated due to recalculation of Scope 1 GHG emissions.

The standards, methodologies and assumptions (based on operational control) used for the purpose of our calculations were obtained from the Intergovernmental Panel on Climate Change (IPCC), Guidelines for National Greenhouse Gas Inventories - 2006, the IPCC AR5 Fifth Assessment Report (with consideration of 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories), Central Electricity Authority (CEA) - CO<sub>2</sub> Baseline Database for the Indian Power Sector, Version 17.0,

October 2021, India GHG Programme, Version 1, 2015 (emission factor for material transport by rail) and UK Govt. GHG Conversion factors for Company reporting 2021 (for ship transport). The emission calculations consider CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O GHGs. The process emissions from Hydrogen production at refineries are calculated using local conversion factor. The emissions from flaring at refineries is calculated using Default IPCC Tier 1 emission factors for crude oil based on conservative approach.

## Significant Air Emissions for Refineries in 2021-22\*:

Emission Type	Unit	Total
Particulate Matter (PM)	MT	320
Nitrogen Oxides (NOx)	MT	2,607
Sulphur Oxides (SOx)	MT	3,490

\* Measured Values

# Protecting our Natural Environment

## Air Pollution Control Measures and Other Environmental Initiatives

### Mumbai Refinery

- Commissioned and configured NVPS, New HGU, Prime G Stack Analysers for CEMS monitoring in compliance with CPCB online emission monitoring system.
- VOC emission inventory assessment study for Mumbai Refinery was conducted during battery limit shut down to assess VOC emissions from tanks, stacks including fugitive emissions in unit areas.

### Visakh Refinery

- Ensured all measures to meet 100% compliance levels of ambient air quality, stack emissions.
- Commissioned dedicated stack analysers for 8 stacks and connectivity established with PCB servers.

### Marketing

VRU facilities commissioned at 28 POL locations, taking the total tally to 34 locations;



## Biodiversity

We are committed to conserving biodiversity and habitats in the places where we operate. We consider biodiversity protection in our decision making and management from the earliest stages of project initiation, execution, operations and closure at our location. Since our locations are restricted to access by general public and are controlled areas, they provide excellent avenues for growth and sustenance of local species of flora and fauna which are nurtured by our locations.

Initiative for biodiversity protection:

- Land/water protection
- Education and awareness
- Scientific development of green belts

### Green Cover

Tree plantation and conservation has always been important for absorbing carbon dioxide, reducing biodiversity loss, promoting natural habitats for fauna, preventing soil erosion among others. Increasing terrestrial carbon sequestration through increasing green cover is an instrumental tool to counter global warming. India in its Nationally Determined Contribution committed to create an additional carbon sink of 2.5 to 3 billion tonnes of CO<sub>2</sub> through additional forests by 2030. We have increased our green cover over the years by implementing comprehensive guidelines on green belt development. We have a green cover of over 1300 acre inside our premises as on March 31, 2022. We focus on planting tree species which are native to the location, have low water requirement and offer high carbon sequestration. Project and Pipelines SBU planted more than 7,800 saplings as part of afforestation drive.

## Harnessing Renewable Energy

**Greater emphasis is being placed on sustainable development as a proactive response to growing concern about global warming-related issues. In the country, opportunities in green business models and practices are emerging. By expanding its footprint in advanced/alternative fuels, HPCL is capitalising on green and emerging opportunities.**

HPCL is establishing Compressed Bio Gas (CBG) plants with advanced biofuel production solutions to expand its biofuel footprint. HPCL is working on a number of biofuels projects on its own and with the help of entrepreneurs.

Moreover, the penetration of Renewables is being explored and expanded aggressively through solarisation at retail outlets, increased use of renewable power to meet refinery operational requirements, establishment of infrastructure for power import at both refineries and so on.

We added ~10.06 MWp of Solar Power capacity to our renewable energy portfolio this year. Our total installed wind and solar power capacity is 100.9 MW and 54 MWp, respectively.

### Key Highlights 2021-22

- Constructing a Second Generation Ethanol bio-refinery at Bathinda, Punjab with 100 KLPD Ethanol production capacity and a Compressed Biogas (CBG) production plant of 14.25 TPD capacity at Badaun, Uttar Pradesh. Both projects are expected to be commissioned during 2022-23.
- Blended 9,50,655 KL of Ethanol and 194.95 KL of Biodiesel in MS and HSD respectively. Achieved Ethanol Blending of 9.03%.
- HPCL is first among OMCs to achieve Ethanol blending in all States/UTs in India including Leh Mizoram, Tripura, Manipur, Nagaland, Arunachal Pradesh.
- Increased Ethanol tankage by 2.5 Crore litres for improvement of Ethanol infrastructure at locations.
- Loaded first Ethanol rake amongst Industry from Loni Terminal to Kadapa on World Biofuels Day (10th August 2021).
- Released Letters of Intent (LOIs) for setting up 262 Compressed Bio-Gas (CBG) Plants with a production capacity of ~1,414 ton/day, taking the cumulative to 413 LOIs with capacity of ~2,261 ton/day across the country to increase usage of biofuels in the energy and transportation sectors.
- The wind power plants generated about 18.84 Crore kWh during 2021-22 while the renewable energy generation from solar PV plants at various depots, LPG plants, Pipeline Locations and COMCO Retail outlets was 1.66 Crore kWh.
- For the first time in Indian oil industry, HPCL has installed Building Integrated Photo Voltaic (BIPV) solar roof canopy of capacity 59.25 kWp at its Gota retail outlet under Ahmedabad Regional Office.
- Use of Solar light pipes and transparent roof sheets was carried out at certain locations for reducing energy consumption during daytime.
- Launched the first ever 'Solar Refueler Cart' developed by any OMC in India. It is cost efficient, has lesser carbon emissions and is suitable for smaller ASFs especially Regional Connectivity Scheme (RCS) airports.
- At HPGRDC, only Green Hydrogen is being used in operating hydro processing pilot plants and batch reactors.
- HPCL was the first Oil Marketing Company to place an order for Electrolyser to produce Green Hydrogen. A 2.6 MW Electrolyser will be installed in Visakh Refinery to produce 370 TPA of Green Hydrogen.
- Retail SBU carried out Solarisation of 1,763 outlets totalling to 6,411 Retail outlets on cumulative basis.
- Projects and Pipelines SBU installed 337 KWp of Captive Solar Power with total Solar Installed Capacity of 5.4 MWp.
- Aviation SBU Installed Solar Power Plant at five locations totalling 18 KWp.
- Biofuels and Renewables SBU executed MoU with Solar Energy Corporation of India Limited (SECI) for collaboration in Renewable, Electric Mobility and other ESG Projects.

# Water Conservation and Management

Water is an essential component of our industry and in light of growing concerns about the scarcity of freshwater resources, we strive to implement sustainable water management techniques. The oil industry relies on water for process, cooling and fire-fighting readiness and consuming water in the most efficient way to have the least impact on this shared resource is critical.

We are always eager to adopt newer methods and technologies for water harvesting and conservation. We strive to reduce water consumption in boilers, cooling circuits and water-using processes in our refinery operations.

We map our water consumption to identify areas for improvement and implement methodologies to reduce its usage, such as water efficient fixtures, waste avoidance, water reuse and recycling. For water measurement, we use mechanical and electronic techniques (meters, water tank levels etc). We accord importance to rainwater harvesting techniques and strive to implement them in our operating locations, with the goal of expanding their reach into neighbouring communities as well.

We have currently mapped the location of our refineries in relation to water stressed areas using the World Resources Institute's Aqueduct Water Risk Atlas. Our Mumbai refinery is in a low-medium water stress area, whereas our Visakh Refinery is in a low water stress area. Despite being in a low-water-stress area, we recognise the importance of recycling in water conservation and both of our refineries are focused on wastewater recycling, water efficiency and rainwater harvesting. Both refineries' discharges are monitored for quality parameters.

We ensure that our withdrawal does not significantly impact water sources. During the reporting period there were no significant effect on water bodies due to discharge from our operations.

### Water withdrawn by Refineries

Source	Qty in Mega Liters
Third-party water - Municipal (Freshwater)	9,566
Seawater (Other Water) *	90,448
<b>Total</b>	<b>100,014</b>

\* For industrial cooling purpose

### Water discharge by Refineries (by Freshwater and other water)

Destination	Qty in Mega Liters
Freshwater discharged to Seawater	1,634
Other water discharged to Seawater	1,755
<b>Total water discharge</b>	<b>3,389</b>

### Water withdrawn by Marketing Locations

Source	Qty in Mega Liters
<b>Surface water (Total)</b>	<b>70</b>
Surface water (Fresh water)	26
Surface water (Other water)	44
<b>Groundwater (Total)</b>	<b>651</b>
Groundwater (Fresh water)	594
Groundwater (Other water)	57
<b>Third-party water - Municipal (Total)</b>	<b>359.3</b>
Third-party water - Municipal (Fresh Water)	358.6
Third-party water - Municipal (Other Water)	0.7
<b>Third-party water - Supply through tanker (Total)</b>	<b>200</b>
Third-party water - Supply through tanker (Fresh water)	163
Third-party water - Supply through tanker (Other water)	37
<b>Third-party water - Water from other organisation (Total)</b>	<b>243</b>
Third-party water - Water from other organisation (Fresh water)	115
Third-party water - Water from other organisation (Other water)	129
<b>Total</b>	<b>1,524</b>

### Water discharge by Marketing Locations by Destination

Destination	Qty in Mega Liters
Used for gardening, horticulture	176
To Third Party Water Treatment Plants	3
<b>Total water discharge</b>	<b>179</b>

### Water consumption by Refineries and Marketing Locations

SBU	Qty in Mega Liters
Refineries*	6,177
Marketing	1,345
<b>Total water consumption</b>	<b>7,522</b>

\* Does not include sea water used for cooling purpose.

### Some of our Water Management initiatives:

Mumbai and Visakh Refineries recycled 4,35,000 KL and 2,00,000 KL of water thereby saving equivalent quantity of natural resources

Installation of water efficient fixtures at locations

Reuse of water in processes

Recycling of water through ETP, STPs and reusing treated water

Capturing rainwater through harvesting structures at operating locations

Currently, HPCL locations have more than 350 nos of rainwater harvesting structures

Enhancement of employee awareness through contact programmes, newsletters, technical bulletins



HPCL locations have more than 350 nos of rainwater harvesting structures

# Managing Wastes Responsibly

The global shift towards circular economy requires businesses to take charge of and manage the waste that is generated by their activities. We take stock of the waste generated and invest in upgrading our operations to minimise waste generation.

We have categorised the waste generated at our facilities and abide by applicable regulations. Proper waste management is necessary to prevent untoward effect on human and animal life and the environment. As a responsible corporate, we have undertaken various applicable measures to minimise our impact on the biota.

Our operations generate both hazardous and non-hazardous wastes. The hazardous waste generated in our locations and refineries are disposed through MoEF&CC/CPCB registered recyclers or reproprocessors

as per the statutory requirement. Systems are also in place to handle non-hazardous waste. We comply with statutory norms and regulations stated by MoEF&CC, CPCB and SPCB. During the year, there were no significant spills. During the year, there was one case with respect to the project cost mentioned in pollution control board approval of Solapur LPG Plant which on completion of the project was revised upwards. This has resulted in providing an additional bank guarantee of ₹ 2 lakh to the pollution control board.

Parameter	Value in KG
<b>(A) Plastic waste generated</b>	40,272
Plastic Waste Recovered Sub Total - (i) Recycling + (ii) Reuse + (iii) Other Recovery	6,131
Plastic Waste Disposed Sub Total - (i) Incineration + (ii) Landfilling + (iii) Other Disposal Operations	1,14,338
<b>(B) E-waste generated</b>	2,518
E-Waste Recovered Sub Total - (i) Recycling + (ii) Reuse+ (iii) Other Recovery	1,355
E- Waste Disposed Sub Total - (i) Incineration + (ii) Landfilling + (iii) Other Disposal Operations	1,533
<b>(C) Bio-Medical waste generated</b>	144
Bio-Medical Waste Recovered Sub Total - (i) Recycling + (ii) Reuse+ (iii) Other Recovery	NIL
Bio Medical Waste Disposed Sub Total - (i) Incineration + (ii) Landfilling + (iii) Other Disposal Operations	50
<b>(D) Construction and demolition (C&amp;D) waste generated</b>	1,77,798
C&D Waste Recovered Sub Total - (i) Recycling + (ii) Reuse+ (iii) Other Recovery	1,13,637
C&D Waste Disposed Sub Total - (i) Incineration + (ii) Landfilling + (iii) Other Disposal Operations	66,160
<b>(E) Battery waste generated</b>	6,345
Battery Waste Recovered Sub Total - (i) Recycling + (ii) Reuse+ (iii) Other Recovery	174
Battery Waste Disposed Sub Total - (i) Incineration + (ii) Landfilling + (iii) Other Disposal Operations	11,046
<b>(F) Other Hazardous waste generated</b>	1,76,066
Other Hazardous Waste Recovered Sub Total - (i) Recycling + (ii) Reuse+ (iii) Other Recovery	5,95,343
Other Hazardous Waste Disposed Sub Total - (i) Incineration + (ii) Landfilling + (iii) Other Disposal Operations	11,68,612
<b>(G) Other Non-hazardous waste generated *</b>	5,08,157
Other Non-hazardous Waste Recovered Sub Total - (i) Recycling + (ii) Reuse+ (iii) Other Recovery	18,660
Other Non-hazardous Waste Disposed Sub Total - (i) Incineration + (ii) Landfilling + (iii) Other Disposal Operations	51,91,731
Other Non-Hazardous Waste Generated as Metal Scrap from LPG Cylinder, Valves and Regulators and disposed off	1,15,68,535

## Waste Management Measures

### Mumbai Refinery

- Ensured compliance in pollution parameters on stack emissions, hazardous waste disposal and statutory filings.
- Deployment of Oil Spill Recovery and Response contract for handling emergency oil spill scenarios in refinery.
- Bioremediation of 2500 m<sup>3</sup> of low oily sludge was undertaken.

### Visakh Refinery

- Ensured all measures to meet 100% compliance levels of effluent treatment.
- Obtained NOC from APPCB for installation of HPCOAT demonstration plant in FCCU-2, which was developed by HPCL R&D Centre.
- Revised Oil Spill Contingency Plan for SPM facility submitted to Indian Coast Guard for approval.
- Bioremediation of 7937 m<sup>3</sup> of low oily sludge was undertaken.
- Commissioned sour water unit off gas line from Merox unit to DHDS unit, which resulted in reduction of sour gas flaring leading to reduction in SO<sub>2</sub> emissions.

### Marketing

- Disposal of waste generated through SPCB-authorized Common Hazardous Waste Treatment, Storage and Disposal Facility (CHWTSDF).
- Deployment of composting pits and organic waste converter machines at various locations to convert organic waste to manure.
- Treatment of effluent and sewage through ETPs and STPs at our locations.
- Reuse of scrap material.

## Brief note on fines and progress of ongoing cases pertaining to show cause/legal notices received from CPCB/SPCB:

### HPCL Vs. Charudatt Koli & Others before Supreme Court:

Mr. Charudatt Koli and certain other individuals have alleged that industries in Mahul, Mumbai are polluting and creating health hazard to the nearby residents. On 18.12.2015, Hon'ble National Green Tribunal, Pune (NGT) had directed Maharashtra Pollution Control Board (MPCB) to prepare action plan to control pollution and conduct health assessment study etc. HPCL has complied with the directions of MPCB, passed pursuant to NGT's orders. Thereafter, an Execution Application (EA) was filed by Mr. Charudatt Koli and others at NGT, New Delhi (where the matter was transferred to). In this EA by order dated 13.08.2020 the NGT assessed damages to environment to the tune of ₹ 142 Crore, ₹ 76.50 Crore, ₹ 67.50 Crore and ₹ 0.20 Crore to be borne by Aegis, HPCL, BPCL and Sealord, respectively. This amount was directed to be kept in a separate account by HPCL and BPCL. A 10-member committee was appointed and directed to prepare an action plan for restoration measures spread over a period of 5 years and further that these amounts will be used for such remedial measures. This Order was challenged before the Hon'ble Supreme Court and the Supreme Court by Orders dated 27.10.2020 granted stay of the order of NGT. The matter is pending before Hon'ble Supreme Court. The matter was last listed on 13.08.2021 and next date of hearing is not fixed.

### Visakha Pawan Praja Karmika Sangham Vs. Union of India & Others before NGT:

This application has been filed before NGT-South Zone bench (Chennai), inter alia complaining about odour emanating from HPCL's refinery at Visakhapatnam. The applicant has alleged that other government bodies have not implemented recommendation of studies conducted to reduce odour and pollution in the area and that A.P. Pollution Control Board has not implemented the directions of the Hon'ble Andhra Pradesh High Court. On 25.02.2021, NGT has admitted the application and constituted a 5-member committee to inspect the premises/area. The committee has submitted its reports to the NGT and the parties have completed pleadings in the matter. The matter is pending. The matter was last listed on 24.03.2022 and a hearing was fixed on 12.08.2022 for further directions.

# Environmental Performance

## Leading the Green Path

In the quest to make our operations more environment friendly, we continue to implement the GreenCo Rating System at our marketing locations. HPCL holds the distinction of being the country's first PSU and company in the Oil and Gas sector to adopt the GreenCo rating

As of March 31, 2022, six locations have certifications with 'GreenCo Rating' by CII.

- Anantapur LPG Plant- Platinum
- Bhopal LPG - Platinum
- Calicut ASF - Platinum
- Kanpur Terminal - Platinum
- Mundra Terminal - Platinum
- Patna New IRD - Gold

These locations have undertaken environmental excellence initiatives in:

- Energy Efficiency
- Water Conservation
- Renewable Energy
- Green House Gas emissions
- Waste Management
- Material Conservation and Recyclability
- Green Supply Chain
- Product Stewardship
- Innovation for Environment
- Green Infrastructure and Ecology

## Promoting Environmental Sustainability through Start-ups

### HPCL Start-up Initiative 'Udgam':

HPCL start-up initiative 'Udgam', aims at promoting start-ups offering solutions and applications in energy sector, including such start-ups which are making a technological or societal impact. The initiative operates under the aegis of the flagship Start-up India programme of the Government of India with a broader aim of building a strong start-up ecosystem for nurturing innovation.

HPCL Start-up India Scheme promotes Start-ups aimed at developing business solutions such as: Advanced Digital Analytics using Artificial Intelligence & Blockchain technology; Robotics & Drone Technology (for inspection of equipment in our refineries, pipelines, etc.); Digitalization; Skill Development; Bio-fuels production from biomass, non-recyclable municipal plastic, used oils, etc.; E-mobility ; Renewable Energy and other open areas having applications in oil and gas / energy industry

Highlights of implementation of 'HPCL Start-up India' Scheme as of March 31, 2022 :

- Applications received: 375+
- Start-ups where Incubation / Acceleration commenced: 25
- Start-ups where support extended to conduct Pilots: 6
- Funds Committed: ₹ 19.82 Crore
- Funds Disbursed: ₹ 18.15 Crore

### Major Activities and Events in 2021-22

HPCL Start-up portal 'Udgam' received more than 375 applications cumulatively with 52 applications received in 2021-22. Many of these applications are from start-ups associated with top notch institutions, incubated at various premier institution, from across the country and from varied areas of operations ranging from blockchain applications, Digital technologies to Renewables, E mobility etc.

During 2021-22, HPCL also collaborated with Office of Principal Scientific Adviser, GOI (www.psa.gov.in), which helped HPCL to connect with over 20 new startups doing pioneering work in Energy Sector. In addition, regular interaction with leading incubators and academic institutions of the country helped HPCL in sourcing applications from budding entrepreneurs associated with them, apart from improving brand image of 'Udgam' initiative.

5 Digital start-ups working in the areas of AI/ML, IoT and Safe & Secure Operations presented their solutions at the DigiConn - The annual Digital event of HPCL.

4 quarterly start-up newsletters, 'Start-up Insights' published, appraising all employees about our start-up initiative and their developments. This also encourages a culture of innovation among the employees and spreads awareness about the start-up ecosystem.

**HPCL is supporting following Startups, which are working in the field of promoting environmental sustainability:**

#### Harvesting Solar Energy for Household Cooking

M/s UNesar Pvt. Ltd, Vadodara, is engaged in development of a revolutionary compact thermal storage-based solution named as Solar Stove, which aims to satisfy all the energy needs for household cooking with superior experience and performance than gas and electric cooktops. With over 10 patents filed on concept, technology & process, the start-up has already achieved the critical milestone of developing an intermediate prototype and is now in the testing phase for a final prototype, which shall be used for further testing by labs and institutions, before taking for commercial production.

#### Aggregation and Utilisation of Surplus Biomass

M/s EcoOpus Agri Ventures Pvt. Ltd., Aurangabad is actively engaged in reconstructing the agriculture supply chain for assured and efficient aggregation & supply of surplus biomass. Project includes establishing POC for Centralised Threshing Centre (CTC) for aggregation of biomass and Cane Thumper based Cane Harvesting technique using diversified cropping pattern. Milestones achieved include design, fabrication & testing of a Hydraulic baling Press for compressing biomass into bales. The start-up is actively engaged with agriculture universities to form strategic partnerships for harvesting and post harvesting work for their research projects.

#### Reducing Plastic Pollution

M/s Evlogia Eco Care Private Limited, Chennai provides an alternative to plastic straws in the form of Leafy Straws that are 100% organic, biodegradable drinking straws made out of fallen dried palm leaves. They require no external coating, stay intact in liquid for hours and have a one-year shelf life. Evlogia has patented solutions for regular, thick shake, cocktail

and tetra-pak forms for Leafy Straws. By converting the fallen dried palm leaves waste to useful Leafy straws, Evlogia also helps reducing air pollution. Evlogia also provides sustainable work and business to women's self-help groups, small farmers and other micro entrepreneurs.

#### 2G Bio-ethanol from Agricultural Biomass

M/s ASN Fuels, Bengaluru's an innovative company engaged in development of 2G bioethanol from agricultural biomass like corn cobs, rice husk, duckweed etc. ASN Fuels holds a patent for the process of producing Biofuel from Lamiaceae- Duckweed/ Horse weed. The firm is currently pioneering continuous process to produce Bioethanol which is a very unique technology in the country today. The startup has successfully collaborated with IIT Tirupati in design and developing of this continuous process scale up technology and is also collaborating with CSIR & NEIST, Jorhat Assam. The Startup is now in scale up phase & raising funds upto ₹ 5 Crore in its Series A funding round.

#### Initiatives for Development of EV Eco-System in India

HPCL is exploring new avenues of value creation in the EV ecosystem including battery swapping and energy storage solutions in collaboration with various technology start-ups & OEMs.

- During 2021-22, despite logistics constraints due to COVID-19, HPCL commissioned 720+ fixed Electric Vehicle Charging Stations (EVCS) at various retail outlets across the country.
- Forged business tie ups with major players/OEs in the E-Mobility ecosystem such as REIL, EESL, Powergrid, Magenta EV, BEL, Fortum, Suchi Virya Ltd, JBM, Ola Electric, ChargeDock & Voltup. et al. for undertaking EVCS pilots at its Retail Outlets to promote the adoption of electric mobility.

#### Major Strategic Tie-ups in E-Mobility during 2021-22

- Business tie up with Tata Power for setting up over 100 EV charging stations during next one year.
- Tie up with Honda Power Pack Energy Limited for setting up over 500 Battery Swapping Stations at HPCL retail outlets in next 3 years.

## Helping People Thrive

# Inspiring Work Environment

HPCL is committed to improving the lives of people who we believe are integral to our business practices and brand experiences. We uphold human rights, nurture a culture of sharing and caring and provide opportunities to our people to grow personally and professionally.

We are dedicated to building inclusive, sustainable and empowering workplaces where employees can be themselves and achieve their full potential. We want our employees to be inspired by their work which we believe, plays a pivotal role in enhancing productivity with passion.

The diverse backgrounds of HPites contribute to the organisation's resilient, vibrant and growth-oriented culture. Our HR processes and policies empower employees to develop their personal and organisational skills by providing them with opportunities for enhancing their knowledge and abilities to pursue personal and professional growth.

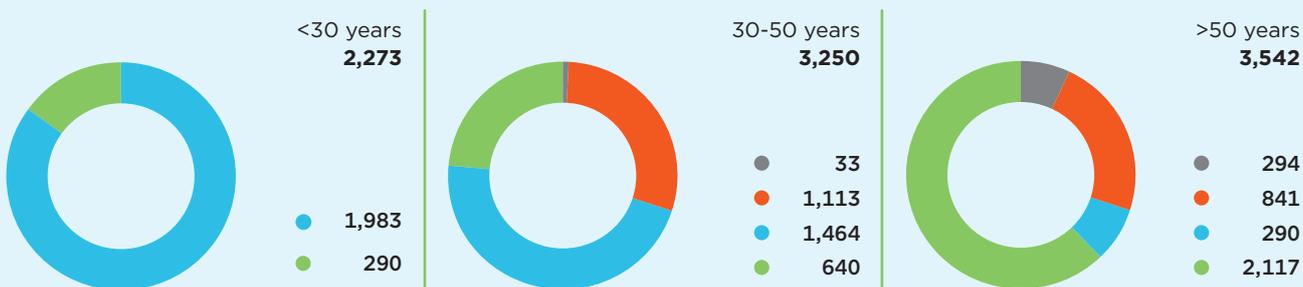
Our people initiatives are focused on leadership development, capability development, employee welfare and engagement, career development, performance management, coaching, mentoring, succession planning and work-life transition. A diverse workforce has its own set of benefits because it brings a wide range of paradigms to the table. As an employer, we make equal employment opportunities available to all. We have 9,065 employees as of March 31, 2022.

### Workforce Matrix Basis Region, Age and Gender 2021-22

#### Total Number of Employees by Region

Employee Category	Senior Management	Middle Management	Junior Management	Non-Management	Total
North Zone	22	194	384	204	804
South Zone	6	104	180	160	450
West Zone	11	216	459	505	1,191
East Zone	10	129	267	201	607
North West Zone	6	115	306	147	574
North Central Zone	10	90	266	91	457
South Central Zone	22	262	469	351	1,104
Corporate HQO	109	276	469	110	964
Marketing HQO	75	193	156	76	500
Mumbai Refinery	23	203	352	639	1,217
Visakh Refinery	33	172	429	563	1,197

#### Number of Employees by Age



#### Number of Employees by Gender



### Total Employee Turnover Statistics

Employee Category	Senior Management	Middle Management	Junior Management	Non-Management	Total
North Zone	4	9	12	39	64
South Zone	--	7	8	28	43
West Zone	--	13	18	127	158
East Zone	--	16	10	31	57
North West Zone	--	4	11	18	33
North Central Zone	1	4	8	12	25
South Central Zone	3	12	14	51	80
Corporate HQO	14	12	10	20	56
Marketing HQO	17	13	7	13	50
Mumbai Refinery	2	15	17	62	96
Visakh Refinery	--	10	16	28	54

Total Turnover includes retired, resigned, terminated employees and those who have passed away during the reporting year



Total Turnover includes retired, resigned, terminated employees and those who have passed away during the reporting year

Contract workforce is engaged through contractors for non-core activities at HPCL locations. The number of contract workmen engaged across locations/units of HPCL under various contractors is 39,275 during 2021-22; 15 workmen are on casual basis. The numbers of permanent and contractual/casual workforce are derived from internal monitoring systems.

# People Performance

## Growing the Talent Pool

HPCL has strong brand presence and resonance among the engineering/ non-engineering talent available across the country and is recognised as one of the S&P Global Platts Top 250 Global Energy Companies. We strive to strengthen our connections and establish a brand image among the potential talent pool through our differentiated engagement initiatives. Being one of the major players in the Oil and Gas sector, as well as being a Maharatna organisation, has given us a vantage point from which to project the brand HPCL as an 'Employer of Choice'.

We recruit talent from a variety of backgrounds, including gender, caste and origin, among others, resulting in a diverse human resource. We actively recruit people from other backward classes, SC/ST and differently-abled individuals and aim to continue creating job opportunities for the underserved sections of society in accordance with various government regulations promoting social inclusion. We hold special recruitment drives to identify candidates with disabilities for potential roles throughout the organisation. HPCL gives all newly hired employees, regardless of cultural background, equal opportunities to learn, grow and perform. We have detailed, transparent HR policies that address our employees' needs and interests.

### Number of new employee hires

Employee Category	Units	During 2021-22 Age group wise			During 2021-22 Gender wise	
		<30 years	30-50 years	>50 years	Male	Female
Middle Management	Nos	--	3	--	3	--
Junior Management	Nos	352	9	--	308	53
Non-management	Nos	--	--	--	--	--
<b>Total</b>	<b>Nos</b>	<b>352</b>	<b>12</b>	<b>0</b>	<b>311</b>	<b>53</b>

### Samavesh

A smooth transition from college to a corporate mindset entails many changes in any recruit's life and our flagship induction programme "Samavesh" has been designed to ensure a seamless shift for recruits into HPCL culture. Samavesh engages recruits by introducing them to HPCL's infrastructure, systems, beliefs and practices through presentations and interactions with experienced internal and external faculty.

The first Samavesh programme in classroom mode, post-pandemic, was conducted successfully during the month of July 2021. During the year, a total of 6 batches of Samavesh were conducted for 335 nos. new joinees, R&D professionals, other key interventions project officers etc.

Top and Senior management interacted with the officers during Samavesh. The address by the HPCL Senior Management team made new officers feel welcome in the Corporation and assisted them in effectively imbibing the ethos and culture of the organisation through sharing their rich and vast experience. The enthusiastic response and excellent feedback received from all participants attests to the impact made by top management in influencing the young minds who will be the Corporation's future.

All SBUs conducted sessions in the Samavesh programme to provide an overview of the business to the new inductees. Campus to Corporate Program, Yuvantage Sessions, Field Visits to Mumbai Refinery and several Marketing Locations were also included. The new officers have also begun their HPCL learning journey, taking courses on HPCL Overview, POSH and NEEV on HP Academy.

## Capability Building: Enabling Performance

**HPCL implemented Adaptive Learning Strategy for capability building of employees during the year to ensure continuity in capability building processes and interventions in the context of the challenges posed by COVID. We focused on delivering learning interventions to employees in an efficient and equitable manner by leveraging technology and utilising variety of learning methods to create unique learning experiences.**

**Learner Motivation Strategy** - CB Purpose Model was developed for the Capability Building team in 2021-22 with the goal of providing the right learning means and environment to design and implement the right kind of development initiatives for learners based on certain scientific principles.

Various strategic initiatives like Top-Down and Bottom-Up TNI, HP Fitness Series, Weekly Digest, Academic Collaborations, Vendor Development, Robust Faculty Evaluation, Training calendar, On-Boarding Programme - Samavesh, Hosting 1,950+ hrs of learning content on HP Academy, CB Tracker - Zoom Integration, Life role-based interventions, Leveraging multiple modes of learning, Need based interventions, Employee well-being, Action Learning, Leveraging Internal as well as External experts, Online External Training Programs, etc. have been implemented.

The Future of Learning is about integrating learning and work using the latest AI-enabled technologies, moving away from a top-down approach and providing more support to employees to help themselves harness their potential. This entails providing employees with a comprehensive future-skills curriculum to build a resilient workforce and a future-forward business, without overlooking humanistic concerns like mental health, happiness and overall well-being.

Hence, upgradation of HP Academy to the latest technology level and complete digitalisation of Capability Building processes incorporating Artificial Intelligence and Machine Learning and integrating competency framework into a fully integrated Capability Building Management System has been initiated. We actively collaborated with business functions to address the subsequent reskilling and upskilling needs. In order to facilitate the transition from Push Learning to Pull Learning, a new CB Purpose Model was designed during the year.

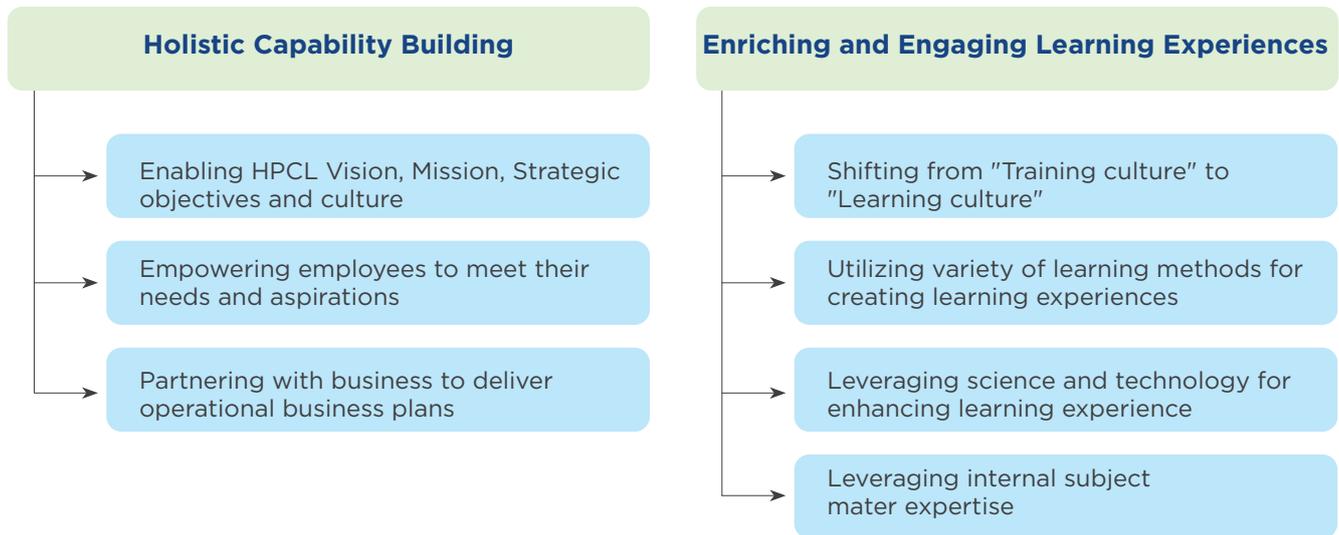
The two strategic themes to enable People Performance through development of competent and committed

employees are Holistic Capability Building Initiatives and Enriching & Engaging Learning Experiences.

The training needs for all officers in the organisation have been identified in behavioural, functional and business areas. According to the identified needs of the individual, the training programs on topics pertaining to Digital Transformation, Behavioural Competency Frameworks, HPCL strategy Business Competencies and HP FIRST values were finalised among any array of 64 topics in order to meet the individual training needs included in Learning & Growth perspective of HRD Goals and Targets for the year 2021-22 and the current and future requirements of the Corporation.

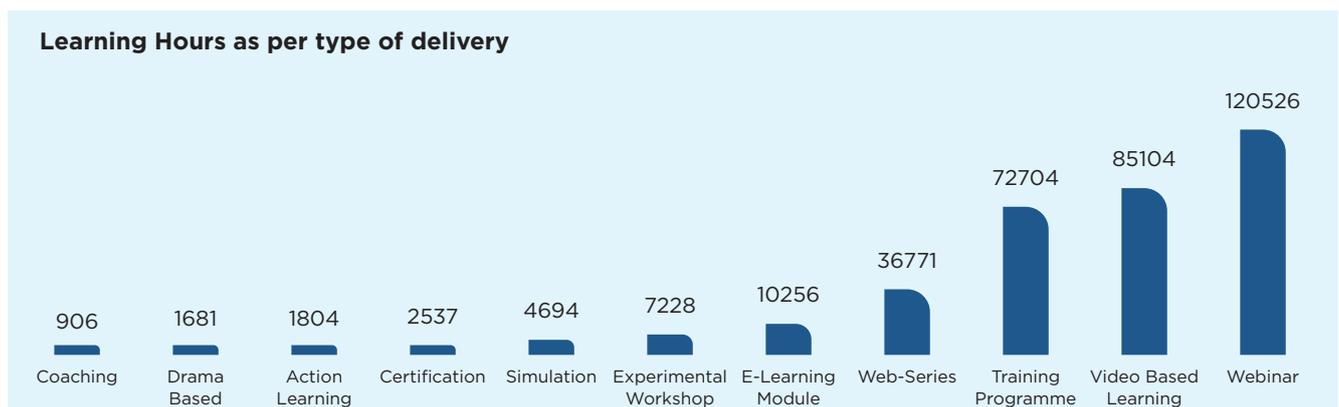


## Enabling Performance



### Holistic Capability Building

Holistic Capability Building spanning six paradigms - Technical, Functional, Business, Leadership, Behavioural and Well-being, were imparted to address the diverse and dynamic needs of business as well as specific learning needs of our employees as per their competency development plan.



A strong communication strategy via the 'Weekly Digest' and the ability for employees to self-enroll for webinars aided the effort. Internal trainer selection process was strengthened to ensure that training programmes delivered are of exceptional quality through a Decision Score based on past performance. This serves as the foundation for allocating trainings to various vendors. The training calendar is created using TNI's scientific logic, competency coverage and the best trainers available.

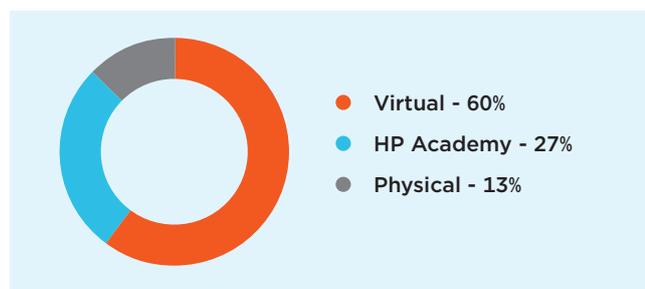
### Adaptive Learning Strategy

Adaptive learning involving the delivery of custom learning experiences that address the unique needs of an individual through just-in-time feedback, pathways and resources was introduced with an objective to ensure continuity in capability building processes and interventions were formulated aiming at delivering 3,00,000 eLearning hours during 2021-22.

#### HPCL introduced several interventions in following focus areas:

##### Establishing digital learning as primary mode of capability building

2021-22 witnessed a successful transition to digital learning by leveraging virtual platform and eLearning portal. During 2021-22, 87% learning hours were imparted through 2,446 virtual learning programmes benefitting 5,978 employees amounting to 3,52,583 learning hours, an increment by 6.7% over 2020-21.



##### Promoting self-directed learning

Self-directed learning is when learners learn to choose the process, skills, content, learning pathways, outcomes all by themselves and takes up complete responsibility for their own learning. This gives the best results. We have facilitated Self-directed learning and transitioned the focus from 'top-down' approach of training to 'Learning as part of work' bottom-up approach. The mandated 52 hours of learning for each employee in Salary Grade A to F was facilitated with self-enrollment options to varied programmes enabling opportunities in all interest areas through:

- Introduction of open webinars
- Personalised recommendation of learning programmes.

##### Identifying experts and learning content

Capability building interventions were delivered in multiple modes - through exclusive in-company programmes by subject experts as well as external programmes.

- Academic Collaborations were carried out with premium institutes such as IIMs, XLRI, NITIE, IIFT, ISTD, NMIMS, PDP, XIMB, IIT-Bombay etc. were carried out for imparting in-house specialised programmes on relevant topics to enhance technical / behavioural competencies of 653 officers at all levels.

- **Subject Matter Expert (SME) Development and Programmes through SMEs:** The rich experience and vast knowledge of the internal subject matter experts were utilised to deliver majority of in-company programmes through internal subject matter experts as well as to deliver sessions in academic institutes under Industry-Academia collaboration. Out of total training manhours delivered through Internal Programmes, 23% were imparted through Internal Faculty during 2021-22.

- **Nominations to External Programmes:** Employees were nominated to external seminars/ conferences/training programmes on need basis in consultation with respective departments.

- **Empanelment of Vendors (for training programme and e-learning development):** External experts for conducting online programmes in a structured manner basis competitive offers and programme feedbacks were engaged during the year.

- **Upgradation of HP Academy:** With a view to enhance the e-learning experience of HPCL employees to the state-of-the-art technology on a sustained basis, process to upgrade HP Academy to latest technology level was commenced through competitive bidding.

##### Decentralised responsibility to ensure provision of mandatory e-learning hours

Future-focused interventions based on business strategy and employee aspirations are delivered in a centralised manner, whereas capability building interventions targeting current learning needs of employees for superior business performance are delivered in a decentralised manner.

Apart from the above initiatives, following programs were conducted for participants across verticals through targeted trainings with specific objectives.

- (i) **Awareness programs:** An initiative 'Sachet' was introduced for HPCL employees, their families and other stakeholders to be mindful and conscious. Sachet, coupled with Jan Andolan, was an endeavour to demonstrate appropriate behaviour in current times.

## People Performance

(ii) **Government e-Marketplace (GeM) Training:** Government has set up an e-Market place portal that offers transparent, efficient and speedy process to procure goods and services. 9 trainings on various aspects related to GeM across SBU and functions for more than 300 officers were conducted.

(iii) **Preventive Vigilance Training:** A 2-Day Preventive Vigilance Workshop was conducted for 48 First Time Managers across functions as per Training module prepared by CVC. Sessions were also organised as part of Vigilance Awareness Week and other internal programmes were attended by 844 officers. Programmes attended by 197 officers were also organised through internal faculty on Ethics and Responsible Decision Making.

(iv) **HP FITNESS Series:** With an objective to ensure holistic employee well-being, HP Fitness series was introduced wherein Daily Live Virtual Morning Yoga sessions (Every Monday to Saturday) and Daily Live Virtual Fitness & Nutrition sessions were conducted by experts.

### ■ Mechanisms to ensure attendance and effective participation in e-learning interventions

To facilitate administrative functions of Capability Building processes effectively, Capability Building Portal has been revamped to add new features such as multiple Nomination workflows, Self-Nomination, Bulk nomination and Zoom Integration.

### ■ Innovative approaches to learning delivery

During the year, various innovative approaches were employed for enhancing learning delivery such as Virtual Drama based Sessions for imparting HP FIRST Values and Micro-learning programmes (bite sized courses) on HP PATH and HP FIRST and technical courses, simulations for hands on experience, experiential workshops etc. Additionally, programs on digital technology capabilities like Business Analytics, AI/ML, IOT, Cloud Computing and culture building programs on digital orientation to drive successful digital transformation were imparted to all officers across the organisation.

### Other key interventions:

#### HP-Management Development Institute at Nigdi:

During the year, HPCL's premier Management Development Institute hosted a range of programmes enabling superior performance across the corporation. Notable ones are:

- Corporation's business strategy (T25 strategy) meet
- CVC Training Programme on Departmental Enquiry for IOs/POs
- Visit of Director, IIM Amritsar to HPMDI

- Programs on "Vigilance Awareness Week"
- Webinar on "Leadership in the New Normal"
- Workshops on Corporate "Etiquette & Communication Skills and Grooming"
- Celebration of Yoga Festival during June 2021
- Observance of various important events such as 'No Tobacco Day', Fire Safety Week, Swachhta Pakhwada, Gratitude Day, HP Shakti Ladies Meet.

### Critical Incident Interview Workshops:

Online Workshops on "Critical Incident Interview (CII) Technique" by faculty at ESADE, Spain were conducted during 2021-22 for 219 participants. These workshops were aimed at training our Officers who are part of interview panels for recruitment of new officers in the Corporation.

### Projects through Summer Interns

Offered internships to students of IITs, IIMs, TISS, UPES, RGIPT, JBIMS etc. to undertake short duration (2 months) identified projects. Total 250+ internships were offered for undertaking online projects during 2021-22.

**EBSCO:** Digital library of research databases inclusive of reports, journals, e-books etc. registered more than 5000 average monthly searches during 2021-22. Utilisation of this digital library grew by 47% compared to the previous year. EBSCO Mobile App provides access to reading material and also to select audio books that users can listen to on the go. Since the launch of the online application, its features are continuously being upgraded.

The Science of Human Resource Management" book, a compilation of 12 white papers co-authored by 35 young officers of HPCL was launched by Director- HR at the HR Meet during September 2021.

### Special Programmes:

**SWAYAM:** Women officers across the levels from different locations across the country were nominated for attending number of workshops and Online training programs on developing women leadership, well-being and empowerment throughout 2021-22.

## Trainings Man-days by capability building department in 2021-22

Gender	Category	Health and Safety	Skill Upgradation	Total
Male	(Management+ Non-Management)	2,816	24,846	<b>27,662</b>
Female	(Management+ Non-Management)	398	3,062	<b>3,460</b>
<b>Total</b>	<b>(Management+ Non-Management)</b>	<b>3,214</b>	<b>27,908</b>	<b>31,122</b>

## Trainings Man-days by Refineries and Marketing Locations in 2021-22

Gender	Category	Health and Safety	Skill Upgradation	Total
Male	(Management+ Non-Management)	23,735	14,183	<b>37,918</b>
	Contractual Workforce	84,455	17,101	<b>101,556</b>
	Transport Workforce	59,425	4,839	<b>64,264</b>
Female	(Management+ Non-Management)	1,298	1,923	<b>3,221</b>
	Contractual Workforce	2,895	847	<b>3,742</b>
<b>Total</b>	<b>All categories</b>	<b>171,808</b>	<b>38,893</b>	<b>210,701</b>

Development of new training programmes based on the identified training and learning needs of the employees continues to be an ongoing process at HPCL. We take feedback from the ongoing programmes and incorporate the same to improve the subsequent programmes.

### Learning Interventions for Senior Management

#### Certified Corporate Directorship:

Institute of Directors conducted a Masterclass for Directors through Live Virtual Training Program held across 4 days. The individual training modules used in the program were tailor-made in line with the regulatory updates on Companies Act, Boardroom Sustainability and Corporate Governance. The program was interactive and well-received by 5 senior management officials

### Intervention for Leadership Development

#### Project SHRESTHA (LPG SBU):

Project Shrestha, a collaborative initiative of HR and LPG BU, is a year-long management development intervention for LPG Plant Managers that aims to provide focused developmental inputs to them in a phased manner enabling them to make a positive and sustainable impact on plant performance. This programme aims at equipping the Plant Managers with cutting edge managerial and techno-behavioral skills to help them improve their efficiency and effectiveness. During 2021-22, 4th batch of Shrestha for first time Plant Managers was commenced. There were two 4-day contact programmes for Shrestha 4.0 with participant count of 20 for each program during the year.

### Ecosystem-based Interventions

#### Kshitij (Lubes SBU)

Aimed at developing the stakeholders in the Lubes, project Kshitij introduces various sales tools to streamline planning and execution. The initiative

was introduced for HQO and 4 regions of Bazaar Lubes team and 6 regions of Consumer Lubes team. More than 600 hours of coaching has been imparted with an average of 18 hours of coaching per officer and has added value to their way of working.

#### Lakshya (DS SBU)

This initiative aims at strengthening the sales ecosystem of the DS SBU by enhancing the capabilities of stakeholders through scientific inputs and tools & templates to aid in different sales processes. The Sales coaching initiative was piloted for 3 regions while Phase 1 was conducted for 6 regions.

#### Project PRERNA (Retail SBU)

PRERNA was initiated based on a comprehensive diagnostic study where a strong need was felt to develop a learning intervention for all the stakeholders of the Retail Sales Ecosystem. A 3-day learning programme was organised on a pilot basis for Sales Officers. Based on the feedback, it was then rolled out for 140 officers where new tools like Stakeholder Mapping and Dealer Account Mapping were introduced.

### Interventions for Junior Management Employees

We conducted multiple training programmes for junior management employees designed to enhance their technical and behavioural capabilities and help them in handling professional duties and career transitions. Some of these are:

#### Learning Ecosystem Development

With an objective of bringing in more role clarity, aligning learning to the role requirement and enabling our officers to identify their learning gaps and make personalised development plans, Project Learning Ecosystem Development was incubated in 2019. This is a flagship project of team HR Marketing in collaboration with all the Marketing SBUs which aims at making learning more scientific, more predictable and personalised.

# People Performance

As part of Project LED, phase 1 was implemented during 2020-21 wherein Role Descriptions, Learning Agenda and Technical Competency Frameworks were developed for 41 front line roles spread across 12 Job Families. During 2021-22, the focus has been on developing the Role Descriptions and Learning Agendas for Zonal and HQO roles encompassing grade 10A/10B/10C/10D.

During the year, 81 Role descriptions, 83 Learning Agendas and 12 Technical Competency Frameworks were developed. 121 E-learning modules were completed and hosted on HP Academy.

## L&T Project Management Certification Programme

Project Management and Infrastructure expansion form the key focus area of our strategy, therefore a strong need was felt to enhance this competency in our Projects team. Towards this, a customised Project Management Course has been developed in Collaboration with L&T Institute of Project Management. It is aimed at enabling our Projects Officers with cutting edge technical, behavioural and functional competence in Project Management backed by scientific tools and knowledge. The first batch of L&T Project Management Certification programme comprising 26 Officers from E&P, Pipeline Projects and LPG Projects commenced in Nov 2021 in L&T Project Management Institute Vadodara.

## MBA Oil & Gas

To enable the young officers to achieve their personal as well as professional aspirations, the educational scheme of CPM has been extended to MBA -Oil & Gas by UPES. MBA (Oil & Gas) is a year-long program aimed at equipping the officers with requisite knowledge to enhance their effectiveness in driving business value through sustained value creation and adopting contemporary approach. The 5th batch of MBA Oil & Gas and 1st batch of MBA IS batch in collaboration with UPES commenced in 2021-22. 72 Officers across SBUs have been enrolled in this course and divided into three batches, have undergone a one week's training. 2 Modules have been successfully completed this year.

## Interventions for Non-Management Employees

Multiple training programmes for non-management employees designed to enhance their technical and behavioural capabilities and help them in handling professional duties and career transitions were conducted. Some of these are:

### Path of Light

This is a pre-retirement programme for non-management employees at HPCL intended to prepare them to deal with retirement from a psychological, physical and financial perspective.

- The path of light is conducted in two phases upon completion of age of 55 and 59 years the employee. The second phase of the programme is attended by employees and their spouses.

- 89% of the Non-Management employees near the age of superannuation were covered in phase one.

## Performance Management

HPCL has implemented a strong Performance Management System to ensure that all employees contribute effectively to organisational goals and that the Corporation can make rational and objective promotion and placement decisions. This includes identifying strengths and weaknesses and providing feedback/training/rotational inputs to ensure that all Management positions are filled with personnel who have the necessary exposure and competence.

The Corporation's current Performance Management System is based on the Balanced Score Card concept. Corporate/SBU/Department level business scorecards have been developed. In accordance with organisational strategies, these scorecards were developed based on the four perspectives of the balanced score card concept, namely the financial/physical perspective, the customer perspective, the learning and growth perspective and the business process improvement perspective. The corporate/SBU/Department scorecards are cascaded to the individual level, where various Key Performance Indicators (KPIs) and measurement standards to assess each of them have been identified for each position in the Corporation. These KPIs act as a guide for setting the individual targets for the employees of the Corporation. The following environment and social parameters are available under the standardised KPI templates depending on role and responsibility of the individual:

- Stakeholder Management
- Corporate Social Responsibility
- Energy Efficiency
- Environment Stewardship
- Health & Safety
- Support towards sustainability efforts

During 2021-22, all our employees received regular performance and career development reviews.

## Motivation through Recognition

We recognise the significance of rewarding our employees for their efforts, which has a direct impact on their subsequent performance. We have a number of reward and recognition programmes in place to encourage and recognise employee contributions at all levels.

Since 2010, 'HP ICON Awards' have been instituted for executives in Senior / Middle Management, with the goal of identifying and recognising People Managers, i.e. Officers who prioritise the interests of their teams over individual contributions. 'HP Outstanding Achievement Awards' have been instituted to recognise outstanding contributions by Officers in the junior management category, while 'HP Gaurav Awards'

distinguish outstanding effort, sustained excellence in work, commitment, adherence to safety measures and adherence to high standards of conduct in discharge of duties among Non-Executive category of employees.

While HP ICON Awards are a bi-annual affair, the HP Outstanding Achievement Awards and HP Gaurav Awards are given away on an annual basis.

### Outstanding Achievement Award

During the year, 59 officers received this award under various categories for their outstanding achievements.

### HP Gaurav Awards (For Non-Management)

During the year, 98 employees were felicitated with HP Gaurav Award.

## Employee Engagement

Employee engagement programmes are critical for employee involvement and getting them excited about their role in the company's success. We strive to increase employee engagement across all demographics. Throughout the year, various employee engagement initiatives were carried out with the goal of increasing engagement levels and building a team spirit among employees and their families. These initiatives were tailored to a specific target audience and were critical in increasing engagement levels even during the most difficult times of the pandemic.

### Hamara Pariwar

Hamara Pariwar is a mobile/web-based application that aims to bring all HP family members together on a single platform in order to foster unity and a sense of belonging among all family members. We thrive on connecting to our larger fraternity in order to create a social circle as well as opportunities to network and connect.

- A series of dance sessions were conducted by a renowned Choreographer for training the children of HPCL employees in skills of dance.
- HPCL employees participated in the Oxfam Trail Walker Challenge which is India's Biggest Walkathon for a Cause and is a global phenomenon. One had to walk in either of the three challenges 25 km in 10 days, 50 km in 10 days and 100 km in 10 days.
- Under the banner of Hale and Hearty, HPCL employees have been undertaking various fitness initiatives from time to time.
- HPCL as a Corporate competed with 35 corporates and secured 2nd rank in the Fitness Competition 'GoQii Corporate Challenge' organised by GoQii.
- More than 1,000 HPCL Employees participated in the steps challenge and walked 194,263,248 steps with a total distance of 1,43,899 km.
- Under Intra-Corporate Challenge a total of 1,200 employees participated.

## YUVANTAGE

CORPORATE RAN-NEETI is a National flagship event of YUVANTAGE in collaboration with the Capability Building Department, consisting of a mix of strategy, knowledge and fun competitions. Officers across the country were invited to submit nominations in September 2021. The preliminary rounds were attended by 84 teams and 240 officers. The 9th Corporate Ran-Neeti Grand Finale held during March 2022.

### Reboot @35+

Choosing a career is a huge decision that affects a person's entire future, so parents are usually very stressed about it. Parents must maintain open lines of communication with their children and encourage them to gather as much information as possible about their career interests. The Reboot@35+ Committee, in collaboration with M/s Mentorria, organised a webinar/workshop to provide a platform for career discovery/career counselling. The session was attended by approximately 200 employees and their children.

### Other Employee Connect Programmes in 2021-22:

#### Humrahee

HUMRAHEE is a programme designed to help employees connect with one another. The platform was created to assist our employees in dealing with the emotional and psychological turmoil, anxiety, trauma, fear, apprehension and other symptoms of COVID. Employees learn more about their team members and their personal and professional struggles through these virtual sessions. 39 HUMRAHEE sessions covering 284 employees were organised across HR Marketing.

#### Paramarsh

HPCL has an Employee Assistance Program (EAP) named Paramarsh to provide counselling services to employees, their spouses and dependent children.

#### SHUKR 2.0 - Happiness & Well-being

A 21 Day Self Love course was conducted and administered through gratitude mobile app. The initiative is undertaken to promote happiness and well-being for the employees of HPCL. The Daily course was classified into three parts:

- Introduction of topic and how to tackle emotion
- Affirmations for self-talk and to empower
- Journal prompt for practice and self-reflection

### SURVEKSHAN - HR Service Quality Survey

HR Marketing's ethos is to enable people to perform well. HR has made a consistent effort to support people performance through various systemic and process interventions as needed. The HR Service Quality Survey was launched in November 2021 for all employees in the

# People Performance

Marketing division as a checkpoint in our continuous efforts to seek feedback and suggestions about the service provided by the regional/zonal/HQO HR teams. The survey focused on following dimensions of service quality:

- **Assurance:** Knowledge and courtesy of Team HR and their ability to inspire trust and confidence.
- **Reliability:** Ability of Team HR to perform the promised service in a dependable and accurate manner.
- **Responsiveness:** Readiness and willingness of Team HR to help employees by providing prompt and timely services.
- **Empathy:** Provision of caring and individualized attention given to the employee from Team HR.

1975 employees responded to this survey (Management- 78% and Non-management- 22%) and it was found that the dimension of assurance scored highest. All employees have given highest score on the parameter: HR functionaries are polite & approachable.

A perception survey designed and administered in-house was conducted at Mumbai Refinery. A total of 155 responses (close to 26% of the target audience) were received. The inputs were analysed and presented to senior management at MR.

## Chetana III

The programme 'Chetna,' which means 'Consciousness,' is an ongoing initiative in which all HR officers from head offices and call on officers of the corporation to check on their well-being and spread awareness on COVID-related topics. An in-house online form was created to collect the data. A trained psychologist briefed HR Officers on how to handle sensitive conversations. Another specialist doctor attended a vaccination and post-covid care session.

Chetna Phase III was inaugurated in May 2021. The emphasis was on physical and mental well-being, as well as vaccination and post-covid care. This year, Team HR ensured that 100% of employees across the corporation were connected.

## STRATEGIC TIEUPS:

### Hospital Empanelment

All regular employees are eligible for cashless hospitalisation facility to meet heavy and emergency medical expenses towards hospitalisation or treatment of various ailments of self and dependants. It was realised that understanding with hospitals needs to

be improved with complete documentation and all the 110 locations where HPCL has operations are covered, so that every employee who needs to avail this facility have a seamless experience. Documentation was completed for 360 existing hospitals through acceptance of our revised T&C for ensuring hassle free cashless medical services for employees in times of need. Hospital database was updated in medical SOS application on real time basis.

### Renewal of MHPED Insurance Scheme for Employees

The Medical Hospitalisation Policy for Excluded Dependents (MHPED) (for Dependents not covered under HPCL Medical Insurance Scheme) was launched earlier for all the employees. The policy has seen fresh enrolments since the year of inception. New TPA Partner has been appointed. Welcome mailers and e-cards were sent through email and the physical cards were dispatched through Speed Post for all enrolments. Awareness and health talks are also conducted periodically by TPA.

### Group Medclaim Policy & Group Personal Accidental Insurance

The Corporation had introduced the Group Medical Policy (GMC)/Group Accident Policy covering Family of Four (Workman + Spouse and 2 Dependent Children) along with Group Personal Accident insurance cover of ₹ 2.0 Lakh (Only for Workman) during 2020-21. This has been introduced with the objective of providing medical cost support to - HP Retail Outlet Dealers, HP GAS Distributorships, HPCL Transporters and Service Providers, Contractor Operated Depots / Warehouses / LD / CFA Agents, Contractors (excluding projects) and their respective staff/workers during COVID-19.

## Initiatives for contract workforce/ apprentices

### Surakshit

Surakshit was introduced in 2020-21. It is an in-house designed training initiative that focuses on the learning needs of security guards posted at HPCL terminals/depots. This training module was created with both technical and behavioural competencies in mind. Surakshit training for 1,420 security guards was planned and carried out for PAN INDIA SOD locations.

### Perna

Perna debuted in 2017. Its goal is to raise awareness about the Corporation's operations, the importance of personal health and hygiene, workplace safety and alertness, personal financial planning and wellbeing and modes of cashless transactions. During 2021-22, 76 programmes covering 2,490 contract workers were carried out.



Mumbai refinery safely executed a complex revamp of major processing units as part of MREP. Refineries and Marketing Locations undertake various initiatives for engaging and educating extended workforce

### Anubruti

Anubruti is a programme designed with the objective of training the contract workmen on the basic rules of statutory compliance to enable them to effectively discharge their duties. The contractors are briefed on the statutory compliances and their obligations towards the well-being of contract workmen. 39 programmes were held which received a participation from 564 contract workmen.



### Initiatives for Extended Workforce at Mumbai Refinery

At Mumbai Refinery, various statutory compliance workshops were conducted for contractors. The interactive programmes focused on enhancing the knowledge of contractors in Labour Laws. A total of 5 programmes were conducted covering 150 contractors and their representatives.

An engaging and educating in-house skit performance was curated and delivered in presence of Deputy Chief Labour Commissioner (CLC) during Labour Awareness programme. This one-hour skit recording has been updated on the social media handle of the labour ministry. The skit performance has helped in spreading awareness of Labour Laws.

The Statutory Compliance Fortnight was celebrated with energy and zeal. Various sessions on medical policy of contract workers, statutory compliance programmes for vendors/ contractors, Labour Laws Sessions for casual workers etc were conducted during the fortnight.

Health Check-up camp was conducted in coordination with EPFO.

We engage around 150 apprentices every year and take proper measures to ensure that they have a great learning during the course of their apprenticeship. We have automated the stipend generation for the apprentices. We have also provided limited access to apprentices for leave and attendance management, ratifications, e-bank mandate and everything is being done through GATS portal.

### Employee Welfare

We encourage a positive work environment with a healthy work life balance. We provide assistance to our employees through a variety of schemes and programmes, including a performance-related profit sharing scheme, superannuation benefits, leave encashment, gratuity, during service and postretirement medical benefits, posthumous benefits for employees' family members, housing loan, vehicle loan, furniture loan, LFA, transfer benefits, employees' children education loan, computer loan, monthly vehicle allowance and leaves such as Maternity, Adoption, Surrogacy and Paternity.

### Human Rights

We are committed to adherence of human rights and the relevant laws. We believe that a diverse workforce brings in different paradigms and we embrace diversity and inclusion, thereby upholding a culture of empowerment for all. We are an equal opportunity employer and practice zero tolerance towards any kind of discrimination based on religion, origin, gender and/or status and have mechanisms to deal with such cases.

All efforts are made to ensure that our employees thrive in a conducive environment. We conduct business in an ethical and transparent manner. We conduct regular trainings to generate awareness among our employees.

We are signatory to the principles of the UN Global Compact (UNGC) and are committed to upholding internationally proclaimed human rights. To ensure safeguarding of human rights a robust grievance mechanism has been created to deal with cases of human rights violation. In the reporting year, there were no incidents of discrimination on the grounds of race, colour, gender, religion, political opinion, nationality, extraction or social origin. General terms and conditions of contracts include clauses of observing labour laws.

In line with the RPwD Act 2016, Equal Opportunity Policy was approved by Management in March 2019. The scope of the policy applies to current as well prospective employees of HPCL. The approved EO Policy is submitted in the office of Chief Commissioner for PWD, Delhi, for registration. Same is also displayed in employee Portal to promote a workplace culture, based on fair practices, to safeguard the rights of persons with disabilities to be treated with dignity, respect and equal terms and conditions of employment. The Administrative offices of HPCL have ensured provision of ramps, washroom for PWD etc.

#### Freedom of Association and Collective Bargaining

HPCL strongly upholds Freedom of Association and Collective Bargaining rights and takes pride in maintaining cordial & harmonious relations with its Unions for more than two decades. Progressive approach, effective grievance management system, fairness & emphasis on transparency, has resulted in alignment of Unions and workmen to corporation's vision.

We have formal agreements with trade unions to deal with issues related to labour laws, health and safety of our employees, training and education and grievance redressal. Currently, 92% of our non-management employees are a part of unions, which enable them to voice their concerns. Before implementing any management initiatives that affect or concern non-management employees, we engage in constructive dialogue with trade unions to understand their perspectives and arrive at a mutual agreement.

With regard to any significant operational change affecting the workmen, we also comply with the relevant provisions of Industrial Disputes Act, 1947 if so warranted.

In Certified Standing Orders applicable to non-management employees, with regard to shift working including commencement or discontinuation or alteration of shift & deployment or reassignment of workmen, it is regulated in accordance with the mutual discussion between the Management and Unions and

within the scope of the provisions of the Factories Act, 1948 or any other applicable law from time to time.

HPCL continued to nurture excellent Employee Relations with no reported instance of industrial unrest at any of its operating locations.

HPCL lays great emphasis on continually engaging, enabling and empowering its stakeholders through a variety of interventions.

As our Nation is celebrating Azadi Ka Amrit Mahotsav to commemorate 75 years of its independence, with a view to ensure that the objectives of various Labour enactments are met and towards becoming a model employer HPCL as a Model employer, observed 'Labour Law - Statutory Compliance Fortnight' across all its locations during February 2022 which was a huge success. HPCL also ensured that the arrears of the Long Term Settlement (LTS) which was concluded for its workmen across all Divisions were disbursed both for serving and retired employees.

During the fortnight, all employees, more than 1200 contractors and 7300 contract workmen were engaged on various aspects of labour enactments through Check audits, Anubrutu Awareness sessions, Prerna Sessions, Social Security Camps, Medical Camps, Interactive sessions with statutory Authorities, Online Labour Law Statutory Compliance Training Module, Statutory Compliance Workshop, Statutory Compliance Quiz, Flyers on statutory compliance and Slogan Contest.

In order to mitigate and lessen the impact of COVID-19, HPCL continued with coverage under the Special Medical Insurance Scheme, Group Personal Accident Insurance, Special Ex-gratia scheme of frontline COVID-19 warriors viz. the contract labourers, LPG delivery-men, retail outlet forecourt salesmen, transport crew, security guards etc., during 2021-22.



## Management Employee Relations Committee (MERC)

HPCL believes in effective Grievance Redressal system for ensuring employee satisfaction and fair, productive and safe work environment. The process for grievance handling through Management Employee Relations Committee (MERCs) has been in-place for ensuring effective and expeditious handling of grievances. Detailed guidelines for timely grievance redressal through decentralized mechanism for process implementation and online workflow application for effective implementation have been established. Through MERC channel, employees can log in grievances in any of the following matters:

- Grievances arising out of Performance Management (PM) related matters.
- Grievances arising out of non-receipt of eligible Compensation and Benefits (C&B) under the Corporation Policy.
- Grievances arising out of any other Employee Relations (ER) related matters at the workplace.

### The salient features of the same are as follows:

- E-enabled platform for submission of grievances.
- De-centralised two-tier structure of grievance redressal with MERCs and appellate authority as per the Salary Grade of the aggrieved officer and the nature of grievance.
- Inclusion of Neutral member in MERCs to ensure objective grievance handling.
- Systematic review and discussions with concerned person as required.
- "Speaking Orders" for each grievance.

Under this provision, all aggrieved officers are given personal hearing and grievances are redressed based on MERC recommendation. In case of dissatisfaction with final decision, option for appeal is also provided to aggrieved officers. All appeals are then reviewed in detail by the Appellate Authority and final decision after detailed deliberation is communicated to employees.

## Prevention of Sexual Harassment (POSH)

HPCL has ensured compliance with various provisions under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. To inculcate appropriate workplace behaviour and promote gender sensitization, we have mandated for all of the executive employees to undergo awareness sessions through online courses and workshops conducted on the subject. Internal Complaint Committees (ICCs) of the Corporation were reconstituted and detailed guidelines on procedures relating to the functioning of the ICC were circulated. A course on POSH has been included in HP Academy portal for creating awareness and accordingly all employees are encouraged to complete this course.

# Safety at HPCL

One of the most important challenge for companies in the oil and gas industry is safety. HPCL is constantly focused on ensuring workplace safety for its employees, contract workforce and other stakeholders. We have well-defined and structured health and safety policies and procedures in place to categorise and reduce safety risks associated with the Company's plants, operations and processes. Our Safety Policy, which states that 'no work, service, or activity is so important or urgent that safety be overlooked or compromised,' guides us toward our commitment to 'zero incident.'

### Safety Management

HPCL has implemented a management system for occupational health and safety. The OH&S management system has been implemented across all HPCL operations, including refineries, plants, facilities and other locations. All employees, their families and the communities in which HPCL operates are covered by OH&S systems and procedures. HPCL believes that no job or service is so important or urgent that safety should be overlooked or compromised.

HPCL firmly believes that safety is an important tool to enhance productivity and to reduce national losses. Driven towards a goal of 'Zero Incident', we constantly endeavour to maintain high standards of safety in our operations. The safety culture is accorded priority by the top management and driven through HSE Department and Safety committees. It focusses on design and enforcement of safety rules and procedures, conducting safe operations, ensuring statutory compliance, being vigilant and prepared for emergencies, awareness creation and progress review on policy compliance. Our top management periodically reviews progress on compliance of various statutory audits and time bound action plans for redressal of the safety observations.

### Health, Safety and Environment

We have Health, Safety and Environment (HSE) departments at all levels, beginning with the headquarters office, which includes Corporate, Marketing and SBU levels, as well as Refineries, Zonal Offices and at the operating level, which includes all locations across the country. They monitor and assess the safety mechanisms through regular audits, raise awareness among stakeholders and work with government officials on relevant issues and amendments as needed. We followed all protocols and took all necessary precautions for all employees and stakeholders during the trailing Covid-19 situation, ensuring uninterrupted operations.

### Safety Committees

Safety Committees are active at our locations to encourage proactive participation and involvement of the workforce in HSE matters, with equal representation of management and non-management employees. These committees ensure that the Corporation's HSE policies are followed and that regulations are followed, resulting in a healthy and safe work environment. The committees solicit feedback from the workforce, discuss HSE issues pertaining to the location and propose solutions for further strengthening safety sustainability through a participatory management process. While the goal is to learn from experience and case studies, the committees also identify specific training needs of employees and locations.

### Processes for workers to report the work-related hazards and to remove them from such risks

Workers and management participate in safety committees at all operating locations to report and manage work-related hazards and devise innovative methods to eliminate hazards at the workplace. According to the Factories Act of 1948, safety committees are in operation and best practices are implemented at the workplace in consultation with workers. Aside from the safety committee, there are safety suggestion registers, near miss reporting and online incident reporting systems in place to help workers report and remove workplace hazards.

### Identification of work-related hazards and assessment of risks:

The process used to identify work related hazards and assess risk on a routine and non-routine basis at HPCL is as follows:

1. All employees undergo safety induction training covering occupational hazards of workplace, risk assessment and mitigation measures and usage of PPE.
2. Standard Operating Procedures are followed for all routine operations. All non-routine jobs are systematically assessed for work related hazards and mitigation measures are taken through



Techno-behavioural training program 'HP-Safety On Wheels' (HP-SOW) for enhancing transport safety

work permit system, job safety analysis and management of change. Industry standards are followed for all SOPs.

3. Review of safety management system through safety audits, surprise inspections and board level review of audit recommendation and implementation.
4. Investigating injuries, illnesses, incidents and near misses to determine the underlying causes and safety & health programme shortcomings. Learnings from incidents are shared to all employees to prevent recurrence of such incidents.
5. Emergency preparedness and disaster management plans are prepared and drills conducted periodically to meet any kind of emergencies.
6. Occupational risks in all jobs are evaluated before commencement of the job in a systematic way called Job Safety Analysis (JSA). The risks identified in JSA are addressed to minimise risks to as low as practicable and to acceptable levels by employing engineering & administrative methods and using suitable Personal Protective Equipment (PPE) as a last line of defence.
7. A detailed and exhaustive work permit system to carry out hot and cold jobs, has been devised in line with OISD-STD-105 requirements.

### Emergency Response and Crisis Management

The nature of the products we handle make safety as an apex priority for us. To identify and manage hazards, risks and emergencies, we have installed safety and security systems at all of our operational facilities.

HPCL has an emergency response and disaster management plan in place for all of its operating locations. During a crisis, such as a natural or man-made disaster, a crisis management plan is developed to mobilise resources and make public announcements. To respond to the crisis, SBU level nodal officers were identified, as well as a control room for communication. The roles and responsibilities are defined in order to act during the crisis and return the business to normalcy as soon as possible. Drills are held on a regular basis, lessons are shared with stakeholders and awareness programmes are held to prepare for an emergency.

### Process Safety

Process safety is a disciplined framework that focuses on major hazards that may have an impact on safety, cause environmental damage, or result in business losses. It is concerned with the prevention and control of events that may result in the release of hazardous materials and energy. It is based on good design principles, as well as engineering, operating and maintenance practices.

# People Performance

Process Safety Management (PSM) is deeply ingrained in the Corporation's safety and environmental policies. Our stakeholders are involved in well-established provisions for preventing/minimizing the consequences of a loss of primary containment (catastrophic releases of toxic, flammable, or explosive chemicals), ongoing maintenance of sound operating systems, practices and procedures equipped with multi-layered protection barriers that meet the highest standards of emergency preparedness. As part of the management review and continuous improvement process, training programmes for awareness and refresher courses, as well as compliance audits, are implemented.

## Safety Performance

	Mumbai Refinery		Visakh Refinery		Marketing Locations	
	Employee	Contractor	Employee	Contractor	Employee	Contractor
No. of Fatalities	Nil	Nil	Nil	1	Nil	Nil
Lost time Injury Frequency Per Million Hours Worked	Nil	0.0404	Nil	0.0254	0.1269	0.0575
Lost time Injury Frequency Per Million Hours Worked	0.0466					
Total Number of Recordable Injury Incident Rate Per Million Hours Worked	0.0000	0.2429	0.0000	0.2036	0.1269	0.0576
Total Number of Recordable Injury Incident Rate Per Million Hours Worked	0.1399					

### Notes:

- All above injuries/fatalities are under male category, female category- Nil
- The occupation disease rate is reported as nil
- Lost time Injury Rate includes fatalities + lost workday cases
- Total No. of recordable injury incident rate includes fatalities + lost workday cases + restricted workday cases + medical treatment cases

## Measures taken by the entity to ensure a safe and healthy workplace

HPCL believes that no work, service, or activity is so important or urgent that safety should be overlooked or compromised as an integral part of its business. Employee and public safety, as well as the protection of their and the Corporation's assets, must be prioritised. Corporation believes that safety is an important tool for increasing productivity and reducing national losses. The Corporation will make every effort to achieve and maintain high levels of safety in its operations.

The safety policy is implemented in its entirety and equipment and machinery are kept in good working order to ensure the safety of our employees and the general public around our installation, ensure constant vigilance and employee awareness for incident prevention across the Corporation's locations, including refineries and marketing locations.

### Standard Safety Procedures and practices are in place, some of the important safety systems and procedures adopted by the corporation are:

a. **Inherently Safe design:** All HPCL process units are designed and built as per internationally followed design (American Petroleum Institute (API) code & standards, American Society for Testing and Materials (ASTM), American Society of Mechanical Engineers (ASME) etc.) codes and standards, also follow BIS standards Oil Industry Safety Directorate (OISD) standards and state-of-the-art technology where safety is taken care in design stage.

- b. **Fire Protection facilities:** All marketing installations namely POL terminals, depots, LPG plants and aviation facilities are provided with firefighting equipment and facilities meeting OISD standards. Locations are provided with designated / qualified safety officers to take care of safety management system at the location. Firefighting facilities are regularly checked for its working condition by the locations and reported to controlling offices.
- c. **Safety Training to employees:** All employees and contract workers have to undergo general safety training before assigning the trade specific jobs. The safety training covers all aspects of job hazards, risk identification and mitigation techniques, fire safety and emergency preparedness. Job specific safety training is imparted as per OISD Standards No. 154 - the safety aspects of functional training periodically.
- d. **Live Fire Simulation Training:** Live fire training is imparted to Officers, Company employees and Contract workmen. Various prototype facilities - storage tanks, electrical substation, pipeline and valves manifolds, loading and unloading gantry etc. are created to train in various live fire scenario to enhance emergency preparedness.
- e. **Uniform Safety Operating Procedures (SOP) & standards:** We have implemented latest guidelines to bring in uniformity in the Standard Operating Procedures (SOP) in all SBUs and these SOPs reviewed from time to time.

- f. **PPE Training and Usage:** Based on the hazard of the activity for the protection of personnel from occupational hazards Personnel Protective Equipment (PPE) are used. Basic Personal Protective Equipment (PPE) e.g. safety shoes, helmets, harness, glass etc. are provided. However, in case any special PPE e.g. SCBA (Self-Contained Breathing Apparatus), electrical hand gloves, airline mask, chemical suits etc. are required to perform any assignment, the same are provided by our Corporation.
- g. **Work Permit System & Job Safety Analysis (JSA):** In HPCL, occupational risks in all jobs are evaluated before commencement of the job in a systematic way called Job Safety Analysis. The risks identified in JSA are addressed to minimise the risks to as low as practicable and to acceptable levels by employing engineering & administrative methods and using suitable Personal Protective Equipment (PPE) as a last line of defence. A detailed and exhaustive work permit system to carry out hot and cold jobs, has been devised in line with OISD-STD-105 requirements.
- h. **Risk Analysis and Emergency Preparedness & Disaster Management Plan (ERDMP):** At location Quantitative Risk Analysis (QRA) is carried out periodically as per Manufacturing Storage, Import of Hazardous Chemicals, (MSIHC) Rules, 1989. Emergency response and Disaster Management plan is designed and implemented as per (PNGRB) Petroleum & Natural Gas Regulatory Board, (ERDMP) Emergency Response and Disaster Management regulations 2010, which are certified by PNGRB approved third party and updated periodically. Mock drills are conducted regularly at all locations to make employees aware of their roles, responsibilities, to assess their alertness during an emergency and to see the effective working of the firefighting equipment and facilities.
- i. **Safety Committee:** As per Section 41 G of Factories Act, 1948, Safety Committee exists in the Refineries and Marketing locations. The effectiveness of safety management system and the root cause for the occurrence of an incident are reviewed at plant level and Apex safety committees.
- j. **Preventive, Predictive Maintenance of Equipment:** To avoid the failure of equipment, especially the rotating equipment and subsequent emergencies, preventive and predictive maintenance are being carried out.
- k. **Management of Change System (MOC):** Any infrastructural and technical modification / changes are implemented through structured Management of Change procedure to prevent the incident.
- l. **Execution of High Risk Jobs:** Special precautions, as recommended by a multifunction team, are taken before executing high risk jobs. Contract workmen/supervisors are advised about the do's don'ts on specific job.
- m. **Contractor Safety:** Contractual workers are engaged in Marketing locations. For ensuring safe working practices, special safety requirements are part of tender conditions while awarding the Contract.
- It is ensured that contractor personnel are trained in the work practices necessary to perform their job safely. Contractors are required to provide & maintain equipment, tools, machinery so that risk of accident or injury to workers is minimised. Contract personnel are made aware of fire, explosion or toxic release hazards related to their job & assembly points as per provisions of the emergency preparedness plan. Contractor Safety manual is also made available. Contractor workers are given training in Hindi & local /own language and are required to participate in tool-box meetings, pre shut down briefing etc. We carry out safety training certification to contractor supervisors.
- n. **Analysis of Incidents:** All incidents including near-miss are recorded. Critical incidents are analysed to prevent recurrence. The findings of recommendations are presented and reviewed at safety committee meetings for timely implementation.
- o. **Audits & Inspections:** Internal & External Safety Audits (Oil Safety Directorate (OISD) Constituted by Ministry of Petroleum & Natural Gas) are conducted at regular interval by internal committee and external agencies and their recommendations are compiled in time bound manner. All the



Safety training at retail outlets

## People Performance

recommendations made during OISD Audits are critically reviewed and complied on priority basis. The compliance status is updated on quarterly basis by each SBUs.

- p. **Surveillance Safety Audit:** In marketing locations spread across the country, surveillance safety audits are carried out over and above regular safety audits by Marketing HSE department to oversee Safety management system implementation.
- q. **Daily and Weekly Safety Hazard Report:** The Safety in-charges sends daily and weekly safety hazard report to the senior management to apprise the status of safety features, incidents and safety equipment of the location.
- r. **Review by Management:** Safety performance, OISD and Internal Audit compliance status, Incident analysis are periodically reviewed by Senior Management and annually it is reported to CFD & Board.
- s. **Accreditation:** HPCL major manufacturing installations are certified by Environment and safety management systems are accreditations such as ISO 14001, OSHAS 18001.

In addition to above applicable safety procedure across the locations, SBU wise specific system and procedure, training programmes, initiatives are undertaken.

### Measure to Promote Safety and Prevent Accidents at Retail Outlets

- i. Following activities are carried out by Retail SBU to enhance the competence on safety preparedness / safety culture of their stakeholders
  - a. Training and awareness as per OISD STD 154 the safety aspects of Functional training to Officers, Workmen and Security staff etc.
  - b. A flagship programme called Total Retail Safety was rolled out to train the field officers. Retail Training group conducts specialised training for Dealers / Fore court Sales Managers (FSMs) and COMCO / sales officers. Management Development Programs (MDP) are conducted, covering Dealers on SOP Training and Fore court Sales Managers. Through structured "Gurukul" training program FSM are trained.
  - c. Training for Vendors and their staff are conducted regularly.
  - d. Training and awareness on SACHET - Behavioural Based Safety to minimise incidents by increasing positive reporting of unsafe practices if any at locations.
  - e. Training and awareness on Incident handling and Root cause analysis.

- f. Conducting Mock Drills-off/on site and sharing / discussing the learnings.
- ii. Regular Safety Audits by field officers once in a year as per Oil Industry Safety Directorate (OISD) standard no. 225 Check list. Any non-compliance is attended immediately but not later than 15 days.
- iii. Regular Electrical Safety Audits are conducted through reputed third-party inspection agencies at all retail outlets once in three years and non-compliances are immediately attended.
- iv. As part of Quality Assurance (QA) inspections of all the Safety non-compliances observed are immediately acted upon by concerned retail engineering group.

### Measure to promote safety and prevent accidents at LPG storage facilities and LPG bottling plants

- i. **Safe Design of LPG Plants:** LPG Plants are designed with latest automation systems with many layers of protection employed in the design of equipment and operations. Following safety features are inbuilt in the design and operation as per OISD Standard 144:
  - Overfill prevention using high level alarms and trip systems.
  - Auto closure valves like ROV (Remote Operated Valves), Pressure relief valves, Thermal Relief valves.
  - Excess flow check valves at critical locations
  - Gas monitoring devices which trigger alarms to handle emergency
  - Fire prevention systems like Heat sensing devices (Quartzoid bulb) based activation of sprinkler systems and shut down of system in case of emergency.
  - Fire protection systems like Pressure based auto start system for Fire engines.
- ii. **Trainings to all personnel of LPG plants:** Training to workmen, officer, Tank truck and packed truck drivers & cleaner is imparted as per OISD STD 154 at all locations.

**Safety Audits:** LPG SBU is adhering to all relevant OISD standards and have a process of Internal Safety Audits and External Safety audits by OISD.

### Safety and Security of Critical Assets

Safe and secure assets are crucial to maintain the continuity of our operations. We deploy best-in-class technology, maintenance practices, trainings on maintenance of equipment and reliability improvement measures to maintain reliability of our assets.

Thrust on continuous performance improvement has been a key focus area of refineries. Both HPCL refineries are participating in performance benchmarking study conducted by M/s. Solomon Associates, USA for the sixth successive bi-annual period towards achieving reliability & operational excellence. The report for the 2020 cycle was reviewed and recommendations suggested are in the process of implementation. Both refineries are also participating in Refinery Performance Improvement Program (RPIP) towards process optimisation and energy consumption improvement. In addition, a study is also under process for identification of opportunities in reducing water footprint in various refinery operations.

At marketing locations, our M&I teams inspect our facilities and carry out timely maintenance of assets. They also assess potential risks, prepare mitigation plans and identify the need for new investments towards improving asset integrity with the aim of achieving safe, incident-free and efficient operations.

#### **Targeted Safety and Security Intervention:**

##### **Ekagra**

Projects & Pipelines (P&P) SBU undertook an enabling intervention - "Ekagra - Suraksha Ke Path Par". in the year 2018. It is aimed towards process standardisation in Pipeline Security & Safety Systems with emphasis on uniformity and standardisation of processes, new tools to ease work, rewards and recognition, performance monitoring and capability building of officers and stakeholders. A comprehensive Training Manual consisting of 143 trainings in Technical and Functional domains has been designed in-house for standardising the structure within the SBU.

##### **Pipelines Surveillance through Drones**

Projects and Pipelines SBU conducted drone trials conducted in Rewari & Bahadurgarh section under RRKPL with 5 km sortie. Long range surveillance of 51 km with one sortie also demonstrated. Tender for 'Long Range Drone Surveillance' was floated in coordination with Digitalisation team.

## Hale and Hearty HPCL

**HPCL focusses on achieving excellence in occupational and personal health of employees at all manufacturing sites as well as at its offices. With this objective, employee 'Wellness' programme are undertaken to improve and maintain employee health. HPCL has set up Occupational Health Centers (OHC) at refinery locations. Besides emergency medical services, the OHCs also offer preventive and curative health services to its employees. These OHCs are equipped with diagnostic and therapeutic equipment and are manned by qualified occupational health specialists.**

Our employees and their dependents are covered under a comprehensive health insurance policy. We have also facilitated a health insurance policy for dependents of employees not covered in the corporate health insurance policy. An online wellness portal provides latest articles, news and other information on topics of health and well-being.

Our workforce undergoes periodic medical examination to root out any developing ailments. Designated physicians are provided at major marketing locations, while smaller locations have tie-ups with local hospitals to ensure accessibility to health services. We also have empanelled hospitals to provide superior medical care to our employees and their dependants. The administrative offices and locations also organise health talks (virtual and physical), health check-up camps for the employees wherein current health status and potential problems are studied. High health risk employee mapping done thru PME to manage such employees' health and lifestyle.

Contract workers and TT crew working at our locations are facilitated with health camps and guided on health issues. In these check-ups, the workers are made aware of their current health status and are advised suitable measures to maintain normal health and avoid illness.

## Delighting the Customer

# Engaging with Care and Responsibility

**In the pursuit of enhancing customer value, we are consistently looking at newer and innovative ways to improve our operations and embrace advanced technologies. Our focus on becoming a world-class energy company is built on the premise of caring for and delighting customers with high-quality products and innovative services across domestic and international markets.**

Keeping pace with the rapidly changing global scenario, we prioritise the implementation of innovative ideas and solutions to improve operational efficiencies in our Supply Chain Management and logistics. This ensures the availability of quality products and enables us to serve the most remote geographical locations across customer segments. By leveraging digital technologies for transformation and enhancing IT capabilities, we are aligning ourselves with the changing customer preferences and technological transitions. The introduction of a Customer Relationship Management (CRM) application has resulted in increased customer engagement and raised our service standards.

We believe in providing a clean, healthy and safe environment that is essential to ensure the wellbeing of our employees, consumers, stakeholders and communities. Periodic sessions and campaigns on safety and resource conservation are conducted to enhance awareness around health, safety and environmental aspects. Information about customer safety is communicated through the website, booklet, newsletters, specifications and Material Safety Data Sheets (MSDS).

Our products meet BIS specifications, as well as internationally recognised and customer-specific standards. All lubricant packages /labels must adhere to the 2011 Legal Metrology (Package Commodities) Rules. Lube package labels must include the following information: Quantity, MRP, Manufacturing Date, Manufacturer Name and Address, Customer Contact Details, Generic Name of Product and so on. Our product labels include pertinent information following applicable national and international laws. We have found no evidence of non-compliance with applicable legal requirements of product labelling regulatory codes.

There was no non-compliance concerning unfair trade practices or irresponsible advertising in the reporting year, however, there are five active lawsuits pertaining to alleged anti-competitive behaviour as of March 31, 2022. The details of the active lawsuits pertaining to alleged anti-competitive behaviour are provided in the Business Responsibility Report section of HPCL annual report for 2021-22 which can be accessed at: <https://hindustanpetroleum.com/stockexchange> We do not sell any banned or controversial products.



## Research and Development (R&D)

At HPCL, we uphold the importance of R&D in order to create, demonstrate and deploy innovative products and technologies. We are constantly upgrading our capabilities to generate new levers that foster growth and cost competitiveness, while introducing new goods, processes and technologies.

The Hindustan Petroleum Green Research & Development Centre (HPGRDC) is established to provide superior technical assistance to Marketing SBUs and Refineries. HPGRDC strives to provide operational efficiencies, develop and implement revolutionary technologies and become a knowledge hub. The research facility is equipped with the latest infrastructure, including energy-efficient green buildings with a total built-up area of 3 lakh square feet across 120 acres of campus. During the year, an additional 50 acres of land was obtained.

Our research centre's Phase-1 comprises 9 laboratories. As part of the Phase II project, the Engine Lab, Battery Lab and Novel Separations Lab were built in 2021-22. The HP Green R&D Centre's Phase II expansion initiative has incorporated 7 new labs. The built-up area has been increased to 6 lakh square feet with the incorporation of labs and the completion of Phase I and Phase II expansion plans.

### Technologies Demonstrated

- HP-MO2 technology developed for producing medical oxygen (MO2) with a purity of 93±3% and demonstrated at a COVID-19 hospital in Bengaluru, Karnataka at a scale of 1 ton/day MO2.
- FGD (Flue gas Desulphurisation) nozzles developed in-house and demonstrated at MR-OFCCU.
- FCC Catalyst commercial demonstration completed at HMEL FCC unit with 17.7 wt% propylene for a trial duration of 3 months.
- FCC Catalyst trial in MR NFCC unit successfully carried with 10% inventory change with delta increase in propylene by 0.3wt%.

### Technologies Ready for Demonstration

- **HP-BH2:** Developed technology for producing Blue hydrogen by capturing CO<sub>2</sub> using HP-HiGAS technology from PSA inlet stream.
- **HP-VPSA for CBG:** Developed PSA based technology for purifying biogas up to >90% CH<sub>4</sub> from raw biogas produced using food waste/biomass.
- **HP-VPSA for VRU:** Developed technology for recovering hydrocarbons using PSA in vapor recovery unit at Hassan Terminal.

# 66

Patents filed

# 33

Patents granted

# 123

Cumulative patents granted as of 31st March, 2022

# 3

HPGRDC papers were published in peer reviewed international journals

(During 2021-22)

- Provided **Gas Liquid distributor** design for MR Hexane saturation unit.

### Products Launched

- **poWer 100:** Additive with a high-octane rating of 100 to cater to the growing requirements of premium vehicles.
- **HP - Gas Dolphin:** Additized LPG to improve power output and torque of LPG-run outboard SI engines.
- **HP i2Face:** Inert interface as a plug material for multi-product pipeline.
- **HP Thermopro W:** Waxy crude antifoulant.
- **HP-BUBBLY:** Leak detection solution.
- **Six New Lubricants** (5 Speciality & 1 Grease) i.e. New Special Grade Cutting Oil, New Marquenching Oil, Novel Synthetic Mould Release Oil, New Rust Preventive Oil, Novel Synthetic Copper Drawing Oil, Novel Aluminium Complex Grease (NLGI 2) developed.

## Delighting the Customer

### Our Green R&D Centre Highlights

# 15

New products launched and commercialised

# 10

Products ready for marketing

# 6

New lubricant grades developed and moved to marketing

# 2

Technologies demonstrated

# 14

New technologies under advance development stage

# 9

New products completed at lab scale

# 80

New research projects initiated

# 36

Research projects completed

### Products Handed over for Commercialisation

poWer 95, HP Invius, HP-FILMMAX, HP-WMA, HP-DUCER, HP-DWA, HP-THERMOPRO-D, poWer100, HP Bubbly and HP-BIOACTIVA.

### Lubricants

#### Trials

- **Indian Navy:** HP Milcy No.1 Plus (N) at Eastern Naval Command, Vizag.
- **Indian Air Force:** Aviation Lubricant SVS 11 on TV3 Aero engines at Chandigarh.
- **Indian Railway:** "HP PARTHAN RR 460" in traction motor gear case of HHP diesel locomotives.
- **Force Motors, Pune:** Gear Oil EP 80W90/ Gear Oil XP 85W 140.
- **Ashok Leyland, Chennai:** HP Long Drain CNG Oil 15W40.
- **TSRTC:** HP POWERKOOL samples.
- **JCB:** Hydraulic Fluid Enklo HVI 46 on JCB Mini Excavators.

#### Approvals

- **Indian Army-CQAPP, Kanpur:** Submitted product samples and technical data for approval of Enklo HLP 32/46/68 grades HP Gear Oil XP 80W 90, HP Gear Oil XP 85W 140 grades.
- **TATA Motors, Pune:** (HP SYNGEAR 75W 70 (T) sample submitted for approval.
- **TMTL:** Rakshak Engine Oil CI4 10W30 for TMTL engines meeting TREM IV emission norms.
- **BEM:** Type approval sought for 6 grades Type-Approval sought for below Grades, HP POWER HYLUBE X3-10W (BM), HP POWER FLO TO-4-30 (BM), HP GEAR OIL XP 90 (BM), HP DIESELINO 15W-40 (CH-4) (BM), HP MILCY NO 1 PLUS 15W-40 (CI-4 PLUS) (BM), HP POWER GLIDE C430 (BM).

### Other Research Highlights

- Successfully manufactured HP-PMA which is used as an additive in FCC units.
- Built India's First 1200 F supercapacitors using Petcoke as the electrode and demonstrated on an E-Cycle along with M/s ARCI.
- Completed 2 MW Solar Power Project commissioned 1kW Solar Wind system for Generation of Renewable power and Commissioned state of art Pilot Plant for fabrication of Battery of Annual capacity of 1.5 MWh.
- Green Hydrogen: Collaboration with BARC for scaling-up BARC Alkaline Water Electrolyzer to 120 M<sup>3</sup>/hr system and technology transfer for 10 Nm<sup>3</sup>/hr electrolyzer plant.

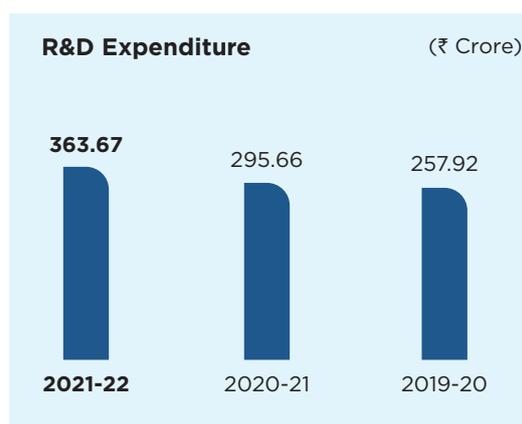
- Performance Evaluation of Tender E-cat conducted for MR OFCC & NFCC units.
- Installed five scrubber nozzles in the OFCC FGD unit, one scrubber nozzle in the FGD unit of NFCCU and Five improved design Spraymax nozzles in the OFCC units of Mumbai Refinery.
- Shutdown Inspection for MR OFCCU Cyclones: Based on the R&D recommendation from Cyclone loss estimation for the case of cyclone cone holes, the reactor cyclone cone was replaced and cyclone losses came down from earlier values of 4-5 TPD to 2 TPD loss.
- Redesigned Orifice Chamber for MR OFCC unit after the design implementation of which the post-start-up of the unit opening across PDRCV increased to around 30% from 5%.
- Installed and commissioned six new Spraymax nozzles in FCC-I at VR.
- Service Level Agreement signed for offering Technical Services for Exxon FCC units of MR and VR.
- Replaced H2PSA Adsorbent at VR-CCR PSA.
- Initiated Co-development of VR FCC-II catalyst for the selection of the best catalyst for the unit.
- Analysed five foulant sample for HPCL refineries.
- 32 MT of HiY Catalyst was supplied to VR for demonstration of dynamic activity for VR FCC-II.
- Supplied 150MT of [HP] 2FCC catalyst to VR FCC units for Long duration trials.
- Completed BEDP for VRU for Hasan terminal, revamp of MR New HGU PDS unit for KHDS, Products scale-up facility and 70 TPD HP-RAMP (biomass-based).
- Carried out eight Crude assays (Brass Light, Okwibome, Johan Svedrup, Liza, Tupi, Djeno, Seria Light, Champion) And provided one external crude evaluation service o M/s Oil India Limited.
- Completed Murban I SS & II SS distillates Dewaxing studies.
- Laying of Foundation stone for Catalysts & Absorbents Scale-up (CAAS) facility and Product Scale Up (PSU) facility.
- Inauguration of Community Hall and Skill Development Centre building in Khajihosahalli Gram Panchayat and Play area & stage for the multipurpose event in the Govt. Primary School, Khajihosahalli at Hosakote Taluk under Environment Social Responsibility.

## Towards 'Circular Economy'

**Only Green Hydrogen is being used in operating hydro processing pilot plants and batch reactors.**

**Green Methane: Use of HP-RAMP (Rapid Acidification for Methane Production) for converting Biomass & Canteen waste to CBG and fertilizers.**

**Zero plastic discharge by recycling and conversion to fresh plastic products.**



## Infrastructure and Equipment

- Started Intellectual Property Cell, Relocated Centre of Excellence for Lubes with full functionality at HPGRDC, Operationalised Battery Research and Engine Testing Labs at HPGRDC.
- Commissioned Ebullated Bed Resid Hydrocracker (EB-RHC) Pilot Plant, Pilot plants for corrosion Research/Studies in CDUs, Spray dryers for synthesizing FCC catalyst and 16 parallel reactors system for Hydroprocessing catalyst testing.
- Inauguration of Corrosion Pilot Plant, Phase II Utility Block, Gurukul reception block, Digital Experience Centre, Agricultural Residue Conversion Plant.

# Quality Assurance

**Our Quality Assurance Cell aims at ensuring stakeholders' confidence in the fulfilment of quality requirements at all levels. This is accomplished by conducting surprise inspections during which compliance with various statutory requirements & standards is evaluated and remedial actions are advised based on the requirements to satisfy the quality specifications. Quality assurance entails carrying out administrative and procedural operations to meet the objectives and goals for products and services.**

In accordance with the Ministry of Petroleum and Natural Gas (MoP&NG) directive, HPCL maintains a dedicated Quality Assurance (QA) cell with officers stationed across all zones. It operates independently of the refining and marketing activities. Under the new Marketing Discipline Guidelines (MDG) and HQO directions, the QA cell conducts surprise inspections of retail outlets, Kerosene (PDS) distributorships, LPG distributorships and supply locations.

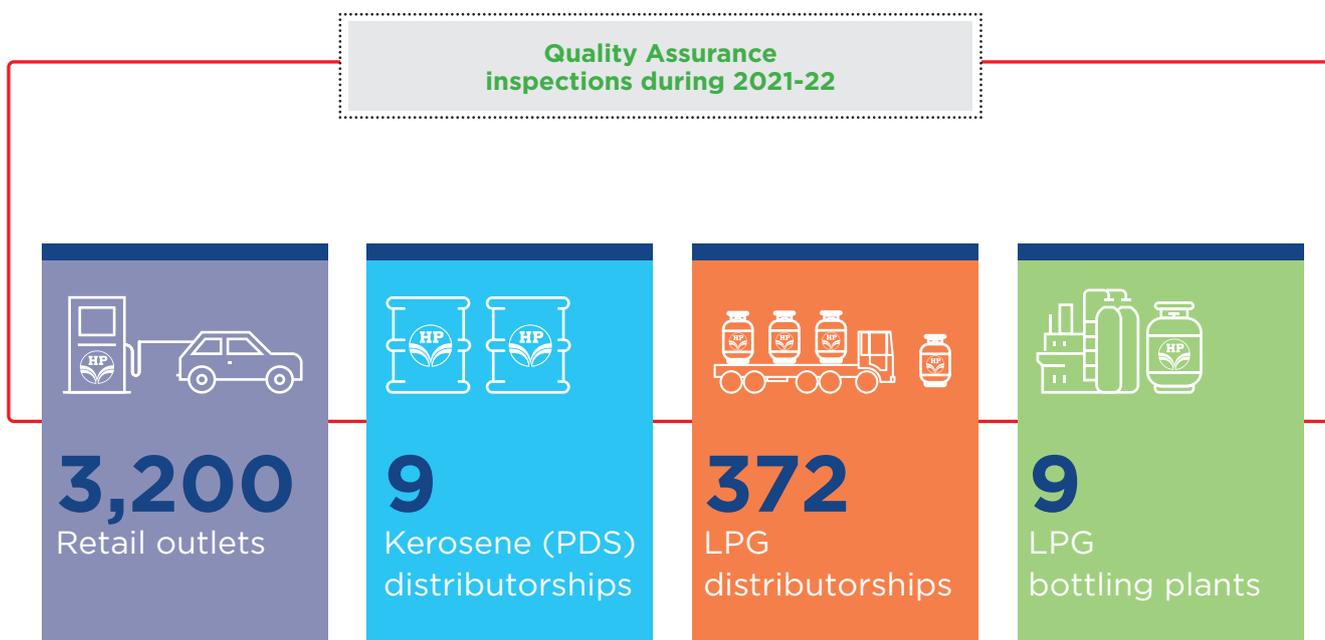
The Quality Assurance team focuses on critical aspects such as product quality and quantity, safety, automation system functioning, branding & visual identity and random product samplings among others. To track compliance concerning associated metrics and identify areas of constant improvement, an online e-inspection portal has been established. Surprise inspections are conducted regularly at sites under current norms and directions.

During 2021-22 the QA cell inspected 3200 retail outlets (644 offsite & 2556 onsite), 9 Kerosene (PDS) distributorships, 372 LPG distributorships

(58 offsite & 314 onsite) and 9 LPG bottling Plants. The implementation of strong QA procedures has allowed us to set high customer service criteria for supply sites and channel partners as well as offer improved products & services to customers.

Capability development in the domain of Quality is an important feature of staying up to date with the current process, product and regulatory requirements. To provide officers with the most up-to-date information in these areas, Quality Assurance Cell Officers organised 162 online and physical training programmes across India, covering 1141 participants on topics such as quality, MDG, inspections and automation.

QAC attended five industry gatherings. Regular meetings with OEMs were conducted to improve the execution of inspections with a better understanding. Knowledge exchange sessions were held on changes introduced by OEMs in DUs to ensure that there is no leeway for channel partners to partake in malpractices.



## Quality Control

**Our Marketing Quality Control Department ensures the quality of our various Business Units' products, such as Supplies, Operations and Distribution, Retail, Direct Sales, Lubes, Aviation and Pipelines, among others.**

We have robust quality management systems in place for our diverse range of enterprises and products and we adhere to the oil sector's Industry Quality Control Manual (IQCM) to monitor product quality at various stages of production, dispatch, receipt and storage.

Across the country, we have created a network of laboratories built with cutting-edge technology. These labs are overseen by well-trained personnel who have testing certificates or accreditations.

Our products are rigorously tested in our laboratories following relevant standards. Internal and external audits and inspections are performed regularly. Our QC department publishes and distributes QC newsletters to employees to raise awareness. Our QC officers visit various sites for Quality Awareness and organise customer connect programmes to increase quality awareness among stakeholders.

In 2021-22, the Marketing QC department conducted a total of 166 audits to sustain a quality ecosystem at each stage of our product receipt, storage and shipment. With the addition of three NABL-accredited labs this year, the overall number of NABL accreditations in marketing quality control now stands at 36.

### 2021-22 Highlights

- Contributed revenue of ₹ 10.04 Crore by testing external samples, sale of CRMs, PTP and calibration services; Tested 103,554 samples achieving savings of ₹ 92 Crore.

- Released Special Product Manual for HPCL on standardisation of receipt, storage and dispatch of products like MTO, Hexane and Solvent 1425 and Industry Quality Manual on Ethanol and Blends 2021.
- Developed SOP in consultation with IIP, Dehradun and BIS for indigenous HPLC method for Biodiesel content in Automotive Diesel Fuel.
- Successfully facilitated maiden transportation of ethanol in Tank Wagons.
- Supported SBUs on QC related aspects like providing technical inputs, testing of Biodiesel samples, testing of condition monitoring samples.
- Conducted capability building programs related to product quality covering topics on lubricants, test methods, calibration of equipment, lab activities, distillation method, ATF Test and Significance, Basics of Flash Point, QC aspects of MDG sampling and procedures and certifications as per AQACM & DGCA requirements.
- Commissioned testing facilities for HPDEF at Secunderabad, Kanpur and Visakh and ICP equipment for Kolkata, Chennai and Silvassa Lube lab.
- Completed recertification NABL Audit as per ISO 17043 for HP Proficiency Testing Provider (PTP), Vashi and for Reference Material Producer (RMP), Visakh as per ISO 17034.
- Vashi Lab successfully renewed the BIS approval for another three year for Bio-Diesel testing. Vashi lab is only lab among OMCs for Biodiesel testing facility.
- Celebrated QC week and World Quality Day during November 2021 across all locations.



Release of Special Product Manual for MTO, Hexane and Solvent 1425

# Customer Focus

**We have executed significant large-scale projects across the hydrocarbon value chain to accommodate evolving developmental and energy demands while also considering rising environmental concerns. We have launched several customer-centric projects and services aimed at satisfying our clients. The constructive feedback from our consumers helps us in improving our products and services and we continue to maintain connect with them through various communication channels.**

Customers are the backbone of our sustenance and we prioritise their satisfaction in our services. We believe that delivering differentiated services and value contributes to customer retention, loyalty and increased customer footfalls at our customer touch points and strive to achieve this through world-class products and solutions. With this affirmation, we strive to innovate diverse services and initiatives for the benefit of our customers and stakeholders.

We have multiplied our network several times over the years. During the year, we surpassed the landmark of 20,000 outlets, 1,000 CNG stations and 1,000 EV charging stations which enabled us to expand our reach and make our products more accessible to a wider geography and spread of consumers. Further, throughout the year, 100% automation was achieved across the retail outlet network to boost operational efficiency and productivity.

'HP Gas' - HPCL's LPG brand, is one of the most preferred brands among residential and non-domestic LPG customers, serving 9.12 crore customers. During the year, 6,243 new LPG distributorships were commissioned. HPCL has been actively involved in the Pradhan Mantri Ujjwala Yojana (PMUY) and worked towards providing the benefits of user-friendly clean fuel to markets at the bottom of the pyramid. On August 10, 2021, the Hon'ble Prime Minister of India unveiled PMUY 2.0, which allowed 25 lakh new connections. In addition, 20,000 VLEs (Village Level Entrepreneurs) were recruited to increase the reach and accessibility of LPG services across rural areas.

Initiating tie-ups with leading banks, food brands and Original Equipment Manufacturers, we maintained our focus on non-fuel business (Allied Retail Business) with a wide range of facilities for customers across the network, including ATMs, takeaway food counters, 'C' stores, vehicle accessories and so on (OEMs).

Our goal is to deliver a variety of high-quality daily-use products to customers through new retail experiences. During the year, our Retail SBU ventured into non-fuel retailing by introducing branded store Club HP 'HaPpy Shop' at retail outlets.

**Launched our branded packaged drinking water under the brand name 'Paani@Club HP.'**

We are using CRM tools to provide faster and more efficient responses to client leads, providing our customers with a better experience. We consistently engage with our consumers to increase customer loyalty and gain valuable customer insights. During the year, over 300 technical seminars/conferences with over 4,200 participants were held.

### Customer Experience Enhancement Initiatives

The growing wave of digitalisation provides organisations with seamless opportunities to improve customer convenience and value through the use of ever-evolving computational power, reach of the internet and affordability. HPCL has been pioneer in utilising the digitalisation potential, to create value for its consumers. We are continuously pushing toward the use of technology for business expansion. Digital ways of payment are constantly encouraged to improve client convenience, faster transactions and reduced waiting time.

- To enhance customer convenience through faster transactions and reduced waiting time, we are promoting new-age digital modes of payment such as UPI, Wallet and FASTag among others.
- We have launched the HPCL-ICICI Super Saver card with ICICI bank which rewards customers on both fuel and non-fuel purchases.
- Towards enhancement of payment options for customers, we have tied up with ICICI Bank and IDFC bank in FASTag Payment options, enabling FASTag-based payments in the 'DriveTrack Plus' platform and 'HP Pay App'.
- Multiple payment options, incentives attached to using digital transactions and continued campaigns through various platforms have helped us in achieving over 40% payments through digital modes in Total Motor Fuels (TMF) sales as of 31, March 2022.

- We have rolled out ‘Single Customer View’ for improved business solicitation of B2B customers, cross-selling and additional leads enrichment from external market information. Additional business worth ₹ 10 Crore generated was generated via this implementation.
- A new video analytics based vehicle identification facility coupled with pre-set functionality in ‘HP Pay app’ branded as ‘Instafuel’ has been successfully implemented at select retail outlets to provide faster, convenient and 100% contactless payments at our retail outlets, AI-based Video Analytics were deployed at more than 1250 Retail Outlets and six marketing locations.
- We have actively developed and implemented the Customer Engagement & Experience Platform (SCV-B2C) through which customized and targeted communications were sent to ~ 15 lakh customers.
- We have also introduced an AI-based chatbot over WhatsApp for Retail & LPG services providing booking & payment facilities.

## Loyalty Programmes

For the convenience of consumers, we provide payment methods at retail establishments. Our segment-specific reward programme caters to different customer bases. We have frequently introduced, modified and launched several schemes on loyalty and rewards programmes, some of which are specified below:

### HP Pay

HP PAY is a powerful Loyalty and Payment programme that offers its owners and operators a complete fuel management solution in the form of an unparalleled combination of control, simplicity, security and appealing reward points. This novel payment mechanism aims at improving our management efficiency by providing better control over fuel use and operating costs and hence bringing value to consumers and enterprises.



During the year, HPCL surpassed the landmark of 20,000 outlets improving energy accessibility

# Delighting the Customer

## Drive Track Plus Programme

HPCL's flagship loyalty programme, 'Drive Track Plus,' strives to preserve its momentum for client retention and growth in the commercial vehicle category, providing fleet owners and drivers with a combination of control, convenience, security and attractive rewards. The inclusion of major commercial vehicle OEMs, aggregators, NBFCs, large fleet transporters, small fleet owners and others to the 'Drive Track Plus' platform played in role in the increase of volumes over the year.

## Customer Safety

Safety is an integral part of our business and accorded top priority. Our well established measures and policies assure the highest level of safety.

We have stringent systems in place to ensure utmost safety. Customer awareness has been the foundation of our approach towards customer safety. We have been striving to achieve and maintain high standards of safety in our operation. There were no incidents involving non-compliance concerning, regulations and voluntary codes concerning the health and safety implications of products in 2021-22.

Notable initiatives oriented towards customer safety undertaken during the year are:

- Retail SBU Developed an online safety inspection portal for safety inspection of retail outlets for all stakeholders and an online work permit system for retail outlet jobs.
- ERDMP Certification completed for all 4 typical retail outlets (MS/HSD, MS/HSD/ALPG, MS/HSD/CNG, MS/HSD/ALPG/CNG).
- Retail SBU installed more than 2,200 Power Conditioning devices during the year.
- ESA conducted at 5981 outlets with compliance to ESA observations.
- HPCL has also launched 'High thermal efficiency (73%+) LPG Gas stoves' and 'Auto shut off knob-based technology' for LPG stoves.

## Customer Feedback

Customer feedback is essential to understanding the level of satisfaction of our customers. To interact with clients, we use a variety of communication channels. Their feedback aids in understanding the interventions required to improve system efficiency.



Launch of HP - Gas Dolphin: Additized LPG to improve power output and torque of LPG-run outboard SI engines

## Measures undertaken towards customer feedback

### Aviation SBU

Customer surveys are conducted by Aviation SBU for Service level feedback and Customer Relationship Management (CRM) level input. Customers' service feedback is collected quarterly at all ASFs on characteristics such as fuel quality, promptness of service, appearance, the performance of refuelling equipment and safe practices. CRM-level customer feedback is collected from customers on a semi-annual basis on parameters such as Customer Relationship Manager performance, responsiveness to customer queries, the overall experience of participating in fuel tenders, timeliness of invoice submission, promptness of resolution of reconciliation queries and overall transparency in business conduct and service execution.

### LPG SBU

LPG SBU communicates with HP Gas customers through various channels to solicit and receive feedback. The Customer Relationship Management (CRM) site includes a feedback feature for customers. During the fiscal year 2021-22, 31,181 customers provided feedback. Through outbound calls, HP Gas call centre executives map the customers' feedback

and satisfaction levels. We also have a feature in the HP Pay mobile app for receiving feedback on satisfaction levels and suggestions. All complaints and suggestions on social media platforms are routed and addressed systematically.

### Retail SBU

Retail SBU has developed a unique QR-based customer feedback system for retail outlets along with OMCs, which was launched by the Hon'ble Minister of P&NG in November 2021. This programme encourages customers to provide feedback on the facilities and ambience of the outlet. Customers scan the QR code and are subsequently moved to the Darpan application where the same dealership appears through google Maps location services. Customers register themselves and provide feedback on six parameters on facilities as well as services. HPCL has received 24,326 customer feedback records with an average score of 4.84 out of 5.0. The Retail SBU has leveraged the CRM to achieve visibility across end-to-end customer experience and create value for customers via resolution of queries, customer data management, customer insights, etc. that helps to improve the standard and quality of service at HPCL retail outlets.



## Playing our Role in Society

### Being the Changemaker

**At HPCL, we believe that acting responsibly and contributing to society are synonymous with good business practices. Our commitment towards good corporate citizenship is driven by our motivation to create a positive social change. Accordingly, HPCL has undertaken various CSR activities since its incorporation in many parts of the country for the welfare and development of underprivileged communities in order to make them self-dependent. CSR of the Corporation has been in-sync with various prevailing statutes and guidelines.**

We are guided by our purpose to serve society through our business. We use core competencies, expertise and technology to reach people, with a special emphasis on the underserved and underprivileged. Our strategy is to build community capacity to improve human excellence and the quality of life of those with whom we work.

Our CSR strategy is based on making a positive, long-term difference to the community. The projects are implemented through a community engagement process and with the assistance of our field officers.

HPCL has undertaken CSR activities as stated in Corporation's CSR Policy as projects / programs / activities, which are in line with Schedule VII of the Act and are not for pursuance of normal course of business. These initiatives implemented either directly or through expert external agencies registered as Trust, Society or Company under Section 8.

### CSR Approach

**Our focus is on adopting processes that ensure sustainable business development while delivering economic, social and environmental value to the society.**

After the enactment of Companies Act 2013, HPCL took upon itself to comply with provisions of the Act and related CSR Rules. HPCL through its CSR intervention aspires to improve the quality of life of the less privileged communities. Efforts are made to ensure that benefits of CSR activities reach to the less privileged and marginalized sections of society, under the Corporation's focus areas of Child Care, Education, Health Care, Contribution to Incubators, Skill Development, Sports and Environment & Community Development.

HPCL has constituted a Board-level sub-committee on CSR and Sustainability Development i.e. CSR and Sustainability Development Committee for review discussion and guidance on various CSR and Sustainability Development initiatives and measures. The Composition of the Committee is disclosed in the Corporation's Annual Report.

The CSR and Sustainability Development (CSR&SD) Committee, comprises Whole-time Directors and led by an Independent Director, it meets on a regular basis to review, discuss and provide guidance on various CSR and sustainability development initiatives and measures, as well as the implementation of BR policies.

Additionally, we have other CSR Committees viz., CSR Management Committee and CSR Working Committee in place to review and approve various CSR projects / activities proposed by our field-level offices for implementation in local areas.

At HPCL, we have a well-laid CSR policy, which has been approved by the Board of Directors and defines the scope, structure and guidelines for identifying, implementing and monitoring CSR projects and initiatives. The policy is guided by our corporate vision of becoming a model of excellence in meeting social commitments while also creating shared value and interdependence between business and stakeholders.

The CSR Policy serves as the underlying guiding principle that defines the objectives and framework to ensure consistency in various operations:

The contents of the policy can be accessed at: [https://hindustanpetroleum.com/images/pdf/HPCL\\_CSR\\_Policy\\_wef%2020052021.pdf](https://hindustanpetroleum.com/images/pdf/HPCL_CSR_Policy_wef%2020052021.pdf)

The CSR Policy of the Corporation includes various provisions pertaining to budget, implementation, monitoring and reporting of CSR that are in line with mandatory provisions of Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Amendment Rules 2021 dated 22nd January 2021. HPCL CSR Policy specifies that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Corporation.

## Focus Areas

**HPCL's efforts to ensure mandated CSR expenditures is a further reflection of our strong commitment to societal development.**

Our vision and mission inspire our CSR focus areas, which are consistent with international development goals as well as national policies and legislation on Child Rights, Child Development and Education, National Health Policy and National Health Missions, Health Care in India-Vision 2020, National Skill Development Mission and community or rural development policies.

**Our CSR policy identifies our focus areas as mentioned below:**



- (i) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government.
- (ii) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of

Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

## Playing our Role in Society

**The CSR policy provision states that projects/ activities shall be undertaken at any of the following:**

1. The local development plan of HPCL which is in proximity to HPCL operation areas / locations
2. In Aspirational Districts notified by Government of India
3. Where there is a strategic connect for HPCL

While some programmes / activities / initiatives are implemented directly by Corporation, we also collaborate with external agencies including Government and Non-Government Organisations. We have identified local communities nearby our area of operation, as one of key stakeholders and use multiple channels of communication at regular intervals to connect with them.

### Monitoring and Evaluation

Our CSR projects are designed in consultation with the community, taking into account its developmental needs and available opportunities. Through our efforts, we aspire to be a catalyst for change.

We recognise the importance of monitoring and measurement in understanding the effectiveness and impact. It is done through periodic evaluation and feedback which provide insights and help us make better decisions.

The CSR activities are locally monitored by Officers posted at field locations. In addition to the above, Impact Assessment shall be carried out of CSR projects having outlay of ₹ 1 Crore or more through an independent agency, subject to the condition that the projects have been completed not less than one year before undertaking the impact study. This is applicable in case of average CSR obligation of ten crore rupees or more as per section 135 of Companies Act, 2013 in the three immediately preceding financial years.



Reaching healthcare to remote areas through project Dhanwantari

## Our CSR Impact

During the COVID-19 pandemic, HPCL joined the nation's fight to overcome the challenges by providing assistance and relief to the less privileged sections of society and undertaking interventions aimed, among other things, at supporting healthcare and allied infrastructure.

We stepped up our CSR efforts and worked with a variety of stakeholders to introduce COVID-19 relief measures. True to its mission of 'Delivering Happiness,' HPCL continues to undertake projects that involve strategic collaboration and synergy with the government and other stakeholders for a greater collective impact.

Various CSR projects / activities were approved during the year under the focus areas of Education, Health Care, Skill Development, Child Care, Sports, Environment and Community Development.

### Our CSR Landscape in 2021-22:

Our expenditure on CSR related interventions during financial year 2021-22 is ₹ 135.57 Crore in implementation of various CSR initiatives in the focus areas of childcare, education, healthcare, skill development and community development, creating social capital, especially in the host communities of the business, positively influencing lives of less privileged.

During the financial year 2021-22, we undertook the following flagship initiatives:



### Healthcare

Access to healthcare is an important aspect of improving the quality of lives of people. In rural India, these issues are more pressing. We are working to address health, hygiene and sanitation concerns in order to improve individuals' access to quality healthcare services. Our initiatives are geared toward underserved and marginalised communities.

HPCL has stressed the importance of improving healthcare facilities at various district hospitals and primary healthcare centres in addition, we have provided basic facilities in various schools for the benefit of students.

HPCL collaborated with various stakeholders to mitigate the challenges posed due to the outbreak of COVID-19 pandemic.

### Our Major Initiatives:

#### COVID-19 Relief

During the year, HPCL supported the fight against COVID-19 by providing the following:

- PSA Oxygen Generation Plants at 15 Hospitals in the states of Gujarat, Maharashtra, Rajasthan andhra Pradesh, Karnataka and Odisha.
- Support for operation and maintenance of Covid Care Centre (CCC) in Mumbai, Bengaluru and Nagpur during the second wave.
- Supply and installation of 108 medical ventilators to various hospitals.
- Provision of 1,035 oxygen concentrators for various hospitals and health centres.
- Provision of 3,000 oxygen cylinders for distribution to hospitals.
- Distribution of food packets and ration materials, PPE/hygiene kits etc.

### Project Dhanwantari

Through Mobile Medical Vans (MMVs), Project Dhanwantari aims to provide basic healthcare facilities and services to beneficiaries in remote rural areas of the country. The primary goal of this project is to raise awareness while also providing diagnostic and curative services to the rural community.

These medical vans provide basic medical care and ensures medical facilities are available at the doorstep with basic treatments for common ailments, health awareness and necessary referrals for major ailments. The majority of recipients are women, children and the elderly, whose general health is neglected as a result of poverty and a lack of resources, awareness and facilities.

This year, under this project, we continued our support for Mobile Medical Vans.

### Project Dil without Bill

It is our endeavour to save lives by funding heart surgeries for the less fortunate, economically underserved and needy people, particularly children. Over the years, this project has given thousands of families new life and hope.

# 300

Patients assisted through Project Dil without Bill programme



## Childcare & Education

One of the key focus areas of HPCL's CSR projects is caring for children and providing them with quality education for their development and the progress of the nation. We are dedicated to improving education through specialised training, skill development and serving wholesome meals to the youth in this area. In addition to this, we also conduct initiatives for the upliftment of people with disabilities and for the empowerment of women.

### Major Activities Undertaken this Year:

#### Project ADAPT

Disability is likely one of society's least understood and least accepted conditions. Beyond addressing their medical needs, guiding ourselves to see the ability beyond the disability and ensuring equal opportunities and dignity to persons with disabilities necessitates effort, awareness and mobilisation. In the spirit of this endeavour, we are supporting inclusive education, therapeutic needs and vocational training for children with disabilities.

The programme's main goals are to provide quality school education and therapeutic support to every disabled child enrolled in the school, as well as to create an enabling environment for them to reach their full potential. Adoption of a beneficiary perspective, rights-based model, inclusive education, trans-disciplinary team, community outreach, emphasis on independent living skills and engagement with parents are key strategies.

During this year, under 'Project ADAPT', HPCL endeavoured to enhance the quality of lives of Children with Disabilities (CWD) through provision of online education, vocational training and online therapeutic treatment.

#### Project Nanhi Kali

Promoting girl child education and gender equality in communities remains a pressing social issue. Our response to this growing issue includes providing material assistance to first generation girl child learners from economically and educationally disadvantaged communities.

The main goal of the project is to ensure academic and social support to girls so that they can continue their education and meet the challenges of today's educational system. We were able to reduce girl dropouts, prevent child marriages and promote higher education for girls as a result of this planned intervention.

Project Nanhi Kali offers holistic development and academic support to girl children from tribal and urban slum areas. The project addresses the challenges and constraints that communities face as a result of the gender gap, with the goal of developing gender equality.

This year, more than 9,800 girl children received online remedial classes, material kits, sports curriculum and other guidance and counselling on personal hygiene and career development through Project Nanhi Kali.

#### Kashmir Super-30 (Medical)

HPCL has worked with the Indian Army to implement the 'Kashmir Super 30 (Medical)' project. It involved selecting the brightest students from the less-privileged society who exemplify grit, determination and perseverance and gradually elevate them through this process towards success.

In 2017-18, the Kashmir Super 30 Project was launched. HPCL continued its collaboration with the Indian Army for the project based on the success of the previous batch of students. As part of this project, aspiring students from the Jammu and Kashmir valley received mentoring and coaching for admission in the field of medicine. This year saw the addition of 20-day scholar female students to the project.

#### Ladakh Ignited Minds

HPCL started new Project 'Ladakh Ignited Minds' in Leh which supports the less-privileged, but ambitious students of Ladakh region to compete in various academic streams like engineering, medical and other career-oriented programmes. Collaborated with India Army for providing residential coaching to 45 talented students for Medical and Engineering entrance examination.

# 9,800+

Girl child supported through Project Nanhi Kali

# 125

Children supported through Project ADAPT



## Skill Development

The most important prerequisite for meeting emerging technological and business requirements is skill development. While India has one of the most significant advantages in the form of a demographic dividend, equipping our younger generation with emerging skills and tools to keep pace with change while contributing to the nation's growth is key to a brighter tomorrow.

Varied efforts are made to equip personnel with relevant skills, including infrastructure support and collaboration with local partners, to balance out

regional and socioeconomic nuances. Skills training in various industry-oriented trades was provided to school dropouts from socioeconomically backward communities in order to increase employability and bridge skill gaps.

To improve employability, HPCL also supported six Skill Development Institutes (SDIs) conceptualised by the Government of India and operationalised by Oil & Gas CPSEs, which focus on imparting skills in industry-oriented trades to improve the employability of the society's weaker segments. HPCL manages one of the SDIs in Visakhapatnam.



## Environment and Community Development

HPCL believes that protecting the planet is a priority and focuses its efforts environment conservation sustainable development. Based on the latent and stated need of the communities, local area development initiatives were driven by the passionate employees towards welfare of disadvantaged including children, women, elderly and other weaker sections of society towards environment and community development.

### Some of the Initiatives are:

- Contribution of ₹ 75 Lakh to Armed Forces Flag Day Fund (AFFDF) for providing care, support, rehabilitation and financial help to the disabled, non-pensioners, old and infirm Ex-Servicemen, their families, war widows and orphans.
- Augmentation of Healthcare facilities at various District Hospitals and Primary Healthcare Centers
- Disaster Relief
- Provision for enhancing basic infrastructure of various govt. schools
- Drinking water facilities installed in remote areas and schools.
- Library and Lab facilities constructed in school to ensure quality education.

### Swachh Bharat Abhiyan

Several cleanliness-related events during Swachhta Pakhwada were introduced with the goal of bringing a fortnight of intense focus on Swachhta issues and practices and achieving qualitative improvements.

In light of the ongoing global pandemic of COVID-19, the importance of cleanliness-related activities and

raising public awareness about these issues has grown. As a result, keeping in mind the various instructions and guidelines issued by the government, HPCL undertook activities to rekindle mass awareness on cleanliness, hygiene and environmental preservation.

During the Swachhta Pakhwada campaign in July, 2021 HPCL focused on supporting the fight against the COVID-19 pandemic by distributing Swachhta Kits, administering e-Swachhta Shapath and conducting virtual and on-ground sensitization campaigns on the theme of spreading awareness on COVID-19 appropriate behaviour.

### Pradhan Mantri Ujjwala Yojana (PMUY)

The Pradhan Mantri Ujjwala Yojana was launched on May 1, 2016 from Balia in Uttar Pradesh by Hon'ble Prime Minister Sh. Narendra Modi in order to provide environmentally friendly and clean cooking fuel to women, particularly in rural areas and to alleviate health risks associated with the use of traditional fuel. This Yojana had several goals, including eliminating hazardous traditional cooking fuel, empowering women and supporting and promoting the use of LPG. During the year, HP Gas enrolled over 39 Lakh

# Corporate Social Responsibility

new customers, including 25 Lakh under the 'Pradhan Mantri Ujjwala Yojana (PMUY 2.0).'

## Expenditure on CSR Projects

We have reached out to the marginalised through innovative, value-driven and well-designed CSR projects that bring together collective effort to positively impact lives.

During financial year 2021-22, the Corporation spent ₹ 135.57 Crore in implementation of various CSR initiatives in the focus areas of childcare, education, healthcare, skill development and community development, creating social capital, especially in the host communities of the business.



Sr no.	Expense Areas	₹ Crore
1	Support to fight against COVID-19 (Including Contribution of ₹ 40.00 Crore to PM CARES fund)	79.04
2	Swachh Bharat Abhiyan	30.72
3	Activities under host communities with strategic connect (Various CSR activities undertaken in the focus areas of Child Care, Education, Healthcare and Environment & Community Development as outlined in the CSR Policy)	8.0
4	CSR Major Projects (Projects ADAPT, Nanhi Kali, Dil Without Bill, Dhanwantari, Suraksha)	7.49
5	Skill Development Institutes	4.0
6	Pradhan Mantri Ujjwala Yojana	3.28
7	CSR Personnel Capacity Building and Administrative Overheads	3.04
	<b>Total</b>	<b>135.57</b>

HPCL also promotes social engagement activities through its various initiatives such as:

## Promotion of Sports Activities

HPCL is active in sports promotion, regularly participating in tournaments organised by the Petroleum Sports Promotion Board (PSPB) and the All India Public Sector Sports Promotion Board (AIPSSPB).

During 2021-22, HPCL hosted the 40th PSPB Inter Unit Table Tennis Tournament in Indore and competed in various All India Public Sector Sports Promotion Board tournaments (AIPSSPB). HPCL also competed in PSPB tournaments in a variety of sports disciplines, in addition to internal tournaments.

## Employee Volunteering

HPCL encourages employee and stakeholder participation in activities or projects aimed at nation building, social empowerment, upliftment of various underserved sections of society and capacity building, in addition to health and environmental initiatives.

## HP Sampark

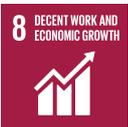
The goal of 'HP Sampark' is to give our employees opportunities to make a difference in people's lives. Employees and their families continue to contribute to society and make a positive impact through the 'HP Sampark' platform by donating their time and expertise. Many programmes were organised during 2021-22, with over 6,000 employees and family members actively participating, contributing materials, funds, time and skills to foster inclusiveness and societal good.

## HP Shakti Club

The HP Shakti Club is a strong network of women employees and female HP family members who strive to create friendships and joyful moments while also giving back to society through philanthropic and social initiatives.

During the year, the club carried out over 150 initiatives, including the distribution of food to patients, awareness drives on COVID-19, Swachh Bharat Abhiyan activities and vigilance awareness activities, which impacted over 22,000 lives.

# ALIGNMENT OF OUR BUSINESS PRACTICES TO Sustainable Development Goals

No	Sustainable Development Goal	Page No.
	End poverty in all its forms everywhere	40-41, 99
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	95
	Ensure healthy lives and promote well-being for all at all ages	83, 97
	Ensure inclusive and equitable quality education and promote life-long learning opportunities for all	67-75, 98
	Achieve gender equality and empower all women and girls	21, 98
	Ensure availability and sustainable management of water and sanitation for all	58-59, 99
	Ensure access to affordable, reliable, sustainable and modern energy for all	15, 57, 99
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	40, 72-73, 76-77

No	Sustainable Development Goal	Page No.
	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	15, 41, 62, 85-87
	Reduce inequality within and among countries	94-100
	Make cities and human settlements inclusive, safe, resilient and sustainable	62, 94-99
	Ensure sustainable consumption and production patterns	48-63
	Take urgent action to combat climate change and its impacts	54-57, 85-87, 99
	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development	58, 61
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss	54, 56
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	20-27, 62, 76-77
	Strengthen the means of implementation and revitalise the global partnership for sustainable development	27, 85-87, 94-100

\*Note: Sustainable Development Goals applicable to our business have been mentioned

## India's Nationally Determined Contributions

No	INDC	Page No
1	Sustainable Way of Living	13, 20-21, 30-31, 94-95, 100
2	Climate Friendly and Cleaner Path to Economic Development	48-63, 85-87, 99
3	Reducing Emissions Intensity of GDP by 33- 35%	54-55, 85-87, 99
4	40 percent cumulative electric power installed capacity from non-fossil fuel based energy resources by 2030	57
5	Creation of Additional Carbon Sink of 2.5-3 BTCO <sub>2e</sub>	56
6	Better Adaptation to Climate Change	28-29, 42-43, 48-63, 99
8	Building Capacities for diffusing cutting edge climate technology	67-72, 86-87

NDCs applicable to HPCL

## UNGC Principles

No	Category	Description	Reference	Page no.
1	Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights	Human Rights	76-77
2	Human Rights	Businesses should make sure that they are not complicit in human rights abuses	Human Rights	76-77
3	Labour	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Human Rights	76-77
4	Labour	Businesses should uphold the elimination of all forms of forced and compulsory labour	Human Rights	76-77
5	Labour	Businesses should uphold the effective abolition of child labour	Human Rights	76-77
6	Labour	Businesses should uphold the elimination of discrimination in respect of employment and occupation	Talent Acquisition, Human Rights	76-77
7	Environment	Businesses should support a precautionary approach to environmental challenges	Acquisition, Human Rights	48-49
8	Environment	Businesses should undertake initiatives to promote greater environmental responsibility	Environmental Performance	48-63
9	Environment	Businesses should encourage the development and diffusion of environmentally friendly technologies	Environmental Performance	48-63
10	Anti - Corruption	Businesses should work against corruption in all its forms, including extortion and bribery	Environmental Performance	24-27

# Independent Assurance Statement

## INDEPENDENT ASSURANCE STATEMENT



### Introduction and objectives of work

**BUREAU VERITAS** has been engaged by **Hindustan Petroleum Corporation Ltd. (HPCL)** to conduct an independent assurance of its **Sustainability Report** for the year **2021-22**. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the **Sustainability Report 2021-22** are the sole responsibility of the management of HPCL. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on its content.

### Scope of work

The assurance process was conducted in line with the requirements of the Assurance Standard **AA1000AS version 03, Type 2** assurance. The scope of work included:

- Data and information included in Sustainability Report 2021-22 for the **reporting period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022**;
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported;
- Evaluation of the Report against the main principles of the AA1000 Assurance Standard<sup>1</sup>
  - Inclusivity
  - Materiality
  - Responsiveness
  - Impact
- Evaluation of the Report against the principles of Accuracy, Accessibility, Balance, Clarity, Comparability, Reliability, Timeliness and Stakeholder Inclusiveness, as defined in the consolidated set of GRI Sustainability Reporting Standards<sup>2</sup> 2020 "In accordance-Comprehensive";

The level of assurance has been applied as "**Moderate**" for all sections of the report.

### Methodology

As part of its independent assurance, Bureau Veritas undertook the following activities:

1. Audit was done remotely through video conferencing at below locations of HPCL and interviewed relevant management personnel of HPCL.
  - Visakh Refinery
  - MSHSD HP Autocare Centre, N.S. Road
  - Kota LPG Plant
  - Lucknow IRD
  - MDPL Palanpur Receiving Pumping Station
  - Visakh ASF
  - Ramnagar Lube Plant
2. Site visit was done for following location of HPCL and interviewed relevant management personnel of HPCL.
  - HPCL Corporate Office, Mumbai

<sup>1</sup> Published by Accountability: The Institute of Social and Ethical Accountability <http://www.accountability.org.uk> (AA 1000 AS version 03 is the latest version of the assurance standard)

<sup>2</sup> GRI Standards are published by the Global Reporting Initiative, P.O. Box 10039, 1001 EA, Amsterdam, The Netherlands and can be downloaded from the GRI web site [www.globalreporting.org](http://www.globalreporting.org)

We interviewed Plant Operations & Maintenance, Health, Safety & Environment managers remotely through video conferencing at above mentioned seven sites and also the Sustainability team of HPCL at Corporate office through site visit:

3. HPCL had submitted performance data on reported disclosures of GRI standard topics. The data management at the above locations visited was assessed by Bureau Veritas.
4. The data management systems and procedures were assessed on a sampling basis. Data on various GRI standard disclosures was verified.
5. Bureau Veritas reviewed stakeholder engagement activities that had been undertaken by HPCL as a part of its stakeholder engagement process. Various records of the stakeholder engagement activities were reviewed to confirm how topics material to HPCL's stakeholders had been determined.

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

The work was planned and carried out to provide a "Moderate" level of assurance and we believe it provides an appropriate basis for our conclusions.

### **Our findings**

On the basis of our methodology and the activities described above, it is our opinion that:

- Nothing has come to our attention to indicate that the reviewed statements within the scope of our verification are inaccurate and the information included therein is not fairly stated;
- It is our opinion that HPCL has established appropriate systems for the collection, aggregation and analysis of quantitative data such as Environmental, Health & Safety, Human Resource, Labour as well as Product and Investor related data.

### **Alignment with the principles of AA1000AS version 03**

#### ***Inclusivity***

HPCL has processes in place for engaging with a range of key stakeholders including socially responsible investors, Government officials, local community representatives and has undertaken stakeholder engagement activities that have served as inputs for its Sustainability report 2021-22, covering a range of topics such as Customer satisfaction, Employee welfare, Supply Chain, Community Welfare and Environment.

#### ***Materiality***

The Report addresses the range of environmental, social and economic issues of concern that HPCL and its stakeholders have identified as being of highest material importance. The identification of material issues has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns. The material issues were identified by a process of stakeholder engagement and interaction and the entire process was conducted through a survey in which the stakeholders were requested to provide their feedback relating to various issues.

#### ***Responsiveness***

HPCL is responding to those issues it has identified as material and demonstrates this in its policies, objectives, indicators and performance targets. The reported information can be used by the organisation and its stakeholders as a reasonable basis for their opinions and decision-making. The company has taken various initiatives towards delivering environmentally friendly services along with occupational health and safety, appropriate measures for emergency handling, control and risk management in its operations.

#### ***Impact***

There is no finding from our assessment that HPCL had not monitored, measured or has not been accountable for its actions related to its material topics and their effect on the broader ecosystem

### **Evaluation against Global Reporting Initiative (GRI) Sustainability Reporting Standards**

Bureau Veritas undertook an evaluation of **HPCL Sustainability Report 2021-22** against the consolidated set of GRI Sustainability Reporting Standards 2020. This included cross checking the GRI index table against all the reference documents to provide an opinion on the self-declared GRI reporting option.

Based on our work, it is our opinion that the **Sustainability Report 2021-22** has been prepared in accordance with the GRI Standards including appropriate consideration of the Reporting Principles and necessary indicators to meet the requirements of **GRI Reporting Option "In accordance-Comprehensive"**.

### Limitations and Exclusions

Excluded from the scope of our work is assurance of any information reported by HPCL relating to:

- Activities outside the defined assurance period stated hereinabove;
- Positional statements (expressions of opinion, belief, aim or future intention) by HPCL and statements of future commitment;
- Competitive claims in the report claiming "first in India", "first time in India", "first of its kind", etc;
- Our assurance does not extend to the activities and operations of HPCL outside India i.e. outside of the scope and geographical boundaries as well as the operations undertaken by any subsidiaries or joint ventures of the Company.
- Our assurance of the economic and financial performance data of HPCL is based only on the audited annual report of HPCL for the Financial Year 2021-22 and our conclusions rely solely upon that audited report

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

### Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 180 years history in providing independent assurance services

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with HPCL, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

### Bureau Veritas (India) Private Limited

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**Jitendra Kadam**  
Lead Assurer



**Sanjay Patankar**  
Technical Reviewer  
ICC-Sustainability & Climate  
Change Services

Date: 25-Aug.-2022

Mumbai



**AA1000**  
Licensed Report  
000-137/V3-F6KAF

# GRI Content Index

GRI Standard	Ref No.	Status	Disclosure	Page No.	Status of Assurance	Omission	
						Part Omitted	Reason Explanation
<b>GRI 101: Foundation 2016</b>							
<b>General Disclosures</b>							
<b>Organisational profile</b>							
	102-1	Mandatory	Name of the organization	Cover Page	Assured		
	102-2	Mandatory	Activities, brands, products, and services	15	Assured		
	102-3	Mandatory	Location of headquarters	Inside Front Cover	Assured		
	102-4	Mandatory	Location of operations	15	Assured		
	102-5	Mandatory	Ownership and legal form	15	Assured		
	102-6	Mandatory	Markets served	15	Assured		
	102-7	Mandatory	Scale of the organization	12, 64	Assured		
	102-8	Mandatory	Information on employees and other workers	64	Assured		
	102-9	Mandatory	Supply chain	16	Assured		
	102-10	Mandatory	Significant changes to the organization and its supply chain	41	Assured		
	102-11	Mandatory	Precautionary Principle or approach	49	Assured		
	102-12	Mandatory	External initiatives	27	Assured		
	102-13	Mandatory	Membership of associations	27	Assured		
<b>Strategy</b>							
	102-14	Mandatory	Statement from senior decision-maker	6	Assured		
	102-15	Mandatory	Key impacts, risks, and opportunities	24, 48	Assured		
<b>Ethics and integrity</b>							
	102-16	Mandatory	Values, principles, standards, and norms of behavior	13	Assured		
	102-17	Mandatory	Mechanisms for advice and concerns about ethics	25	Assured		
<b>Governance</b>							
	102-18	Mandatory	Governance structure	20-23	Assured		
	102-19	Mandatory	Delegating authority	24	Assured		
<b>GRI 102: General Disclosures 2016</b>	102-20	Mandatory	Executive-level responsibility for economic, environmental, and social topics	21, 24	Assured		
	102-21	Mandatory	Consulting stakeholders on economic, environmental, and social topics	39	Assured		
	102-22	Mandatory	Composition of the highest governance body and its committees	21, 22, 23	Assured		
	102-23	Mandatory	Chair of the highest governance body	22	Assured		
	102-24	Mandatory	Nominating and selecting the highest governance body	21	Assured		
	102-25	Mandatory	Conflicts of interest	25	Assured		
	102-26	Mandatory	Role of highest governance body in setting purpose, values, and strategy	20	Assured		
	102-27	Mandatory	Collective knowledge of highest governance body	20	Assured		
	102-28	Mandatory	Evaluating the highest governance body's performance	21	Assured		
	102-29	Mandatory	Identifying and managing economic, environmental, and social impacts	38	Assured		
	102-30	Mandatory	Effectiveness of risk management processes	24	Assured		
	102-31	Mandatory	Review of economic, environmental, and social topics	21	Assured		
	102-32	Mandatory	Highest governance body's role in sustainability reporting	21	Assured		
	102-33	Mandatory	Communicating critical concerns	26	Assured		
	102-34	Mandatory	Nature and total number of critical concerns	26	Assured		
	102-35	Mandatory	Remuneration policies	21, 76	Assured		
	102-36	Mandatory	Process for determining remuneration	21	Assured		
	102-37	Mandatory	Stakeholders' involvement in remuneration	21	Assured		
	102-38	Mandatory	Annual total compensation ratio	21	Assured		
	102-39	Mandatory	Percentage increase in annual total compensation ratio	21	Assured		

# GRI Content Index

GRI Standard	Ref No.	Status	Disclosure	Page No.	Status of Assurance	Omission		
						Part Omitted	Reason Explanation	
<b>Stakeholder engagement</b>								
<b>GRI 102: General Disclosures 2016</b>	102-40	Mandatory	List of stakeholder groups	30	Assured			
	102-41	Mandatory	Collective bargaining agreements	76	Assured			
	102-42	Mandatory	Identifying and selecting stakeholders	30-31	Assured			
	102-43	Mandatory	Approach to stakeholder engagement	31	Assured			
	102-44	Mandatory	Key topics and concerns raised	31-37	Assured			
	<b>Reporting practice</b>							
		102-45	Mandatory	Entities included in the consolidated financial statements	5	Assured		
		102-46	Mandatory	Defining report content and topic Boundaries	5, 39	Assured		
		102-47	Mandatory	List of material topics	39	Assured		
		102-48	Mandatory	Restatements of information	5, 54, 55	Assured		
		102-49	Mandatory	Changes in reporting	5, 39	Assured		
		102-50	Mandatory	Reporting period	5	Assured		
		102-51	Mandatory	Date of most recent report	5	Assured		
		102-52	Mandatory	Reporting cycle	5	Assured		
		102-53	Mandatory	Contact point for questions regarding the report	5	Assured		
		102-54	Mandatory	Claims of reporting in accordance with the GRI Standards	5	Assured		
	102-55	Mandatory	GRI content index	107	Assured			
	102-56	Mandatory	External assurance	104	Assured			
<b>Material Topics</b>								
<b>GRI 200 Economic Standard</b>								
<b>Anti-corruption</b>								
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured			
	103-2	Material	The management approach and its components	20-27	Assured			
	103-3	Material	Evaluation of the management approach	20-27	Assured			
<b>GRI 205: Anticorruption 2016</b>	205-1	Material	Operations assessed for risks related to corruption	25-26	Assured			
	205-2	Material	Communication and training about anti-corruption policies and procedures	25-26	Assured			
	205-3	Material	Confirmed incidents of corruption and actions taken	25-26	Assured			
<b>Anti-competitive Behavior</b>								
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured			
	103-2	Material	The management approach and its components	84	Assured			
	103-3	Material	Evaluation of the management approach	84	Assured			
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1	Material	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	84	Assured			
<b>GRI 300 Environmental Standards Series</b>								
<b>Energy</b>								
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured			
	103-2	Material	The management approach and its components	51	Assured			
	103-3	Material	Evaluation of the management approach	51	Assured			
<b>GRI 302: Energy 2016</b>	302-1	Material	Energy consumption within the organization	51	Assured			
	302-2	Material	Energy consumption outside of the organization	52	Assured			
	302-3	Material	Energy intensity	52	Assured			
	302-4	Material	Reduction of energy consumption	51	Assured			
	302-5	Material	Reductions in energy requirements of products and services	51, 86	Assured			

GRI Standard	Ref No.	Status	Disclosure	Page No.	Status of Assurance	Omission	
						Part Omitted	Reason Explanation
<b>Water and Effluents 2018</b>							
<b>GRI 303: Management Approach Disclosures 2018</b>	303-1	Material	Interactions with water as a shared resource	58	Assured		
	303-2	Material	Management of water discharge-related impacts	58	Assured		
<b>GRI 303: Water and Effluents 2018</b>	303-1	Material	Water Withdrawal	58	Assured		
	303-2	Material	Water discharge	59	Assured		
	303-3	Material	Water consumption	59	Assured		
<b>Biodiversity</b>							
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured		
	103-2	Material	The management approach and its components	56	Assured		
	103-3	Material	Evaluation of the management approach	56	Assured		
<b>GRI 304: Biodiversity 2016</b>	304-1	Material	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	56	Assured		
	304-2	Material	Significant impacts of activities, products, and services on biodiversity	56	Assured		
	304-3	Material	Habitats protected or restored	56	Assured		
	304-4	Material	IUCN Red List species and national conservation list species with habitats in areas affected by operations	56	Assured		
<b>Emissions</b>							
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured		
	103-2	Material	The management approach and its components	54	Assured		
	103-3	Material	Evaluation of the management approach	54	Assured		
<b>GRI 305: Emissions 2016</b>	305-1	Material	Direct (Scope 1) GHG emissions	54	Assured		
	305-2	Material	Energy indirect (Scope 2) GHG emissions	54	Assured		
	305-3	Material	Other indirect (Scope 3) GHG emissions	55	Assured		
	305-4	Material	GHG emissions intensity	55	Assured		
	305-5	Material	Reduction of GHG emissions	54	Assured		
	305-6	Material	Emissions of ozone-depleting substances (ODS)	50	Assured		
	305-7	Material	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	55	Assured		
<b>Effluents and Waste</b>							
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured		
	103-2	Material	The management approach and its components	58, 60	Assured		
	103-3	Material	Evaluation of the management approach	58, 60	Assured		
<b>GRI 306: Effluents and Waste 2016</b>	306-1	Material	Water discharge by quality and destination	58, 60	Assured		
	306-2	Material	Waste by type and disposal method	60	Assured		
	306-3	Material	Significant spills	60	Assured		
	306-4	Material	Transport of hazardous waste	60	Assured		
	306-5	Material	Water bodies affected by water discharges and/or runoff	58	Assured		

# GRI Content Index

GRI Standard	Ref No.	Status	Disclosure	Page No.	Status of Assurance	Omission	
						Part Omitted	Reason Explanation
<b>Environmental Compliance</b>							
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured		
	103-2	Material	The management approach and its components	60	Assured		
	103-3	Material	Evaluation of the management approach	60	Assured		
<b>GRI 307: Environmental Compliance 2016</b>	307-1	Material	Non-compliance with environmental laws and regulations	60, 61	Assured		
<b>Supplier Environmental Assessment</b>							
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured		
	103-2	Material	The management approach and its components	17	Assured		
	103-3	Material	Evaluation of the management approach	17	Assured		
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	Material	New suppliers that were screened using environmental criteria	17	Assured		
	308-2	Material	Negative environmental impacts in the supply chain and actions taken	17	Assured		
<b>GRI 400 Social Standards Series</b>							
<b>Labour Management</b>							
<b>GRI 103: Management Approach</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured		
	103-2	Material	The management approach and its components	76	Assured		
	103-3	Material	Evaluation of the management approach	76	Assured		
<b>GRI 402: Labor Management 2016</b>	402-1	Material	Minimum notice periods regarding operational changes	76	Assured		
<b>Occupational Health and Safety</b>							
<b>GRI 403: Management Approach Disclosures 2018</b>	403-1	Material	Occupational health and safety management system	78	Assured		
	403-2	Material	Hazard identification, risk assessment, and incident investigation	78	Assured		
	403-3	Material	Occupational health services	83	Assured		
	403-4	Material	Worker participation, consultation, and communication on occupational health and safety	78	Assured		
	403-5	Material	Worker training on occupational health and safety	71, 80, 81	Assured		
	403-6	Material	Promotion of worker health	83	Assured		
	403-7	Material	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	78	Assured		
<b>GRI 403: Occupational Health and Safety 2018</b>	403-8	Material	Workers covered by an occupational health and safety management system	78	Assured		
	403-9	Material	Work-related injuries	80	Assured		
	403-10	Material	Work-related ill health	80	Assured		

GRI Standard	Ref No.	Status	Disclosure	Page No.	Status of Assurance	Omission	
						Part Omitted	Reason Explanation
<b>Diversity &amp; Inclusion</b>							
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured		
	103-2	Material	The management approach and its components	76	Assured		
	103-3	Material	Evaluation of the management approach	76	Assured		
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Material	Diversity of governance bodies and employees	23	Assured		
	405-2	Material	Ratio of basic salary and remuneration of women to men	21	Assured		
<b>Non-Discrimination</b>							
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured		
	103-2	Material	The management approach and its components	76	Assured		
	103-3	Material	Evaluation of the management approach	76	Assured		
<b>GRI 406: Non-Discrimination 2016</b>	406-1	Material	Incidents of discrimination and corrective actions taken	76	Assured		
<b>Human Rights</b>							
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured		
	103-2	Material	The management approach and its components	76	Assured		
	103-3	Material	Evaluation of the management approach	76	Assured		
<b>GRI 412: Human Rights 2016</b>	412-1	Material	Operations that have been subject to human rights reviews or impact assessments	76	Assured		
	412-2	Material	Employee training on human rights policies or procedures	77	Assured		
	412-3	Material	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	76	Assured		
<b>Customer Health and Safety</b>							
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured		
	103-2	Material	The management approach and its components	92	Assured		
	103-3	Material	Evaluation of the management approach	92	Assured		
<b>GRI 416: Customer Health and Safety 2016</b>	416-1	Material	Assessment of the health and safety impacts of product and service categories	92	Assured		
	416-2	Material	Incidents of non-compliance concerning the health and safety impacts of products and services	92	Assured		
<b>Marketing and Labeling</b>							
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured		
	103-2	Material	The management approach and its components	84	Assured		
	103-3	Material	Evaluation of the management approach	84	Assured		
<b>GRI 417: Marketing and Labeling 2016</b>	417-1	Material	Requirements for product and service information and labeling	84	Assured		
	417-2	Material	Incidents of non-compliance concerning product and service information and labeling	84	Assured		
	417-3	Material	Incidents of non-compliance concerning marketing communications	84	Assured		

# GRI Content Index

GRI Standard	Ref No.	Status	Disclosure	Page No.	Status of Assurance	Omission	
						Part Omitted	Reason Explanation
<b>Socioeconomic Compliance</b>							
<b>GRI 103: Management Approach 2016</b>	103-1	Material	Explanation of the material topic and its Boundary	39	Assured		
	103-2	Material	The management approach and its components	40	Assured		
	103-3	Material	Evaluation of the management approach	40	Assured		
<b>GRI 419: Socioeconomic Compliance 2016</b>	419-1	Material	Non-compliance with laws and regulations in the social and economic area	76, 94	Assured		
<b>Oil and Gas Sector Supplement (OGSS - GRI G4)</b>							
<b>GRI G4 OGSS - Oil and Gas Sector Supplement</b>	OG 2	Material	Total amount invested in renewable energy	57	Assured		
	OG 3	Material	Total amount of renewable energy generated by source	57	Assured		
	OG 8	Material	Benzene, Lead and Sulphur content in fuels	15	Assured		
	OG 14	Material	Volume of Biofuels produced and purchased	57	Assured		

# Abbreviations

Sr no	Abbreviation	Full Form	Sr no	Abbreviation	Full Form
1	AIMA	All India Management Association	39	CSIR	Council Of Scientific & Industrial Research
2	AIPSSPB	All India Public Sector Sports Promotion Board	40	CSR	Corporate Social Responsibility
3	ALDS	Auto LPG Dispensing Station	41	CTC	Centralised Threshing Centre
4	API	American Petroleum Institute	42	CVC	Central Vigilance Commission
5	ASF	Aviation Service Facility	43	CVO	Central Vigilance Commission
6	ASSOCHAM	The Associated Chambers Of Commerce And Industry Of India	44	CWD	Children With Disabilities
7	ATF	Aviation Turbine Fuel	45	DARPG	Department Of Administrative Reforms & Public Grievances
8	BBL	Barrel	46	DEF	Diesel Exhaust Fluid
9	BBS	Behaviour Based Safety	47	DHDS	Diesel Hydrodesulfurization
10	BCCI	Bombay Chamber Of Commerce And Industries	48	DHT	Diesel Hydro Treating Unit
11	BEDP	Basic Engineering And Design Package	49	DOPT	Department Of Personnel And Training
12	BIS	Bureau Of Indian Standards	50	EAP	Employee Assistance Program
13	BPCL	Bharat Petroleum Corporation Limited	51	EGP	Education Growth Plan
14	BPL	Below Poverty Line	52	EMD	Earnest Money Deposit
15	BS	Bharat Stage	53	ERDMP	Emergency Response Disaster Management Plan
16	C&B	Compensation & Benefits	54	ERP	Enterprise Resource Planning
17	C&MD	Chairman And Managing Director	55	ESG	Environmental, Social and Governance
18	CAG	Comptroller And Auditor General Of India	56	ESIC	Employees' State Insurance Corporation
19	CBG	Compressed Bio Gas	57	ETP	Effluent Treatment Plant
20	CCR	Continuous Catalytic Reformer	58	EVCS	Electric Vehicle Charging Station
21	CDA	Conduct, Discipline And Appeal Rules	59	FCC	Fluidised Catalytic Cracking
22	CDU	Crude Distillation Unit	60	FCCU	Fluid Catalytic Cracking Unit
23	CEA	Central Electricity Authority	61	FII	Foreign Institutional Investors
24	CFA	Clearing And Forwarding Agents	62	FY	Fiscal Year
25	CFD	Committee Of Functional Directors	63	GeM	Government e-marketplace
26	CGD	City Gas Distribution	64	GHG	Green House Gas
27	CHT	Center For High Technology	65	GJ	Gigajoule
28	CII	Confederation Of Indian Industry	66	GRI	Global Reporting Initiative
29	CNG	Compressed Natural Gas	67	GST	Goods And Services Tax
30	COD	Contractor Operated Depot	68	HFHSD	High Flash High Speed Diesel
31	COLD	Contractor Operated Lube Depot	69	HGU	Hydrogen Generation Unit
32	COMCO	Company Owned Managed By Company Officer	70	HMEL	HPCL Mittal Energy Limited
33	CPCB	Central Pollution Control Board	71	HPCL	Hindustan Petroleum Corporation Limited
34	CPGRAMS	Centralised Public Grievances Redress And Monitoring System	72	HPGRDC	Hindustan Petroleum Green Research & Development Centre
35	CPM	Certified Petroleum Manager	73	HPMDI	HP Management Development Institute
36	CPO	Central Procurement Organisation	74	HQO	Head Quarters Office
37	CPSEs	Central Public Sector Enterprises	75	HR	Human Resource
38	CRM	Customer Relationship Management, Certified Reference Material	76	HSD	High Speed Diesel
			77	HSE	Health, Safety & Environment

Sr no	Abbreviation	Full Form
78	ICC	Internal Complaint Committees
79	IMM	Integrated Margin Management
80	IPCC	Intergovernmental Panel On Climate Change
81	IQCM	Industry Quality Control Manual
82	IRD	Inland Relay Depot
83	ISO	International Organization For Standardization
84	JBO	Jute Batching Oil
85	KPI	Key Performance Indicators
86	kWh	Kilowatt Hour
87	LAM	Limits Of Authority Manual
88	LDO	Light Diesel Oil
89	LED	Light Emitting Diode
90	LNG	Liquefied Natural Gas
91	LOI	Letter Of Intent
92	LPG	Liquefied Petroleum Gas
93	MDG	Marketing Discipline Guidelines
94	MDPL	Mundra Delhi Pipeline
95	MERC	Management Employee Relations Committee
96	MMT	Million Metric Tonne
97	MMTPA	Million Metric Tonne Per Annum
98	MoEF&CC	Ministry Of Environment, Forest & Climate Change
99	MoP&NG	Ministry Of Petroleum & Natural Gas
100	MOU	Memorandum Of Understanding
101	MPCB	Maharashtra Pollution Control Board
102	MR	Mumbai Refinery
103	MRPL	Mangalore Refinery And Petrochemicals Ltd.
104	MS	Motor Spirit
105	MSDS	Material Safety Data Sheet
106	MSEs	Micro And Small Enterprises
107	MSMEs	Micro, Small And Medium Enterprises
108	MT	Metric Tonne
109	MTO	Mineral Turpentine Oil
110	MW	Megawatt
111	MWp	Megawatt Peak
112	NABL	National Accreditation Board For Calibration And Testing Laboratories
113	NDC	Nationally Determined Contributions
114	NFCCU	New Fluid Catalytic Cracking Unit

Sr no	Abbreviation	Full Form
115	NGO	Non Governmental Organisation
116	NGT	National Green Tribunal
117	NOX	Nitrous Oxides
118	NRI	Non Resident Indian
119	OCB	Overseas Corporate Body
120	OEM	Original Equipment Manufacturer
121	OFCCU	Old Fluid Catalytic Cracking Unit
122	OHC	Occupational Health Center
123	OISD	Oil Industry Safety Directorate
124	OMC	Oil Marketing Company
125	PAT	Perform, Achieve And Trade
126	PDS	Predesulphurisation Section
127	PLC	Programmable Logic Controller
128	PME	Periodic Medical Examination
129	PMUY	Pradhan Mantri Ujjwala Yojana
130	PNGRB	Petroleum And Natural Gas Regulatory Board
131	POSH	Prevention Of Sexual Harassment
132	PRP	Performance Related Pay
133	PSA	Pressure Swing Adsorption
134	PSPB	Petroleum Sports Promotion Board
135	QA	Quality Assurance
136	QR	Quick Response
137	R&D	Research & Development
138	RMSC	Risk Management Steering Committee
139	RTI	Right To Information
140	SBU	Strategic Business Unit
141	SDG	Sustainable Development Goals
142	SEBI	Securities And Exchange Board Of India
143	SOx	Sulphur Oxides
144	SPCB	State Pollution Control Board
145	SPM	Suspended Particulate Matter
146	SRFT	Standard Refinery Fuel Tonnage
147	STP	Sewage Treatment Plant
148	tCO <sub>2</sub> e	Tonnes Of Carbon Dioxide Equivalent
149	TDS	Tax Deducted At Source
150	TReDS	Trade Receivables Discounting System
151	UNGC	United Nations Global Compact
152	VLSFO	Very Low Sulphur Fuel Oil
153	VOC	Volatile Organic Compounds
154	VR	Visakh Refinery
155	VRU	Vapour Recovery Unit



## Sustainability Report 2021-22

### Feedback Form

Your feedback is important for continuously improving our Sustainability performance and reporting. Please take a few minutes to answer the following questions:

- How would you rate the overall report quality?  
 Excellent       Good       Average       Poor
- Which aspect/(s) did you like the most in the report?  
 Coverage of topics     Design & Layout       Data Representation     Readability
- Which section/(s) did you like the most in the report?  
 HPCL at a Glance       Sustainability at HPCL       Economic Performance  
 Natural Environment     Helping People Thrive       Governing a Successful Organisation  
 Delighting the Customer     Playing our Role in Society
- What additional information would you like to see in our future reports?

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- Any other comments/suggestions?

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Kindly provide us your contact information for further correspondence:

Which of the following best describes your occupation/industry?

- Academia       Corporation       Customer       Financial Analyst  
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Name: \_\_\_\_\_ Company: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

#### Mail your responses to:

##### Sustainability Division - Corporate HSE

Hindustan Petroleum Corporation Limited  
Petroleum House, 17, Jamshedji Tata Road,  
Churchgate, Mumbai - 400020  
Email ID: [corporatehse@mail.hpcl.co.in](mailto:corporatehse@mail.hpcl.co.in)

Online Feedback can be given at:

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सत्यमेव जयते

भारत सरकार

## मंत्रिमंडल सचिवालय लोक शिकायत निदेशालय

### क्या आप अनसुलझी शिकायतों से परेशान हैं ?

आप लोक शिकायत निदेशालय के कार्य क्षेत्र के अंतर्गत मंत्रालयों/विभागों और संगठनों से संबंधित शिकायतों के समाधान के लिए लोक शिकायत निदेशालय की सहायता ले सकते हैं। पिछले कुछ सालों में, इस निदेशालय द्वारा उठाई गई लगभग नब्बे प्रतिशत शिकायतों का संतोषजनक समाधान किया गया है।

#### अपनी शिकायत दर्ज कराने से पहले कृपया नीचे दी गई शर्तों को ध्यानपूर्वक पढ़ें:-

- आपने अपनी शिकायतों को सम्बंधित विभाग के समक्ष समाधान हेतु प्रस्तुत कर लिया हो।
- आपकी शिकायत सेवा मामले ( ग्रेच्युटी, जीपीएफ इत्यादि जैसे सेवांत हितलाभों के भुगतान के अलावा) संबंधित विभाग के मंत्री के स्तर पर निपटाए गए मामले, वाणिज्यिक अनुबंध, न्यायाधीन मामले, ऐसे मामले जहां निर्णय लेने के लिए अर्द्धन्यायिक पद्धति और अपीलिय प्रक्रियाएं निर्धारित की गई हैं, आरटीआई मामले, धार्मिक मामले से संबंधित न हो।
- किसी भी प्रकार के सुझाव को शिकायत रूप में नहीं माना जाएगा।

#### लोक शिकायत निदेशालय के कार्यक्षेत्र के अंतर्गत आने वाले मंत्रालयों/ विभागों/संगठनों की सूची

(क)	रेल मंत्रालय	(ज)	सार्वजनिक क्षेत्र के बैंक
(ख)	डाक विभाग	(झ)	सार्वजनिक क्षेत्रों की बीमा कंपनिया
(ग)	बीएसएनएल और एमटीएनएल सहित दूरसंचार विभाग	(ञ)	वित्त मंत्रालय की राष्ट्रीय बचत स्कीम
(घ)	दिल्ली विकास प्राधिकरण, भूमि और विकास कार्यालय, सीपीडब्ल्यूडी और सम्पदा निदेशालय सहित शहरी विकास मंत्रालय।	(ट)	श्रम और रोजगार मंत्रालय के अंतर्गत कर्मचारी राज्य बीमा निगम नियंत्रित ईएसआई अस्पताल और औषधालय।
		(ठ)	कर्मचारी भविष्य निधि संगठन
(ड)	पेट्रोलियम और प्राकृतिक गैस मंत्रालय, इसके सार्वजनिक क्षेत्र के उपक्रम सहित	(ड)	विदेश मंत्रालय के अंतर्गत क्षेत्रीय पासपोर्ट प्राधिकरण
(च)	भारतीय विमानपत्तन प्राधिकरण और एअर इंडिया सहित नागर विमानन मंत्रालय	(ढ)	स्वास्थ्य और परिवार कल्याण मंत्रालय के अंतर्गत केंद्रीय सरकार स्वास्थ्य योजना
(छ)	केंद्रीय माध्यमिक शिक्षा बोर्ड, केंद्रीय विद्यालय संगठन, राष्ट्रीय मुक्त विद्यालयीय संस्थान, नवोदय विद्यालय समिति, केंद्रीय विश्वविद्यालय समविश्व-विद्यालय(केंद्रीय) और मानव संसाधन विकास मंत्रालय की छात्रवृत्ति स्कीमें।	(ण)	पर्यटन मंत्रालय
		(त)	युवक कार्यक्रम मंत्रालय
		(थ)	पोत परिवहन, सड़क परिवहन और राजमार्ग मंत्रालय

नोट: आप हमारी वेबसाइट <http://dpg.gov.in> पर अपनी शिकायत दर्ज कर सकते हैं। आप अपनी शिकायत, संपूर्ण सूचना और संगत दस्तावेजों के साथ हमें डाक/फैक्स या ईमेल द्वारा भेज सकते हैं।

हमसे यहां संपर्क करें:-  
सचिव  
लोक शिकायत निदेशालय  
दूसरा तल, सरदार पटेल भवन, संसद मार्ग, नई दिल्ली- 110001  
दूरभाष : 011-23743139, 011-23741228, 011-23363733  
फैक्स : 011-23345637  
वेबसाइट : <http://dpg.gov.in>



सत्यमेव जयते

GOVERNMENT OF INDIA

## CABINET SECRETARIAT DIRECTORATE OF PUBLIC GRIEVANCES

### Unresolved Grievances Bothering You ?

You may seek help of Directorate of Public Grievances [DPG] in resolution of Grievances relating to Ministries / Departments and Organizations under its Purview. In last few years, nearly ninety percent of the grievances taken up by the Directorate have been resolved favourably.

**Please read carefully the conditions listed below before lodging your grievance :**

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- Your grievance should not relate to service matter [other than payment of terminal benefits like gratuity, GPF etc.], a case disposed off at the level of Minister of the concerned Department, commercial contract, a subjudice case, a case where quasi-judicial procedures and appellate mechanisms are prescribed for decision making, RTI matter, Religious matter.
- Suggestion of any sort will not be treated as grievance.

**List of Ministries /Departments/Organizations under DPG's purview**

[a]	Ministry of Railways	[i]	Public Sector Banks
[b]	Department of Posts	[j]	Public Sector Insurance Companies
[c]	Department of Telecommunications including BSNL and MTNL	[k]	National Saving Scheme of Ministry of Finance
[d]	Ministry of Urban Development including Delhi Development Authority, Land & Development Office, SPWD and Directorate of Estates	[l]	ESI Hospitals and Dispensaries directly controlled by Employees State Insurance Corporation under Ministry of Labour and Employment
[e]	Ministry of Petroleum and Natural Gas including its Public Sector Undertakings	[m]	Employees' Provident Fund Organization
[f]	Ministry of Civil Aviation including Airports Authority of India and Air India	[n]	Regional Passport Authorities under Ministry of External Affairs
[g]	Ministry of Shipping, Road Transport and Highways	[o]	Central Government Health Scheme under Ministry of Health and Family Welfare
[h]	Ministry of Tourism	[p]	Central Board of Secondary Education, Kendriya Vidyalay Sangathan, National Institute of Open Schooling, Navodaya Vidyalaya Samiti, Central Universities, Deemed Universities [Central] and Scholarship Schemes
		[q]	Ministry of Youth Affairs

**Note : You can lodge your Grievance online on our website**

<http://dpg.gov.in>.

You may also

send your grievance to us by post or fax with complete information and relevant documents

**Contact us at :**

The Secretary

Directorate of Public Grievances

2nd Floor, Sardar Patel Bhawan, Sansad Bhawan, New Delhi 100001

Tel : 011-23743130, 011-23741228, 011-23363733

Fax : 011-23345637, e-mail : [secypg@nic.in](mailto:secypg@nic.in)

Website : <http://dpg.gov.in>





हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड  
Hindustan Petroleum Corporation Limited

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