



# Castrol India Limited

## Board Familiarisation Programme

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## **CASTROL INDIA LIMITED**

### **Familiarisation Programme for the Board of Directors**

This Familiarization Program ("**the Program**") for Directors of Castrol India Limited ("**the Company**") has been adopted by the Board of Directors pursuant to Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **I. Objective:**

This Programme aims at familiarizing the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates and business model of the Company while also facilitating their active participation in the decision making process, benefiting the Company.

#### **II. Details of the Programme:**

##### **A] Familiarization imparted immediately upon appointment of the Director:**

An appointment letter issued to a newly inducted Independent Director, *inter-alia* setting out the expectation of the Board, their fiduciary duties and the accompanying liabilities that come with their appointment as a Director of the Company. The Company has provided Handbook on Roles and Responsibilities of Directors.

The Company conducts an introductory familiarization program / presentation, when a new Independent Director comes on the Board which includes a brief introduction to Company, its subsidiaries (if any) and holding company.

The Familiarization Programme imparted upon appointment provides information relating to the Company, the Lubricants industry, business model of the Company, business processes and policies, geographies in which the Company operates, etc. The programme intends to improve awareness of the Independent Directors on their roles, rights, responsibilities towards the Company.

A new Director is provided with an induction kit which, *inter alia*, includes the Company's Memorandum and Article of Association, this Policy, Latest Quarterly Financial Results along with Press Release, Terms of reference of Board on which inducted, BP Code of Conduct, Castrol Code for Prevention of Insider Trading, Handbook on Roles and Responsibilities of Directors and last 3 years Annual Reports.

When a new Independent Director comes on the Board of the Company, a meeting is arranged with the Chairperson, Managing Director, Chief Financial Officer, Managing Counsel and Company Secretary & Compliance Officer to discuss the functioning of the Board, nature of the operations of the Company's business activities and major corporate events in the recent past.

Further, the Programme also provides information relating to the financial performance of the Company, budgeting and control processes of the Company. The Managing Director and the Chief Financial Officer (CFO) or such other officer(s) of the Company, duly authorized by the Chairperson or in case of Appointment of Chairperson by the Managing Director or in the absence of Managing Director any Whole-time Director of the Company, leads such Programme. The Key Managerial Personnel or Senior Management Personnel participates in the programme for providing inputs wherever required.

**B] Continual Familiarization processes:**

1. The Independent Directors are provided with periodic inputs on the business performance of the Company, through deliberations at the Committee and Board Meetings during the year.
2. The Board meets at an annual strategy meet. At this meet the Board engages with the Leadership Team and Management Team members of the Company on long term strategic issues such as growth strategies, innovation, succession planning, human capital management, culture, "Route to Market" strategies, technology etc. These insightful sessions allow the Board to get a better understanding of the Business on continuous basis. They also allow the Leadership Team and Management Team members to solicit different perspectives from the Board.
3. The Whole-time Directors along with the Company Secretary & Compliance Officer and the Managing Counsel regularly meet the Non-Executive, Independent Directors, (independent of Board and Committee meetings) as a part of familiarisation programme. Such meetings are held, usually, before the Board and Committee meetings so that it helps the Directors not only to have a greater insight into Company's business but also add more value in the decision making at the meetings of the Board and Committees.
4. Such discussions cover issues like new product launches, industry scenario, competition, initiatives towards greater employee engagement, employee attrition, marketing initiatives, market activation schemes, updates on regulatory side, work done towards improves at plants, etc.
5. During some of these engagement sessions, one/more functional heads are also invited for one-on-one interactions / presentations with the Independent Directors, which helps the directors to have better understanding of business and industry scenario.

6. Such programmes /presentations provide an opportunity to the Independent Directors to interact with the Key Managerial Personnel and Senior Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management.
7. Presentations made at Board and Committee Meetings include updates on regulatory, business environment, risk management, Company Policies and other relevant issues. Reports on operations of the Company are also shared which include information on business performance, types of products, brands, position of the Company in industry, market share, financial parameters, working capital management, senior management changes, litigations, compliances and fund flows.
8. Directors are invited periodically, to visit Company's plants, R&D set-up where Plant Manager and senior plant heads could apprise them of the operational and sustainability aspects of the units.
9. Board members are also provided from time to time, with necessary industry reports and internal policies to enable them to familiarise with the Company's procedures and practices.

**C] Continual access to Board information:**

The Company has provided the Board Members with an iOS based application that provides them with a continual access to all information, presentations & other documents that are shared with the Board from time to time.

**D] Programmes conducted for Board familiarisation :**

Programmes conducted for Board familiarisation is annexed to this Policy.

**E] Disclosure of the Policy**

This Policy shall be uploaded on the Company's website for public information and a web link for the same shall also be provided in the Annual Report of the Company.

Familiarization program shall be conducted "as needed" and modified depending upon needs and requirements.

**F] Review of the Program**

The Board will review this Program and make revisions as may be required.

## ANNEXURE

### **A. FINANCIAL YEAR 2017:**

On 30 May 2017, a special full day session was conducted for the Independent Directors to apprise them of the growth strategy of the Company. The Leadership Team presented to the Board members detailed plans to reach this long-term growth plan.

The details of training programs attended by Independent Directors during the financial year ended 31 December 2017 are as follows:

Sr. No.	Areas of Discussions	Meeting date	Time Spent (approx.)	No. of Hours spent cumulatively every year
1.	Strategy meet	30 May 2017	7	7
2.	Review of Company's performance	Every quarter	1	4
3.	Various other presentations made (at Board & Committee meetings) on business performance and strategic thrust areas	Every quarter	6	24
<b>TOTAL</b>				<b>35</b>

### **FINANCIAL YEAR 2018:**

The details of training programs attended by Independent Directors during the financial year ended 31 December 2018 are as follows:

Sr. No.	Areas of Discussions	Meeting date	Time Spent (approx.)	No. of Hours spent cumulatively every year
1.	Review of Company's performance	Every quarter	1	4
2.	Various other presentations made (at Board & Committee meetings) on business performance and strategic thrust areas	Every quarter	6	24
3.	Handbook on Roles and Responsibilities of Directors	One Time	1	1
<b>TOTAL</b>				<b>29</b>

**B. FINANCIAL YEAR 2019:**

The details of training programs attended by Independent Directors during the financial year ending 31 December 2019 (till 30 June 2019) are as follows:

Sr. No.	Areas of Discussions	Meeting date	Time Spent (approx.)	No. of Hours spent cumulatively every year
1.	Review of Company's performance	Every quarter	1	4
2.	Various other presentations made (at Board & Committee meetings) on business performance and strategic thrust areas	Every quarter	6	24
3.	Visit to Company's Silvassa plant	1 April 2019	8	8
4.	Visits to the Company's headquarters in London for select members of the Board	July 2019	2 days	48
<b>TOTAL</b>				<b>84</b>

**C. FINANCIAL YEAR 2020:**

The details of training programs attended by Independent Directors during the financial year ending 31 December 2020 are as follows:

Sr. No.	Areas of Discussions	Meeting date	Hours (approx.)	No. of Hours cumulatively every year
1.	Review of Company's performance	Every quarter	1	4
2.	Various other presentations made (at Board & Committee meetings) on business performance and strategic thrust areas	Every quarter	6	24
3.	COVID-19 Impact on Business performance and steps taken to ensure functioning of operations – update to the Board	April 2020	3	3
4.	Business transformation update	August and November 2020	3	6
<b>TOTAL</b>				<b>39</b>

**C. FINANCIAL YEAR 2021:**

The details of training programs attended by Independent Directors during the financial year ending 31 December 2021 are as follows:

Sr. No.	Areas of Discussions	Meeting date	Hours (approx.)	No. of Hours cumulatively every year
1.	Review of Company's performance	Every quarter	1	4
2.	Various other presentations made (at Board & Committee meetings) on business performance and strategic thrust areas	Every quarter	2	12
3.	People Update	August and October 2021	1	2
4.	Regulatory Update	Every quarter	1	4

**D. FINANCIAL YEAR 2022:**

The details of training programs attended by Independent Directors during the financial year ended 31 December 2022 are as follows:

Sr. No.	Areas of Discussions	Meeting date	Hours (approx.)	No. of Hours cumulatively every year
1.	Review of Company's performance	Every quarter	1	4
2.	Various other presentations made (at Board & Committee meetings) on business performance and strategic thrust areas	Every quarter	2	12
3.	Strategy Meet	10 May 2022	8 hours	8 hours
4.	People Update	February and May 2022	1	2
5.	Regulatory Update	Every quarter	1	4

**E. FINANCIAL YEAR 2023:**

The details of training programs attended by Independent Directors during the financial year ended 31 December 2023 are as follows:

Sr. No.	Areas of Discussions	Meeting date	Hours (approx.)	No. of Hours cumulatively every year
1.	Review of Company's performance	Every quarter	1	4
2.	Various other presentations made (at Board & Committee meetings) on business performance and strategic thrust areas	Every quarter	2	8
3.	Strategy Meet	31 July 2023 and 31 October 2023	13	13
4.	People Update	February, May and October 2023	1	2
5.	Regulatory Update	Every quarter	1	4

**F. FINANCIAL YEAR 2024:**

The details of training programs attended by Independent Directors during the financial year ended 31 December 2024 are as follows:

Sr. No.	Areas of Discussions	Meeting date	Hours (approx.)	No. of Hours cumulatively every year
1.	Review of Company's performance	Every quarter	1.5	6
2.	Risk Management	Every quarter	0.5	1
3.	Strategy Meets	23 Feb 2024 & 30 Sept 2024	5	10
4.	People Update	Every quarter	0.6	2:4
5.	Code of Conduct and Vigil Mechanism	Every quarter	0.16	0.6
6.	Regulatory Update	Every quarter	0.5	2

Apart from the above, Independent Director appointed during the year was issued letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The familiarization process included interactive sessions with the management, business and functional heads, visits to markets/plants, etc.