



SUSTAINABILITY REPORT 2021-22



REIMAGINING SUSTAINABILITY
FOR REAL WORLD IMPACT

Reimagining sustainability for real world impact

Sustainability and impact are not mutually exclusive and the last few years have been a testament to this idea, more than before. Climate change is one of the most pressing global concerns and its pervasive effects need to be mitigated with synchronised nudges.

At UPL, we are constantly striving to make efficient and conscious choices, to deliver sustainability in the global food systems. As we put together concerted efforts in improving agricultural viability across the world, we remain committed to building a nimble-footed and sustainable presence, while building a diversified bouquet of crop solutions.

FY 2021-22 saw us reimagining sustainability through novel initiatives with a globalised, yet personal approach for every grower we work with. This year, we plan on embedding the recalibrated sustainability ideas into our operations in order to yield greater, more valuable and measurable returns. We understand that the ambit of sustainability is rather wide and cannot remain

confined only to environmental stewardship. It also encompasses responsible sourcing, community wellbeing and strengthened food security, among others.

Our alignment with United Nation's 2030 global Sustainable Development Goals, coupled with our organisational targets for 2025, further drive our performance and determine how we envision the world, the agricultural innovation and our duty of giving back to the planet.

We are well-positioned to set newer benchmarks through growth in our profits, new acquisitions, our

expanding product portfolio, innovation and collaborations towards a common motive of making the world a fundamentally better place.

UPL follows all the best practices for the industry and constantly empowers its workforce, associated communities and stakeholders.

We aim higher year-on-year, redefining sustainability and delivering on our targets, to create strong and real-world impact for generations to come.



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Sustainability performance highlights

Environment

<p>↓ 14% Reduction in water consumption intensity*</p> <p>S&P Dow Jones Indices A Division of S&P Global Only agrochemical company in the world included in DJSI Sustainability Yearbook 2022</p> <p>Carbon Neutrality Committed to achieve by 2040</p>	<p>↓ 23% Reduction in waste disposal intensity*</p> <p>SUSTAINALYTICS Ranked #1 among all agrochemicals globally in 2021</p> <p>Scope 3 Emissions Included in GHG Inventory</p>	<p>↓ 7% Reduction in carbon emission intensity *</p> <p>FTSE4Good Responsible Care Good Chemistry at Work FTSE4Good & RC logo holders</p> <p>Science Based Targets Submitted to Science Based Targets initiative (SBTi)</p>	<p>↑ 22% Electric power from renewable sources at our two largest manufacturing plants</p>
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Social

<p>₹ 27 crore CSR spend</p> <p>30 R&D Facilities</p>	<p>~ 1 mn CSR beneficiaries</p> <p>7.5 hours per learner Total training hours</p>	<p>13,000+ Employees#</p> <p>~3% Annual revenue reinvested in R&D</p>
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Governance

<p>#1 Bio solutions company</p> <p>5 Independent Directors of Board</p> <p>TCFD Report Released Task Force on Climate Related Financial Disclosures Report</p>	<p>#5 Agrochemical company in the world</p> <p>70% Global spend through procurement sustainability assessment programme</p>	<p>138+ Country presence</p> <p>29% Revenue from differentiated and sustainable products</p>
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*During FY 2021-22 as compared to FY 2020-21 # UPL and its subsidiaries * Specific (Intensity) is measure as per MT of production



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Independent Limited Assurance Statement to UPL Limited on its Sustainability Report for Financial Year 2021-22

To the Management of UPL Limited, UPL House, CTS No 610 B/2, Behind, Off, Western Express Highway, Teacher's Colony, Bandra East, Mumbai, Maharashtra, India.

Introduction

We ('KPMG Assurance and Consulting Services LLP', or 'KPMG') have been engaged by UPL Limited ('UPL' or 'the Company') for the purpose of providing an independent assurance on selected non-financial disclosures in their Sustainability Report for the reporting period 1st April 2021 to 31st March 2022 ('the Report'). Our responsibility was to provide limited assurance on selected non-financial disclosure as described in the Scope, Boundary and Limitations.

Reporting Criteria

UPL applies its own sustainability reporting criteria derived from Global Reporting Initiative (GRI) Standards¹, in-accordance - Comprehensive option.

Assurance Standard

We have conducted our assurance in accordance with:

- Limited Assurance requirements of International Federation of Accountants' (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.
 - Under this standard, we have reviewed the information presented in this Report against the characteristics of relevance, completeness, reliability, neutrality, and understandability.
 - Limited assurance consists primarily of enquiries and analytical procedures. The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement.

Scope, Boundary and Limitations

- The scope of assurance covers selected environmental and social disclosures of UPL as mentioned in the table below, for the period 01 April 2021 to 31 March 2022.
- The reporting boundary includes UPL global operations as mentioned in the Report.

KPMG Assurance and Consulting Services LLP, an Indian limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

KPMG (Registered) is a partnership firm with Registration No. BA-62445 converted into KPMG Assurance and Consulting Services LLP (a Limited Liability Partnership with LLP Registration No. AA-0367) with effect from July 23, 2020.

Registered Office:
2nd Floor, Block T2 (B Wing)
Lucha Excelus, Apollo Mills
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Mahalaxmi, Mumbai 400011 India.



The disclosures¹ subject to assurance based on GRI Standards are as follows:

GRI Standards: Universal Standards
<ul style="list-style-type: none"> • General Disclosures <ul style="list-style-type: none"> ○ Stakeholder engagement (102-40, 102-42, 102-43, 102-44) ○ Reporting practice (102-46 to 102-52, 102-54, 102-55)
GRI Standards: Topic Specific Standards
<ul style="list-style-type: none"> • Environment <ul style="list-style-type: none"> ○ Energy (2016): 302-1, 302-3 ○ Water and Effluents (2018): 303-3, 303-4, 303-5 ○ Emissions (2016): 305-1, 305-2, 305-3², 305-4 ○ Waste (2020): 306-4³, 306-5³ • Social <ul style="list-style-type: none"> ○ Occupational Health and Safety (2018): 403-9⁴, 403-10⁴ ○ Human Rights Assessment (2016): 412-1

Exclusions

Assurance scope excludes the following:

- Disclosures other than those mentioned under the scope above
- Data and information outside the defined reporting period
- Data related to Company's financial performance
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company and assertions related to Intellectual Property Rights and other competitive issues
- Data review outside the operational sites as mentioned in the boundary below
- Strategy and other related linkages expressed in the Report
- Mapping of the Report with other reporting frameworks other than those mentioned in reporting criteria above

Assurance Procedure

Our assurance processes involve performing procedures to obtain evidence about the reliability of specified disclosures. The nature, timing and extent of procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the selected sustainability disclosures whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the preparation of the Report in order to design assurance procedures that are appropriate in the circumstances.

Our assurance procedure also included:

- Assessment of UPL's reporting procedures regarding their consistency with the application of GRI Standards.
- Evaluating the appropriateness of the quantification methods used to arrive at the sustainability disclosures presented in the report.
- Review of systems and procedures used for quantification, collation, and analysis of sustainability disclosures included in the Report.
- Understanding the appropriateness of various assumptions, estimations and materiality thresholds used by UPL for data analysis.

¹ For details regarding the disclosures, please refer the GRI Content Index

² The data included under 305-3 includes upstream and downstream categories: Purchase of goods and services (limited to raw material, packaging material and trading material), capital goods, Fuel and energy related activities, upstream and downstream transportation and distribution, Waste generated in operations.

³ Only for Hazardous category of waste

⁴ Data includes on number of fatalities and recordable injuries.



- Discussion with the personnel responsible to ensure the reliability of data and information presented in the report
- Assessment of data reliability and accuracy

The data was reviewed through site visit and virtual interactions through screen sharing tools at the following selected sample locations:

We conducted assurance site visits at the following locations

- **Unit 1** – Ankleshwar
- **Unit 2** – Ankleshwar
- **Unit 3** - Ankleshwar
- **Unit 5** – Jhagadia
- **Head office** – Mumbai

We also conducted assurance site visits at the following locations

- **UCPL** – Colombia
- **Head office** – Mumbai

Conclusion

We have reviewed selected non-financial disclosure in the Report of UPL Limited. Based on our review and procedures performed, nothing has come to our attention that causes us not to believe that the sustainability data and information as per the scope of assurance presented in this Report is appropriately stated in all material respects, and in accordance with reporting criteria.

We have provided our observations to the Company in a separate management letter. These, do not, however, affect our conclusion regarding the Report.

Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information in line with the requirements of ISAE 3000 (Revised) standard. Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies International Standard of Quality Control (ISQC1) and the practitioner complies with the applicable independence and other ethical requirements of the IESBA code.

Responsibilities

UPL is responsible for developing the Report contents. UPL is also responsible for the identification of material sustainability topics, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported. This statement is made solely to the Management of UPL in accordance with the terms of our engagement and as per the scope of assurance. Our work has been undertaken so that we might state to UPL those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than UPL for our work, for this report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us by



UPL is complete and true. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. Our report is released to UPL Limited on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

Prathmesh Raichura

Partner

KPMG Assurance and Consulting Services LLP

September 13, 2022

Progressing on our vision

At UPL, we consider sustainability as a holistic, all-encompassing way of doing good business and achieving progress, prosperity and welfare of people and the planet. By keeping sustainability principles at our core, we believe our business will efficiently drive smarter innovations and profitable growth.



Goals	2025 target	Progress till FY 2021-22	SDGs in focus	Key projects in FY 2021-22
1 Reduce environmental footprint	20% Reduction in specific water consumption 25% Reduction in specific CO₂ emission 25% Reduction in specific waste disposal from baseline year FY 2019-20	Reduced 33% Sp. Water Consumption Reduced 21% specific CO ₂ Emissions Reduced 47% Specific Waste Disposal	 	CO₂ reduction <ul style="list-style-type: none"> Used 30 MW Green Power from renewable sources Replacement of Coal with biomass in our operation. Working on 15% replacement of coal with biomass in our steam and power generation. Zero Furnace Oil used as fuel. Water consumption reduction <ul style="list-style-type: none"> Achieved Zero Liquid Discharge (ZLD) in our second largest operating plant Unit 1, Ankleshwar. Implemented Scaleban technology to reduce cooling tower water demand > 50,000 cubic meter water used through rain water harvesting in our operations 2.25 million litres per day (MLD) waste water recycling plant operational at Unit 5, Jhagadia. Waste disposal reduction <ul style="list-style-type: none"> Reduced waste disposal to landfill through waste characterisation and segregation. Adopted innovative biological treatment to reduce in incinerable waste at Unit 4, Halol and Unit 5, Jhagadia. Recycled 100% plastics used in packaging.
2 Enhance world food security	50% Revenues from innovative and sustainable solutions to enhance yields and quality	Achieved 29% revenues from innovative and sustainable solutions to enhance yields and quality	 	R&D <ul style="list-style-type: none"> New products and mixtures to address farmer pain-points OpenAgCenter: Technology Partnering, Bio-solution R&D Expanding network on Field research Station Digital and Technology Innovation <ul style="list-style-type: none"> Collaborations for developing precision agriculture tools Plant Stress & Stimulation: Sea Weed Extwact, Zeba Cross technology solutions: Pronutiva Farm to Fork <ul style="list-style-type: none"> Collaborations for Sustainable Farming: Potato, Chilli, Groundnut, Sugarcane Farm services <ul style="list-style-type: none"> Spraying service covering ~2 m-nacres with target to reach 25 mn-acres by 2025 Farm Advisory
3 Enhance sustainable sourcing	60% Sustainable sourcing	70% global spent covered through sustainable program	 	<ul style="list-style-type: none"> Developed sustainable procurement framework Organised training for our suppliers to create awareness regarding our sustainable procurement policy Initiated ISO 20400 implementation
4 Strengthen community wellbeing	3 million Lives to be impacted through livelihood, education, health and sanitation	Impacted 1 million lives	 	<ul style="list-style-type: none"> One Billion Hearts Initiative at Côte d'Ivoire with The Heart Fund to provide universal access to cardiovascular health for 1 billion people by 2030. Promoted and raised awareness about sustainable development in agriculture and education in society through football with FIFA Foundation Partnership with Oxford India Centre for Sustainable Development (OICSD) at Somerville College, University of Oxford, UK to advance education on sustainability with a greater focus on small-holder farmers in the developing world Established Centre of Excellence (COE) on process safety management Backward and forward linkages for farmers through formation, nurturing and strengthening of Farmers Producer Company

About the report¹

We recognise the importance of immediate reduction in the carbon content in atmosphere through the incorporation of widespread sustainable practices across our markets by using agriculture as a tool to combat climate change.



This is our sixth consecutive Sustainability Report that outlines our approaches to sustainability journey and goals and provides insights into our strategies and sustainability performance, covering FY 2021-22. The report also provides the aspects that are most material to our stakeholders and our business, with a focus on environmental, social and governance (ESG) issues. Further this year, we have also released our eighth Annual Report, which is accessible here.

TARGETED READERS

This report aims to share UPL's ESG commitment and performance with our various stakeholders, including employees, contractors, investors, customers, suppliers, community and government.

REPORTING FRAMEWORKS

We have developed this Sustainability Report for FY 2021-22 (1st April, 2021 to 31st March, 2022) in accordance with the GRI Standards: Comprehensive Option and its principles of stakeholder inclusiveness, materiality, sustainability context and comprehensiveness. The Report has been linked with UN SDGs and guided by UNGC principles, along with UPL's UN Global Compact Communication on Progress (CoP). There has been no restatement of information for the reporting period. Specific matters and methodologies have been mentioned in support of any estimates made in this Report.

SCOPE AND BOUNDARY

The Report discloses sustainability initiatives and the performance of all our national and international activities. It is inclusive of our global manufacturing and formulation

plants along with our Mumbai headquarters. The reporting boundary excludes subsidiaries, joint ventures and associate companies, where we have no operational control and details of all the entities are comprehensively given through our financial statements present in our Annual Report which can be found on the UPL website.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Stakeholder engagement and materiality assessment are critical for our sustainability approach, policies and the structure of this report. We define stakeholders as organisations or individuals, which are directly or indirectly affected by our operations. These stakeholders play a critical role to decide the material issues, which are relevant to our operations. The Report provides our integrated stakeholder approach, which has led us to identify our key stakeholders and understand their concerns and our action plans to resolve these concerns and align them with our business policies. We have also performed materiality assessment to identify sustainability issues relevant to our business and develop this Report, in consideration of our stakeholder expectations and interests. The Report presents how these materiality topics are relevant to our business and can impact our ability to create value for our stakeholders in the short, medium and long term. GRI Standards have been a predicament to our assessment, which helped us define and prioritise the material topics clearly for FY 2021-22.

STRENGTHENING COMMITMENT TO SUSTAINABLE DEVELOPMENT

Our commitment to our vision is strongly advocated by our aim to work toward the Global 2030 agenda for sustainable

development, supporting and inculcating all the 17 Sustainable Development Goals (SDGs). In FY 2020-21, UPL also became a signatory to the United Nations Global Compact (UNGC) initiative, supporting the 10 principles set by the United Nations, aiming towards broader sustainable goals and development.

- Reduce 20% specific water, 25% specific CO₂ and 25% specific waste from baseline FY 2019-20
- Achieve 50% revenues from innovative and sustainable solutions to enhance yield
- Achieve 60% sustainable sourcing
- Impact 3 million lives through livelihood, education, health and sanitation

ASSURANCE

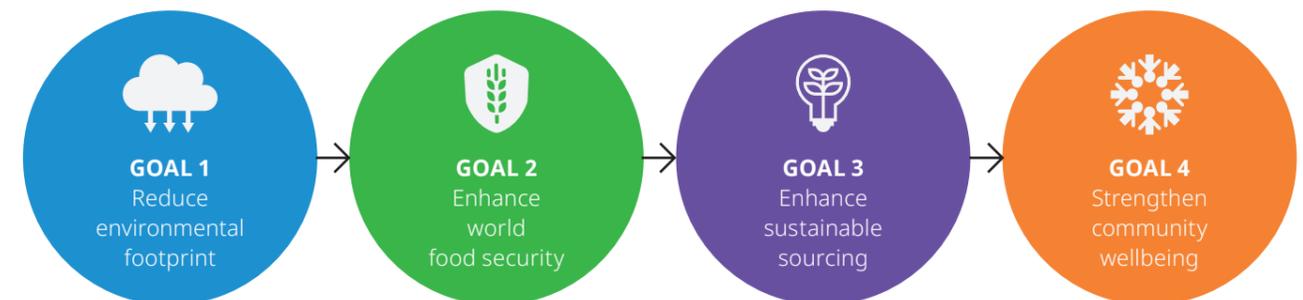
This Sustainability Report has been assured by an independent assurance provider- KPMG Assurance and Consulting Services LLP, using International Standard on Assurance Engagement (ISAE) 3000 (Revised).

FEEDBACK AND SUGGESTIONS

Feedback from our internal and external stakeholders helps and supports us to strengthen our practices and performance further. In case of feedback, reach out to:

Dr. Mritunjay Chaubey

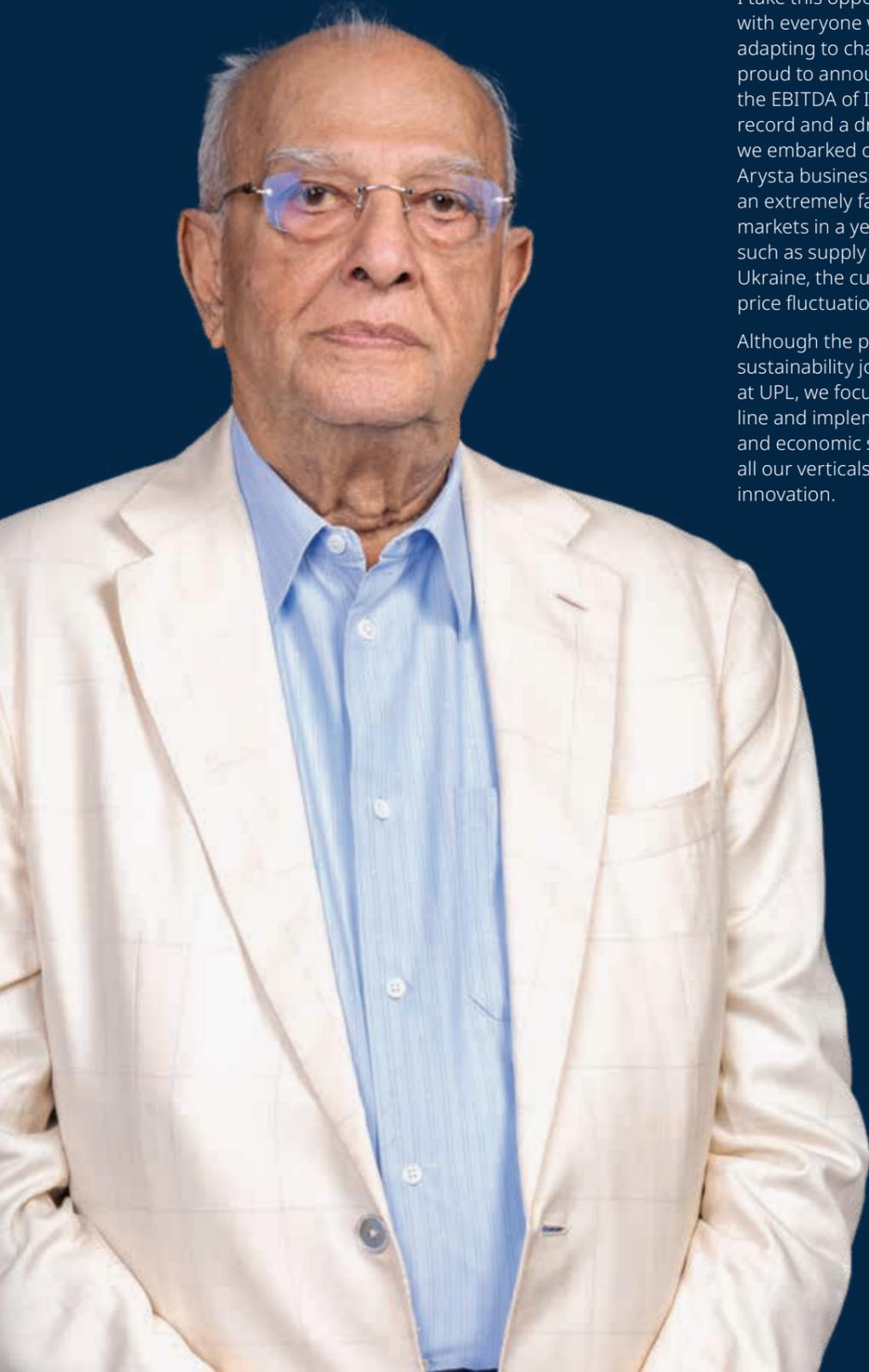
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Reduce 20% specific water, 25% specific CO ₂ and 25% specific waste from baseline FY 2019-20	Achieve 50% of revenue from innovative and sustainable solutions	Achieve 60% sustainable sourcing	Impact 3 mn lives through livelihood, education, health, and sanitation

¹GRI 102-1, GRI 102-5, GRI 102-3, GRI 102-52, GRI 102-50, GRI 102-54, GRI 102-46, GRI 102-48, GRI 102-51, GRI 102-45, GRI 102-10, GRI 102-49, GRI 102-12, GRI 102-53

Driving impact-led sustainability agenda



DEAR SHAREHOLDERS,

FY22 had a significant impact on businesses around the globe, as the pandemic changed the way of life and doing business. Nevertheless, we stayed confident and strong and recovered very well from the two dreary years of a pandemic. On behalf of the entire UPL family, I take this opportunity and express solidarity with everyone who has been strong and ever-adapting to changing conditions. I am very proud to announce that, this year, we crossed the EBITDA of INR 10,000 crores which is a record and a dream we had few years ago, when we embarked on the journey of integrating the Arysta business within the UPL. We also have an extremely fantastic performance across all markets in a year where despite the major issues such as supply chain disruptions, the war in Ukraine, the currency fluctuations and the oil price fluctuations.

Although the pandemic distracted the sustainability journey of many businesses and at UPL, we focused on adopting a triple bottom line and implemented environmental, social and economic sustainability practices across all our verticals through strong research and innovation.

At UPL, sustainability is not just about making a strong impact, it is our responsibility to ensure that our people, environment and community where we operated are well looked after. For us, sustainability is a holistic approach to conducting ethical business for progress, prosperity, people and the planet while creating a positive impact.

OpenAg strongly supports our sustainability and led us to remain transparent to all our stakeholders. It not only provided farmers with the best solutions, products and engagement programs but also motivated them to understand their needs first and foremost. We have always worked on the idea of being a global leader in crop protection and take a very concrete and integrated approach to help farmers globally to protect and maximise their productivity in quality as well as quantity.

BEING A GLOBAL SUSTAINABLE LEADER

Much of the world is still suffering from malnutrition, access to safe and nutritious food is negligible and problems such as global hunger, poverty, inequality and food insecurity are significantly increased. Population growth, climate change and recently pandemic had a major impact on existing problems and impacted the entire food chain. As one of the global pioneers in the agrochemical industry, we are consistently committed to building food security and resolving global hunger. Therefore, UPL has set the goal of achieving the United Nations (UN) Sustainable Development Goals.

At UPL, we recognise the need to move towards a truly sustainable future. Therefore, we strive to embed sustainability across all fronts and facets and go beyond manufacturing processes. On this journey, our global network of Research and Development with strategic partnerships and collaborations makes it possible to identify the farmers' needs, bring them pertinent solutions and help protect farm produce, secure them financially. We also focus on natural resource conservation, minimal environmental impact, solutions and developing a sustainable food chain across geographies. In order to become a global sustainable leader, we have adopted a structured approach towards sustainable development.

We have set four goals through which we aim to become a truly sustainable agrochemical business. Our first goal is in line with SDGs 7 and 12, which is focused on reducing our manufacturing footprint. In particular, we are focused on reducing our carbon footprint and enhancing our water and waste footprint. Through our second goal, we are dedicated to enhancing world food security and achieving 40% revenue from innovative and sustainable solutions to enhance yields and quality. This goal will lead us to achieve SDGs 2 and 9. Our third goal is focused on enhancing sustainability sourcing and allowing us to achieve SDGs 3 and 12. Through our last goal, we are committed to

strengthening community wellbeing. We have planned to impact 3 million lives through livelihood, education, health and sanitation by 2025. This will allow us to achieve SDGs 2 and 3.

We are also a proud signatory of the UN Global Compact initiative and focused on aligning their ten fundamental principles with our operations.

OPENAG FOR SUSTAINABILITY

At UPL, we understand the critical role of technological adaptations and innovations to achieve sustainability and tackle problems in agricultural technology and investments. Our OpenAg centre will allow us to leverage our R&D capabilities to develop innovative sustainable agriculture solutions. UPL's OpenAg brings in a whole network of people engaged in the agriculture sector across different parts of the world and sectors of work, hence transforming from an agrochemical company to a provider of holistic and long-term solutions for the entire food value chain. With OpenAg, we aim higher to have an in-depth impact on society and across communities while striving to achieve sustainable growth for all.

Through OpenInnovation, we have developed solutions that have changed the face of agriculture. One of our patented smart climate technology, Zeba is a ground-breaking innovation that absorbs water and releases it back to plants when they need it, creating healthier plants, more uniform crops and higher yields. Zeba also reduces the leaching of nitrates, which makes more nutrients available to the plant.

ROBUST SUSTAINABILITY PERFORMANCE

Our performance on the ESG indices evidences our drive to push boundaries to improve our sustainability performance each year. Our sustainability leadership has also been acknowledged by DJSI and we have been ranked #1 in the agrochemical sector for ESG risk management by Sustainalytics. We have implemented TCFD recommendations and aligned GHG emission goals with Science-Based Target Initiatives. I am pleased to report that, our specific GHG emission has been reduced by 7% and 22% Electric power is from renewable sources at our two largest manufacturing plants, more than 60% of our plants have achieved Zero Liquid Discharge (ZLD). Our actionable steps help us to achieve measurable progress towards our 2025 sustainability targets.

We are thankful to our stakeholders for helping UPL emerge as a brand that is reckoned as a sustainability leader in our industry.

RD Shroff
Chairman

²GRI 102-14

Preparing for an inclusive future



DEAR SHAREHOLDERS,

FY22 brought multiple challenges including the pandemic and global supply chain disruption. However, we stayed strong and afloat while continuing to deliver strong performance. FY22 has been a milestone for UPL. Our revenue touched the benchmark of ₹46,240 crore. We made this possible through the strong commitment of our people. I would like to express my gratitude to all our team members for their commitment, dedication and resilience over this hard period. I am proud to state that today, UPL is one of the global leaders in sustainable agricultural solutions. With over 50 years of excellence, we are at the number one position in biochemicals and operating in 138 countries.

Through our strong commitment and innovation, we have always cared about our environment, community and society at large and this approach has always motivated us to do things better. With a consistent aim of making the food system more sustainable across all levels, we are focused on creating value through innovation, accessibility and staying true to our vision and our mission. Our mission and vision has allowed us to be a catalyst for an equitable and inclusive society. Through strategic and collaborative partnerships, we were able to create value, integrate CSR with business strategy and transfer knowledge by involving and empowering all CSR stakeholders.

A STRONG FOCUS ON CSR

At UPL, we believe in creating a positive impact for the people where we operate. Our sustainability approach has led us to focus on the triple bottom line of sustainability, with a particular focus on five key areas: environmental sustainability, economic sustainability and growth strategy, people development and human rights, health, safety and environment policy and social responsibility. We also committed to United Nations' ten principles and identified SDGs 2,3,7,9 and 12 as priority goals among 17 SDGs. Our social responsibility framework is focused on all segments of society, Institutions for Nation Buildings, Sustainable Livelihood, Nature Conservation and Local and National Needs. Our CSR mission is to be a catalyst for an equitable and inclusive society and we are on a mission to implement need-based CSR projects, build the capacity of communities, develop a partnership with all projects and promote and institutionalise CSR with the UPL's key business strategy. The values 'Always Human' and 'Open Hearts' enable us to remain human and reach wider interests and people nationally and internationally.

We consistently dedicate ourselves to improving the lives of our people, our farmers, employees, suppliers and business associates through our strategic initiatives. We hope to create as much as value possible and transform agricultural practices to benefit all our stakeholders, especially our farmers and the lives of all the people engaged with us. Our focus is on going beyond all compliance benchmarks through resilient relationships, celebrating and welcoming diversity, make our community more embracing and inclusive while trust and transparency is always revered.

Through our fourth goal, we are committed to impacting 3 million lives through livelihood, education, health and sanitation and achieving SDGs 2 and 3. Various projects have been undertaken by UPL to achieve these objectives. We launched the **One Billion Hearts Initiative** at Côte d'Ivoire with The Heart Fund to provide universal access to **cardiovascular health** for 1 billion people by 2030. The partnership will lead us to build greater local medical and health capabilities to enhance the efficacy and access of public health services to traditionally underserved rural farming communities. With UPL's support, rural communities will be able to access advanced cardiovascular services and

screenings for the first time through the expansion of the geographical reach of The Heart Fund's mobile cardiology clinic.

We also partnered with FIFA Foundation to promote and raise awareness about **sustainable development in agriculture and education** in society through football. We partnered with **Oxford India Centre for Sustainable Development (OICSD)** at Somerville College, University of Oxford, UK to advance education on sustainability with a greater focus on small-holder farmers in the developing world. We have also established a **Centre of Excellence (COE)** on process safety management.

We also support important causes such as the prohibition of child labour and encourage our employees to volunteer, investing their skill sets and passion towards an opportunity for a larger goal of development. Through our initiative "We Are United" (WAU), an employee volunteering programme, we are promoting the spirit of contribution to society with a belief that every employee must be given an opportunity to put their skills and passion for the larger goal of development, beyond the realms of their work life. Our WAU volunteers had devoted 71,004 hours to community development programs.

LOOKING AHEAD

By 2050, about 9.6 billion people on the planet will need food, education, skills, health care, robust infrastructure and a balanced ecosystem. Existing structures and methods cannot sustain this population and need to be modified. UPL will work with partners around the world to quickly introduce new ideas and technologies to create a sustainable planet for a healthier, more prosperous and brighter future. We continue to demonstrate our strong commitment to sustainable development at UPL. We continue to serve and work with farmers so that they can prosper and occupy a suitable position in the global market. We focus on building innovative, collaborative and diverse workplaces that support the aspirations and potential of our employees. We will strive to find great power in working with people who are determined to use our technology and expertise to build a better world.

Mrs S. R. Shroff
Co-Founder

Making the food value chain sustainable



DEAR SHAREHOLDERS,

Through 2020 and 2021, we saw multiple facets of a deadly pandemic but also witnessed multiple facets of resilience, strength and mitigation. It is noteworthy how, amid all economic, social and, of course, medical turmoil, a sense of community and society can provide aid and relief and UPL is built on the same sentiments.

At UPL, we are cognisant of the world's most pressing issue: food security. With the world's population growing, declining per capita arable land poses an immediate threat. To combat the alarming degradation of arable land (desertification), it is critical to inculcate sustainability throughout the food value chain to increase farm productivity. We are constantly working on developing products and solutions to address this critical issue, with the goal of having a greater impact and adding more value to the food system, our farmers and the industry.

MAKING A REAL-WORLD IMPACT

Our approach to sustainability goes well beyond simply decreasing our carbon footprint through operational excellence. It also aims to make the overall agricultural sector more sustainable. Another of our primary goals as an organisation is enhancing food security through resilience and mitigation in the wake of the ongoing climate change crisis. Farmers, on the other hand, must adopt more transformative techniques, as well as technical and approach innovation. Shifting their focus to natural bio-solutions can be crucial in mitigating and minimising any further negative impact.

Every new initiative we take, here at UPL, whether it is an investment, a project or an R&D playing field, our core focus is towards achieving the pillars of sustainability.

Our farmers are at the heart of our organisation and we want to bring our best business impact to them with every OpenAg initiative. For example, investing in low-cost products can make individuals feel more financially secure and stable.

Through the Natural Plant Protection, or NPP, we focus on our unique technology platform and the strengths of our wide portfolio of differentiated products and BioSolutions products to make agriculture more sustainable.

With Nurture Farm, we've created a digital platform for everyone involved in farming at any level. Nurture Farm offers agricultural organisations around the world collective experience in building technology at scale for powering logistics, food systems and mobility. It enables us to combine cross-domain ideas to create agricultural solutions that are scalable, sustainable and valuable to all stakeholders, particularly farmers. Nurture farms nurture crops throughout its whole lifecycle, from seed to harvest. The nurture.farm provides traceability to agriculture produce, making it imperative for the food companies responsibly source its products.

We have taken the initiative to end stubble burning in India through the use of bio enzymes in conjunction with farm mechanisation and automation through our nurture.farm platform. We have also made steps to cut methane emissions by 50-80 percent in paddy fields by implementing alternative wet and dry techniques and we have advertised and sold 20,000 carbon credits for farmers.

As a vital part of our operations, we have a dedicated team - the 'Green Cell' - that works on creating technologies and implementing them in our manufacturing plants. Green Cell is continually working to maintain a sustainable supply chain linkage as well as to reduce the environmental footprint for energy and water usage, as well as waste reduction. As an outcome of their continuous initiatives, Green Cell is contributing to conserve resources, improve cost efficiency, capitalise on opportunities and increase resilience across all our broad business activities and dynamic product line.

COLLABORATING FOR CHANGE

Collaboration is vital for successful, better opportunity creation and capitalisation of all objectives and goals of the organisation. Open Collaboration contributes to the global expansion of our agricultural network by linking people and creating opportunities for everybody. Open Collaboration allows farmers, consumers and society as a whole to directly interact and join hands, while also benefiting all of our stakeholders at various levels.

Our collaboration with FIFA strives to increase the value of sustainable development through football. The 10-year commitment entails implementing the programme in 30 rural Brazilian schools. Furthermore, we have an opportunity to promote our reimagining sustainability approach and reposition agriculture's place on the global development agenda through the FIFA World Cup 2022. Through our nurture.farm platform, we have taken an initiative to end stubble burning in India via use of bio enzymes coupled with farm mechanisation and digitisation.

VALIDATION OF OUR ACTIONS

With a defined aim of fostering sustainable activities at all levels and channels within and outside our organisation as well, our approach has helped us establish ourselves as a sustainability leader.

We were the only Agrochemical company in the world to be named three years in a row in the DJSI Sustainability Yearbook 2021 (by S&P Global CSA) for demonstrating excellence in sustainability. We have been also ranked first among all Agrochemical companies globally by Sustainalytics.

Open Collaboration has enabled us to collaborate with other industry leaders and sign the Business Declaration for Food Systems Transformation. We have also signed a letter of commitment to set science-based targets to limit global temperature increases below 2 degrees Celsius. We are also the first agribusiness to sign The Climate Change Pledge.

ENDNOTE

We at UPL are continually looking for ways to embed sustainable approaches in our business foundation-throughout its entire value chain and beyond. We sincerely feel that our current progress toward transitioning into a pioneering sustainable agricultural industry is merely the beginning and that it has the potential to be scaled up more sustainably. We believe that even a 5% improvement in sustainable farming practises can become a key enabler in combating climate change. UPL will be at the forefront of this transformation.

Jai Shroff
Global CEO

Moving ahead with prudence



DEAR SHAREHOLDERS,

UPL has remained resilient throughout the two difficult years of the ongoing COVID-19 Pandemic. It has not only met its sustainability targets, but it has also achieved an all-rounder performance across various global regions. Our success was driven by better pricing, efficient supply chain management and the benefit of backward integration.

Our motivation has been to focus on innovation, collaboration, access and intelligence.

Despite the inflationary environment, our increasing EBITDA margins demonstrate our robust financial position. We raised the second tranche of USD700 million sustainability linked loan (SSL) during the year, with a 35bps reduction in interest cost, reflecting our commitment to sustainability.

We received numerous accolades for our efforts to make UPL the most sustainable agrochemical industry. Among these honours are the Asian Sustainability Leadership Award and being ranked first among peers by Sustainalytics for the second time in a row.

We also signed the Climate Pledge and launched Gigaton Climate Global, while also beginning a long-term relationship with Chr. Hansen on microbial bio-solutions to aid various agricultural practices and to help farmers in Brazil, among other initiatives.

I am extremely proud to report that UPL ranks 1st in Sustainability for Environment, Social and Governance risk management in the agro-chemical sector globally. I would like to express my gratitude to all our sustainability practitioners, particularly our stakeholders. The entire UPL team is committed to long-term sustainability and betterment of the community involved.

Our dedication to provide our farmers with innovative and sustainable agricultural solutions has enabled us to become the leading organisation in sustainable agriculture. We are the 5th largest agrochemical company in the world, with a presence in over 130 countries and an annual revenue of more than \$5 billion.

Our access to new markets and involvement in networks through OpenAg across the food value chain has been boosted by a committed team of researchers. It has enabled us to give farmers and other stakeholders with end-to-end solutions, spanning from seed to post-harvesting.

SUSTAINABLE SOURCING- FOOD SECURITY

As a major contributor to the global food chain, UPL understands how climate change threatens food security by making agriculture challenging. We have developed a strong sustainable strategy to incorporate soil health into the metric through collaborations with numerous upcoming firms and by developing innovative natural products and biological solutions. We collaborated for two years with the Soil Health Institute to improve our understanding of the soil. This has allowed UPL to offer more effective and tailored solutions to the farmers for boosting soil health and thus promoting sustainable growth.

We aspire to make India, particularly our farmers, more self-sufficient and to ensure food security in India by standing tall as a value-driven organisation that prioritises farmer needs.

Our solutions focused on solving farmers' pain points throughout the production chain to deliver more sustainable products. UPL has effectively prevented farmers from burning crop residues on around 4 lakh acres of land by using a bio-enzyme decomposer, which also increased their yield. Our constant goal has always been to provide such integrated technology and natural solutions, thereby creating a sustainable ecosystem for all.

INNOVATION AND TECHNOLOGY

In our OpenAg strategy, collaborations, technology and innovation have been major enablers of our success in this sustainability journey, as UPL strives to create a more informed and accessible market for the various stakeholders.

We believe that R&D investments are vital to achieving and integrating innovation into our operations and hence into the products we deliver. The essence of the UPL OpenAg mission is the exploration of cutting-edge technology and innovation.

Our strategic partnership with Seed-X provides an opportunity to supply higher quality seeds and assist farmers in being more productive. Seed-X is an innovative Agtech firm driven by AI; with whom we are collaborating to increase seed quality by utilising their GeNeeTM technology. This innovation aids in seed segmentation and hence enhances seed germinability.

Many of these innovations serve as the foundation of our business goals and we are committed to making them available to all stakeholders through OpenAccess and OpenInnovation, leading to improved food security.

CALL FOR A SUSTAINABLE FUTURE

Despite the difficulties posed by COVID19 and the ongoing global economic crisis, this journey has only been made possible by the dedication of all of our employees, partners and stakeholders, as well as their belief in a sustainable future.

With aspirational yet achievable goals for the coming fiscal year, we at UPL aspire to pursue better and more sustainable options and solutions for all of our operations, consumers and stakeholders. Working to make a bigger impact and impart more positive value helps us stay on track with our aim of making every food product sustainable.

I would like to use this opportunity to reach out to and collaborate with other industry colleagues, suppliers, partners and customers to propel our organisation forward in terms of safety, sustainability and good practise.

We would continue to share our learnings and experiences at UPL in an open and transparent manner and we would seek collaboration with companies that share our vision, mission and values of a sustainable growth.

Vikram Shroff
Director

Facilitating sustainable transformation

UPL is a global leader in crop protection by providing total crop solutions, reshaping the industry with OpenAg- our advance collaborative model, with which we are aiming to transform agriculture. We contribute toward the harmonious and sustainable development of society while aiming to be a catalyst for a more equitable and inclusive world. This is through designing sustainable solutions for securing the long-term food supply.



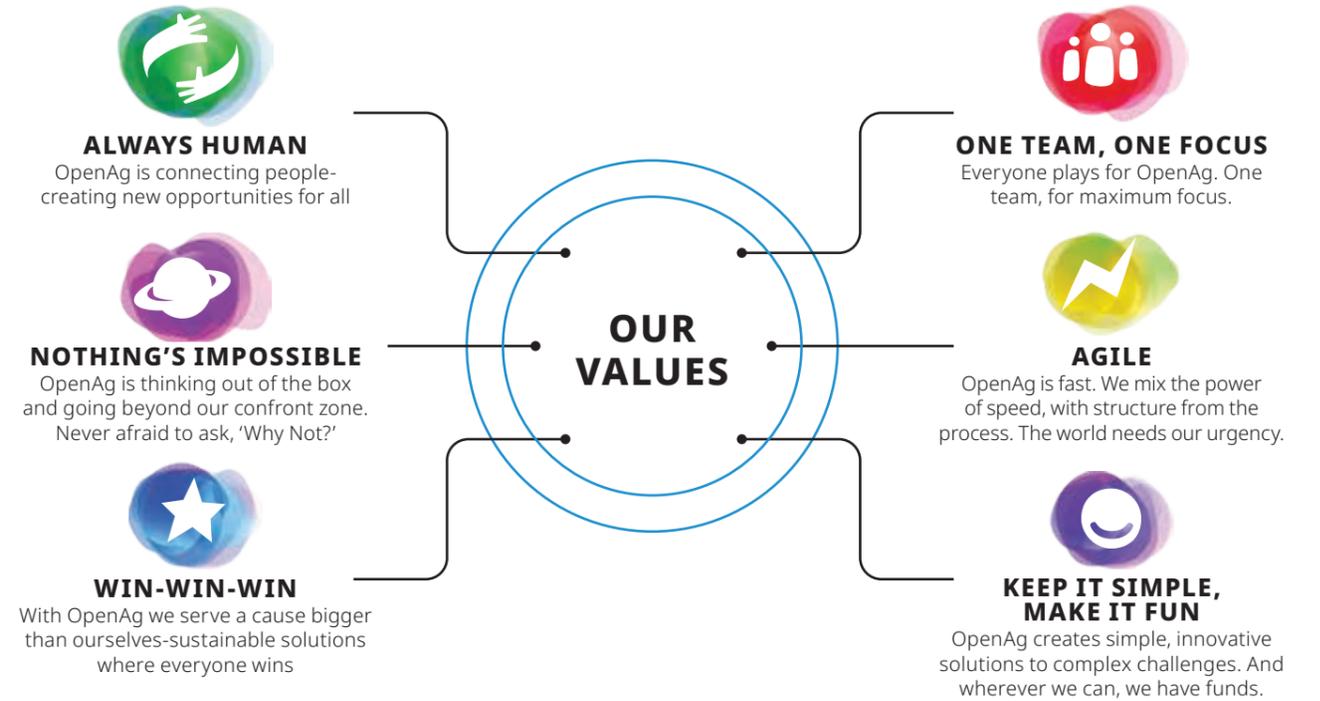
OUR VISION

To be an icon for technology growth and innovation.



MISSION

Change the game - to make every single food product more sustainable.



Our Strength

Advanta delivers superior and proprietary germplasm and added-value solution

ProNativa is an integrated crop protection program that combines conventional crop protection and biosolutions

NPP provides sustainable agri solutions that enhance crop quality and farm yields without compromising on environmental health.

A range of speciality products for fruit coating and storage of food grains and potatoes to reduce post-harvest losses

UPL corporate facts

5th Largest agrochemical company in the world	US\$5+ Billion Revenue	138+ Countries
#1 In AgChem Sector by Sustainability	\$1B EBITDA	13,000+ Employees globally
#1 In BioSolutions	Market access to 90% of the world's food basket	42/30 Manufacturing/R&D facilities

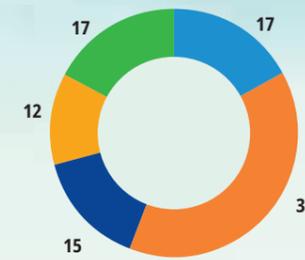
PRESENCE

Expanding global footprint³

With a strong presence in 138+ countries, UPL is the 5th largest agrochemical company in the world and a global leader in food systems.

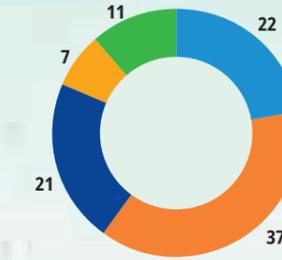
We have an extensive product portfolio from seeds to post-harvest solutions, enabling us to be a one-stop solution provider to farmers and agricultural market participants across Asia, Africa, Latin America, Europe, North America and Australia.

SALES MIX BY REGION - UPL (in %)



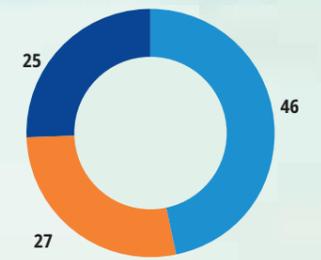
■ North America, ■ Latin America
■ Europe, ■ India, ■ Rest of the world

REVENUE MIX BY REGION (in %)



■ India, ■ North America
■ Latin America, ■ Europe, ■ Rest of the world

GLOBAL MARKET SHARE BY PRODUCT SEGMENT (in %)



■ Herbicides, ■ Insecticides
■ Fungicides



NORTH AMERICA

198
Products
1
Plant

LATIN AMERICA

535
Products
9
Plant

EUROPE

465
Products
10
Plant

INDIA

166
Products
15
Plant

ROW

876
Products
7
Plant

PRODUCT PORTFOLIO⁴

Offering a wide range of innovative products

Our vision of developing a resilient food system, coupled with enhanced capabilities, has driven an innovation-centric culture at UPL. This has also enabled us to increase accessibility to new and innovative technologies for all farmers. With our 'Open Innovation' initiative, which is an emerging solution to optimise farmer efficiencies, we have been able to augment our R&D capabilities to introduce sustainable agricultural solutions, offering a myriad of sustainable products to farmers.

Providing digital access to the latest agriculture innovations in farming practices to farmers has helped us align our 'Open Intelligence' initiative with our services. Open Intelligence gives a detailed understanding of the issues that farmers face, customer expectations and daily challenges. Whereas, engaging with farmers through our advisory services and a geography-wide network of partners accommodates our 'Open Access' initiatives. In addition to this, our values of 'Always Human' and 'One team, one focus'. With innovation spanning all our entities including seeds, fungicides, insecticides, herbicides, BioSolutions and crop establishment, among others, we have emerged as a pioneer in the crop solutions space.

Key principles of our service

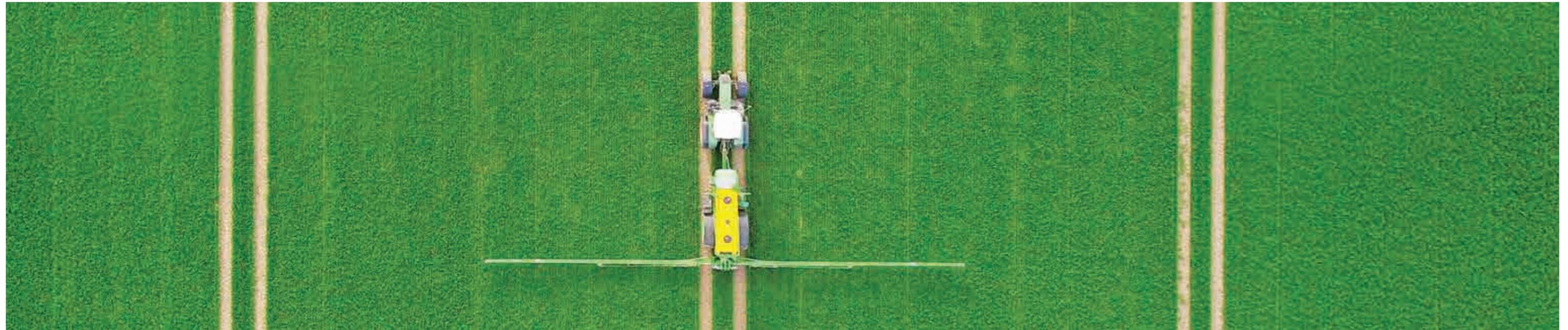


CROP PROTECTION CATEGORY (IN INDIA) AND NUMBER OF PRODUCTS



Technology and services	Key features	Interlinkage with OpenAg initiative
Seeds 	With 60 years of R&D and experience, Advanta focuses on innovation, value addition through natural solutions, and disease, pest, and herbicide resistance along with drought and salinity tolerance, while focusing upon bringing a localised need-specific germplasm. UPL guarantees the best quality seeds, while transforming traditional farming techniques with innovation as key.	Open Innovation
Crop protections 	Building food security comes with a localised customer-centric approach, region-specific crop protection characteristics with specialised formulation and focussing on high-growth, high-value and high-differentiation. The dynamic product portfolio makes sure that care is taken to develop innovative products and design treatment plans at every stage of the lifecycle of crops.	Open Innovation
Bio solutions NPP	With a soil-to-harvest approach, UPL's extensive Plant Stress Simulation portfolio (PSS) supports crop stimulation, nutrition as well as protection and when combined with conventional products, improves crop resilience to weather risks and biotic stress for improved yield, quality and consequent grower financial wellbeing in a sustainable way.	Open Innovation
Post-harvest DECC	To minimise loss of food, grains and crops by pests and via storage issues, UPL developed a range of products particularly for grain storage with versatile uses, 100% effective, even distribution, high safety factor and no toxic residue – namely QUICKPHOS. UPL's MAGNAPHOS with magnesium phosphide and its ammonia-free formulation and fast-gas release, protects against destructive pests with no residue and versatile fumigant used on stored raw agricultural commodities, processed foods, animal feed and feed ingredients.	Open Innovation
Soil and water technologies 	UPL developed ZEBa, which reduces the amount of water needed in agriculture for irrigation and enabling more yield from less water cutting down on water supplies and costs, while increasing the water holding capacity of a soil and reduction of contaminants. With the retained soil moisture helping soil microbiome, supporting soil food and soil health. ZEBa improves the nutrient-use efficiency in the rooting zone as it has positive interaction with essential soil nutrients.	Open Innovation
ProNutiva 	An exclusive program that clubs natural BioSolutions with traditional crop protection techniques to meet the farmers' varying and differing needs. Success has been achieved at many levels, especially in Italy, Brazil, Hungary and Poland.	Open Innovation Open Markets
Farmer engagement 	With over 620 farmers trained so far in farmer engagement programs, where farmers can join and where they are educated, involved and advised on the best agricultural techniques with holistic sustainability a key.	Open Access Open Hearts Open Markets Open Collaboration

ESG-friendly biological product basket



BioControl: Technology Platform



MINERAL

- Targets downy mildew type diseases and bacterial diseases
- Fixed copper base registered across the world



MINERAL

- Targets powdery mildew and other diseases
- Patented micro-dispersion formulation technology delivering superior product quality



VIRUS EXTRACTED FROM LARVAE

- Targets codling moth and oriental fruit moth with over 24 registrations globally
- Virus-based, sustainable reference



ACTIVE SUBSTANCE EXTRACTED FROM SEAWEED

- Registered in over 16 countries
- Stimulates the natural defense of plants with no residue
- Patented product, with EU / Annex 1 inclusion



AMINOGLYCOSIDE ANTIBIOTIC

- Targets bacterial diseases including streptomycin resistant bacteria. Aminoglycoside antibiotic registered in 20 countries for plant use. Not effective on human and animal diseases

BioStimulant: Technology Platform

METABOLICALLY ACTIVE COMPOUNDS

- Protects plants from overproduction of ROS under stress
- Optimise gene expressions by up and down regulating



CORN STARCH BASED

- Patented superabsorbent soil enhancement to keep a constant supply of moisture to germinating seed, seedlings and plants throughout the growing season

PLANT EXTRACT

- Seed treatment and foliar applications for increased yield and marketable quality
- Registered in over 28 countries



NITROPHENOLS

- Helps manage climatic stress, with increased biomass accumulation and photosynthetic activity

Innovation for sustainable solutions

Driven by innovation, collaboration and sustainable growth, over the years, UPL has been a leader in helping farmers to enhance the yield with the finest seeds and by providing technological advancements of varied kinds. With Advanta Seeds, 'future begins with a seed' becomes the reality and enables access to quality seeds, giving smallholder farmers seed protection contracts, while empowering women and engaging the youth through community engagement initiatives.

Advanta Seeds

Advanta has not only been a bearer of social change, but has also been giving rise to climate-smart crops, withstanding high impacts of climate change. It is also committed towards the SDG 1 goal of 'no poverty,' and the SDG 2 goal of 'zero hunger,' while staying focused on sustainable agriculture and food security.

With Open Ag, Open Collaboration, Open Access and Open Innovation, we bring technology to the forefront of sustainable development, integrating biotechnology into the core operations at Advanta. With growth for weed control, Nutrisun and aphix for SCA tolerance, Advanta guarantees better quality hybrids and crop yields for the Open Market.



Our commitment

SUSTAINABLE AGRICULTURE AND FOOD SECURITY



Advanta Seeds, part of UPL Group, is committed to sustainability and contributing to UN SDGs. The focus of Advanta Seeds is on smallholder farmers, who grow 80% of food for communities in Africa, Asia and South America, and most often, suffer from hunger and poverty.

SUSTAINABLE LIFESTYLE



Advanta Seeds actively promotes sustainable lifestyles by encouraging its employees, business partners and communities, to engage in sustainable lifestyles and take actions to reduce our environmental footprint.

NO POVERTY



Providing high-quality seeds to smallholder farmers to improve their prosperity, and social and economic status.

ZERO HUNGER



Increasing agricultural productivity and sustainable food production. Enhancing smallholder farmers' yields and growing more nutritional food.

ADVANTA SDG GOAL ALIGNMENT



Agrobiodiversity -1

Our diversified portfolio of field and vegetable crops enables us to achieve our vision of enhancing food security.



Partnerships for sustainability -2

We collaborate with research partners to develop the best genetics for sustainable agricultural solutions.



Improve nutrition-3

We develop biofortified crops and new vegetable varieties to enhance access to nutritional food.



Youth engagement in agriculture -4

We nurture sustainable agricultural practices among the youth by engaging with them in school and community gardens. Furthermore, we collaborate with universities and support formal agricultural education to help develop the next generation of farmers.



Climate-smart crops-5

We undertake research on crops, resilient to drought, high temperatures and extreme weather conditions. We are a global leader in sorghum and an expert in tropical and sub-tropical corn.



Empowering women in agriculture -6

We recognise the integral role of women in agriculture. Our quality seed technology and adjacent technologies aim to improve the productivity of women farmers. By 2025, we aim to grant 60% of our seed production contracts in Thailand to women farmers.



Smallholder farmer prosperity-7

We aim to enhance the income and prosperity of smallholder farmers by providing access to our new technologies and high-quality seeds. We also provide them with opportunities to boost their income by contributing to seed production. By 2025, we aim to involve 65,000 smallholder farmers in seed production.



Access to quality seeds-8

Lack of access to quality seeds is one of the major challenges in crop diversification for smallholder farmers. By 2025, we aim to provide quality seeds to 40 million smallholder farmers.

NPP

Natural Plant Protection (NPP) business unit to boost BioSolutions capacity

The industry UPL operates in is one of the most fundamental industries globally. And yet, capacity building in agriculture and agri-chemical solutions (Bio based sustainable crop protection solutions) remains untapped. With NPP, UPL aims to break these barriers

and reach out to global markets, creating better impact and positive value for the world.

We have announced the launch of 'NPP' – **Natural Plant Protection** – a new global business unit housing UPL's comprehensive portfolio of natural and biologically derived agricultural inputs and technologies. Natural Plant Protection or NPP is the torchbearer of innovation, driving towards sustainable bio solutions focussing on Biocontrol, plant and soil health and creation of balance and value through good growing, advisory, health and access for the crops, as well as our farmers, creating positive value and impact for all the stakeholders at UPL.



Nurture.farm

One of the most recent collaborations of UPL, nurture.farm, realises the lack of technological access that farmers face. nurture.farm aims to connect the dots at an ecosystem level and create holistic, full-stack solutions at every stage of the crop cycle. The collaboration also provides farmers with techniques, and plans, and also helps them in implementing the same.

While risk cannot be completely eliminated, with proper use of technology, a sustainable ecosystem can be nurtured and can provide farmers with more access, innovation and resilience. With ever-increasing climate change and man-made impacts now coming in the form of environmental

calamities, the state of agriculture is deteriorating rapidly across the globe.

Agriculture is solely responsible for 70% of all global freshwater withdrawals, accounting for 20% of global GHG emissions and animal husbandry contributes to 45% of CH₄ and 80% of N₂O emissions (Source: McKinsey). Apart from this, 40% of the earth's terrestrial landmass is under agriculture, 1/3rd of the world's soil is either moderately or highly degraded with agriculture (Source: FAO), growing faster with growing population, per capita food consumption coming to 8-12% (Source: McKinsey).

Economically, current agricultural practices cost countries at least USD 3 trillion per annum (Source: FAO) and with more natural disasters, crop and livestock worth USD 108 billion have been destroyed.

To tackle harm caused by traditional agriculture practices, UPL has come up with 'nurture farm,' focussing on making the agriculture ecosystem sustainable and by helping farmers and farming communities, leading to better yield, conserving biodiversity and maximising well-being of core components like soil and water that lead to the best produce possible.

Key Initiatives:



CROP RESIDUE MANAGEMENT

Focused on eliminating stubble burning across India by offering an in-situ bio-decomposition solution. This solution retains nutrients in the soil, increase soil organic carbon and soil health, reduces fertiliser use and delivers better yields. Since the residue is not burnt, it eliminates the carbon particulate related Pollution and reduce the GHG emissions.



SHIFT TO SUSTAINABLE PRACTICES

The Sustainability Paddy Initiative is a water management practice which reduces the methane emissions. Added benefits include increased yields and reduced labour cost in case of Direct seeded rice.



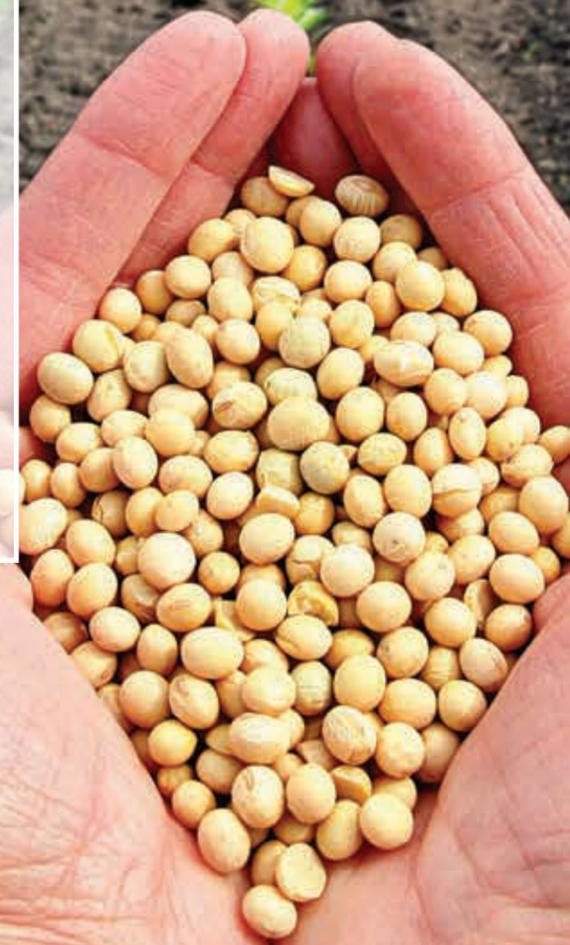
CARBON CREDIT REWARDS

Aimed at reducing carbon emissions and increasing soil organic carbon sequestration. The first organisation to forward sell 20,000 potential agri-related carbon credits in India. And aim to generate 1 million carbon credits in the next one year and reward the farmer from the revenues from carbon credits.



THE GREEN4GOOD INITIATIVE

An opportunity to the consumers to reward the farmers for their efforts to grow nutritious food from less planetary resources and to reduce the impact of agriculture on the planet keeping in mind transparency and responsible sourcing.



PARTNERSHIPS AND COLLABORATIONS

Exploring synergies for progress⁵



Recognised for excellence



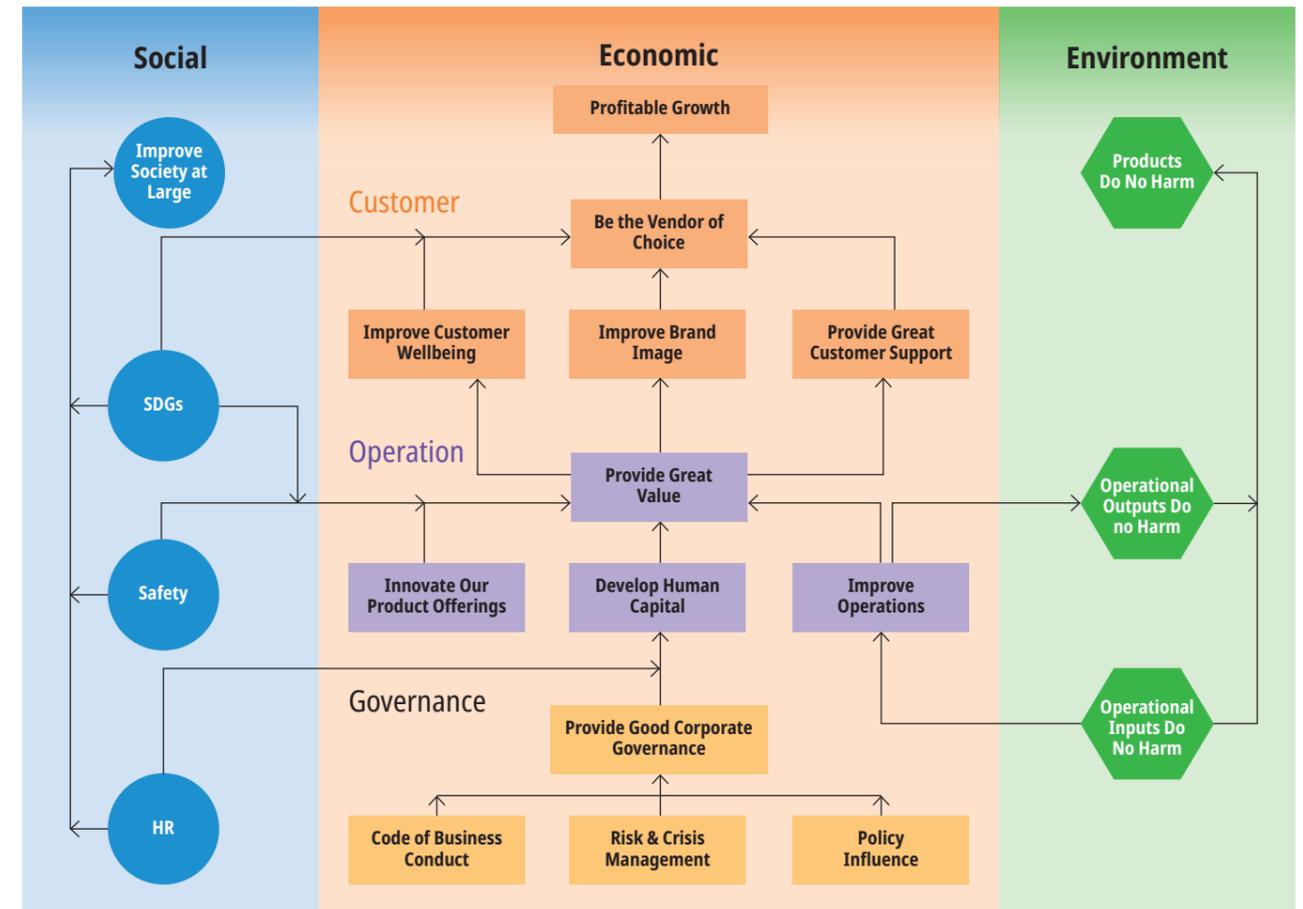
Name of the award	Brief of the award	Institutions who gave the award
Padma Bhushan (2021)	To Mr. R.D Shroff (Individual Award)	Govt. of India
The Life Time Achievement Award (2021)	To Mr. R.D Shroff for distinguished contribution to the industry (Individual Award)	FICCI Chemical and Petrochemical Awards
FAME International Awards- GOLD (2021)	Towards excellence in Sustainability (Sustainability)	FAME India
Asian Sustainability Leadership Award (2021)	Excellence in sustainability performance management for displaying commendable commitment to sustainability (Sustainability)	The Asian Leadership Awards
CII Industrial IP Award (2021)	Third time in a row for Patents - Large enterprises (Life Science, Agriculture) (IPR)	Confederation of Indian Industry
UPL Limited Tops List Under Companies Going Beyond CSR Compliance (2021)	Its spend of 964% (Around 9 Times) of prescribed amount under CSR in FY2021 (CSR)	India CSR Outlook Report 2021
FAME International Awards- GOLD (2021)	Towards excellence in environment protection (Environment)	FAME India
Best Company to Work for in Asia (2021)	Human Resource	HR Asia
UPL Ranked Second out of 55 Companies in the Agricultural Input Segment (2021)	Being the only agricultural input company along with OCP group to be in the Top 20 of the WBA Food & Agriculture 2021 (Corporate)	World Benchmarking Alliance
Recognition of "UPL Vasudha" (2021)	UPL Vasudha, our nature conservation initiative was awarded on the eve of International Day of Forest 2021 (CSR)	Minister of Forest & Tribal Development, Gujarat
Featured in the DJSI Global Sustainability Yearbook 2022 Powered by S&P Global (2022)	Global Rating	S&P Global

OUR SUSTAINABILITY APPROACH

Powered by plan and principles

• Our sustainability strategy

Our Sustainability Strategy focuses on imbuing Environment, Social and Governance aspects and provides a cohesive approach towards reimagining sustainability for real-world impact. Together, with our stakeholders, we aim to co-create an agile food system that is also resilient and sustainable. As we progress towards our sustainability goals – 2025, we aim to capitalise on each action plan to deliver on our vision.



TCFD ALIGNMENT

Aligning with task force on climate related financial disclosures

At UPL, we focus on a sustainable supply chain, carrying out business responsibly, while incorporating the best industry practices and ensuring food security for all our stakeholders. Hence, TCFD assessment and disclosures are vital to our transparency, performance as well as principles.

We at UPL have recently published first Task Force on Climate Related Financial Disclosure (TCFD) report. The Task force was established to make recommendations for more effective climate-related financial disclosures to allow stakeholders to have a better understanding of an organisation's carbon-related asset concentrations and the financial system's susceptibility to climate risks. The TCFD's recommendations are divided into four categories: governance, strategy, risk management and metrics and targets that represent core elements of how businesses operate. These categories are interlinked and designed to work together to make a framework for managing the risks of climate change.

Core elements of Recommended Climate-Related Financial Disclosures



Our TCFD report identifies and address the climate-related risks and what mitigation strategies have been designed to make the company's business model more resilient to these emerging risks. According to the TCFD recommendations, these risks and opportunities were then divided into the following categories:

To prioritise the risk and capture the likelihood and severity, a questionnaire was designed based on 5 parameters

- Probability of Occurrences
- Duration of Event
- Area of Influence
- Magnitude/scale of Impact
- Preparedness for Mitigation

Aligning with the TCFD recommendations, a few key risks and opportunities UPL identified are as follows:

CLIMATE-RELATED RISKS



CLIMATE-RELATED OPPORTUNITIES



However, the key risks and opportunities for our organisation are

New market and potential to develop climate resilient products

Type of Risk: Market
Type of Opportunity: Products and Services

Increased severity of extreme weather events, such as cyclones and floods

Type of Risk: Physical (Acute)
Type of Opportunity: Resilience

Changes in precipitation patterns and extreme variability in weather patterns like rising temperatures (global warming)

Type of Risk: Physical (Chronic)
Type of Opportunity: Market

The Task Force's disclosure guidelines are based on the qualitative and quantitative aspects of financial data and it facilitates to achieve its overarching goal of improving climate-related financial disclosure.

TCFD Disclosure provides guidance to link climate related risks to income statement, balance sheet and cashflow statement. Therefore, making it possible to estimate the climate related financial impacts. These commitments have led users of climate-related financial disclosures — investors, lenders, and insurance underwriters — to increasingly seek decision based on climate performance of the companies.

The questionnaire was then circulated amongst a group of 25 identified senior management personnel from various corporate functions, manufacturing locations across global operations. Responses were collected for each of the five parameters in accordance with the scoring patterns for each of the identified climate change risk. This report analyses the respondents' responses to climate change risk and prioritises the climate change risks faced by UPL, as well as potential financial risk and opportunities. It depicts our organisation's climate change risk profile and lists the risks identified based on financial implications of the risks (with and without preparedness) as well as opportunities and benefits due to preparedness based on responses from departments/functions.

Governance	Strategy	Risk management	Metrics and Targets
<p>Organisation's governance around climate-related risks and opportunities Executive director is directly responsible for climate-related issues. He interacts on a weekly basis with Head and Global Vice President of Environment and Sustainability regarding matters related to climate change</p> <p>Board's oversight of climate-related risks and opportunities Quarterly reviews are conducted on all matters related to environment and sustainability. Setting and monitoring implementation of performance objectives, overseeing of major capital expenditures, acquisitions, and divestitures and monitoring and overseeing progress against goals and targets for addressing climate-related are undertaken by the Board along with reviewing and guiding the following: Strategy Plans of Actions Risk Management Policies Annual Budgets Business Plans.</p>	<p>Description of the climate-related risks and opportunities the organisation has identified over the short, medium and long term. In accordance with TCFD Recommendation, 10 opportunities against risks associated with the business of UPL were identified.</p>	<p>Description of the organisation's processes for identifying and assessing climate-related risks. A climate-related risk assessment was conducted to determine how UPL handles climate-related risks and how resilient its business model is to the various risks.</p>	<p>Disclosure on the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process Risk Assessments were used to identify 10 strategic KPIs to guide the implementation of the TCFD.</p>
<p>Management's role in assessing and managing risks and opportunities The company monitors its management's environmental impact regularly and each department has environmental KPIs tied to its annual success. All departments actively work to reduce the environmental footprint, reducing UPL's overall footprint.</p>	<p>Description of the impact of climate related risks and opportunities on the organisation's businesses, strategy and financial planning The financial impacts of the 10 identified climate-related risks were calculated to develop future strategies to safeguard the business.</p>	<p>Description of the organisation's process for managing climate-related risks. The Risk Management Committee identifies risks and reviews mitigation plans. We further have our risk management policy in place to address climate change risks.</p>	<p>Disclosure of Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks Relevant disclosures are provided with respect to the Scope1, Scope 2and Scope 3 emissions.</p>

Governance	Strategy	Risk management	Metrics and Targets
<p>Management effort is necessary for reduction of environmental impact. Every department at UPL has its own environmental KPIs annually. This facilitates employee engagement as well as better inter-department interaction. Healthy competition works towards collective decrease of UPL's overall footprint.</p>	<p>UPL approaches TCFD through: Firstly, assessing materiality of climate-related risks through market and technology shifts, reputation risks, compliance risks and physical risks. Second, conducting careful scenario analysis, identifying relevant risks and opportunities. Thirdly, business impacts are evaluated focussing on input and operating costs, the supply chain, timing, revenue and keeping interruption to the business in mind. Lastly, potential responses are identified to leverage apt opportunities from emerging risks through changes in the business model, technological investment, innovation and portfolio changes.</p>	<p>Climate-induced risks and their impacts are identified through: - Inherent characteristics of the industry such as indifferent weather, leading to demand fluctuation and industry downturn. - Risks arising out of non-availability of some key inputs and raw materials, which may affect production plans and lead to excessive dependence. - Risks relating to failure to introduce innovative products to counter the immunity developed against products by insects or pests. - Risks pertaining to high receivables at certain times of seasons, impacting the working capital negatively. - Risks due to inadequate compliance to regulations worldwide and non-compliance, arising out of failure to address changes in government policies from time to time.</p>	
	<p>Description of the resilience of the organisation's strategy, taking into consideration different climate related scenarios including 2 degree or lower scenario For each identified climate change risk, two future scenarios, 1.5°C and BAU, were developed. If only the BAU scenario is followed without accounting for the 1.5°C scenario, risk arises and vice versa. To evaluate business impacts, based on the considered scenario, the maximum cost heads impacted by these risks are mapped.</p>	<p>Description of how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management. The Risk Management Committee consists of three directors, two of which are executives. Senior executives from different divisions provide input on potential risks and mitigation plans to the Committee. The Committee contributed to regulatory, climate and other risks. Unit and Corporate Environment teams monitor compliance and regulations on daily basis "Zero Non-Compliance".</p>	<p>Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets Achievements concerning each identified KPI are disclosed for FY 2019-20 and 2020-21, while targets for FY 2025 and 2030 are set.</p>

For more details refer to TCFD Report- UPL Ltd. (2022) here

Strategy for creating a sustainable food system⁶

UPL aims to consistently accelerate progress in building an agile and safe food system. We work with stakeholders around the world to provide sustainable solutions, by shifting our mission and values from promise to practice.



Our Mission

Change the game to make every food product more sustainable

Our strategic levers	Industry-specific winning strategies	UPL's winning strategy
Enable stability of food supply for 7 billion people on the planet	20 Years ago PRODUCT INNOVATION 1. R&D focused on new IP protected chemistry 2. Global blockbuster Ais (one fits all) 3. Strive for sales excellence	1. Leverage tier-1 scale
Meet crop protection needs of 500 million farmers globally	10 Years ago CROP SOLUTION INNOVATION 1. R&D focused on new mixtures and crop spraying programs 2. Broad, crop-specific portfolio 3. Strive for marketing excellence	2. Dominate the growing post-patent market through differentiation and the best-in-class cost efficiency
Provide innovative and affordable solutions to farmers	Next 10 Years RESOURCE EFFICIENCY INNOVATION 1. R&D focused on renewables and resource efficiency 2. Plot-specific, eco-friendly solutions that are cost effective 3. Strive for digital excellence	3. Exploit our capital efficient open- innovation R&D platform to claim top share of the proprietary chemical market
Innovate new climate smart solutions to build resilient food systems		4. Expand leadership on sustainable input technologies
Connect farmers, food producers, supermarkets and consumers		5. Continue to evolve our go-to market from supplying products to offering smart farming solutions
Protect the environment, finite resources and human health		

Facilitating sustainable performance

We are an ethical business, that performs responsible operations and continuously strives to go beyond compliance to create a strong and sustained positive impact. We focus on creating a robust governance mechanism that protects shareholder value, while enhancing our position as pioneers in the agrochemical industry.

Our governance philosophy stems from our value system encompassing our legacy, culture, vision, mission, policies and relationships with all our stakeholders. At UPL, our global corporate governance framework is guided by our core values, namely: always human, nothing's impossible, win-win-win, one-team – one focus and agile and keep it simple – make it fun.

- Always human**
- Nothing's impossible**
- Win-win-win**
- One team, one focus**
- Agile**
- Keep it simple, make it fun**

Board of Directors⁸

UPL is headed by an exemplary Board of Directors with expertise in their respective fields and extensive industry expertise. Our diverse Board enhances our business practices with a long-term strategic perspective that creates value for our stakeholders. At UPL, our Board is the highest governance body, ensuring our compliance with relevant regulations and providing strategic guidance on the organisational economic, social and environmental aspects of sustainability. Our Board composition complies with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and Section 149 of the Companies Act, 2013 (the Act).

⁷GRI 102-27, GRI102-34, GRI 102-35, GRI 102-36, GRI 102-37 ⁸GRI 102-19, GRI 102-22, GRI 102-23, GRI 102-26 ⁹GRI 102-20, GRI 102-30, GRI 102-32, GRI 102-33



MR RAJNIKANT SHROFF
Chairman & Managing Director



MR JAI SHROFF
Non-Executive, Non-Independent, Global CEO of the Group



MR. VIKRAM SHROFF
Non-Executive, Non-Independent Director



MR. ARUN ASHAR
Director – Finance



MR. HARDEEP SINGH
Lead Independent Director



MR. PRADEEP GOYAL
Independent Director



DR. REENA RAMACHANDRAN
Independent Director



MS. NAINA LAL KIDWAI
Independent Director



DR. VASANT GANDHI
Independent Director

RESPONSIBLE FOR GOVERNANCE, ETHICS, AND SUSTAINABILITY

AUDIT COMMITTEE
Assist the Board in maintaining our Company's quality and integrity of accounting, auditing and reporting practices. The Committee comprise of all independent Directors including Chairman.

NOMINATION & REMUNERATION COMMITTEE
Set the criteria for determining qualifications, positive attributes and independence of directors, framing of Nomination and Remuneration Policy, review of succession planning. The Committee comprise of all independent Directors including Chairperson.

STAKEHOLDERS RELATIONSHIP COMMITTEE
Review and oversee matters pertaining to our securities, oversee grievance redressal of stakeholders and recommending improvement techniques in standards of services provided to investor. The Chair of the Committee is an Independent Director.

Committees of the Board⁹

Responsible for timely communication of operations and any major decisions undertaken by the Board with specialised focus areas. The terms of reference of all Board Committees are reviewed annually.

RISK MANAGEMENT COMMITTEE
Frame and review the risk management policies, processes including cyber security risks, risk mitigation and business continuity plan.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Monitor the CSR policies, activities as well as the expenses incurred for it by our Company and approve and recommend CSR budget and CSR related disclosures

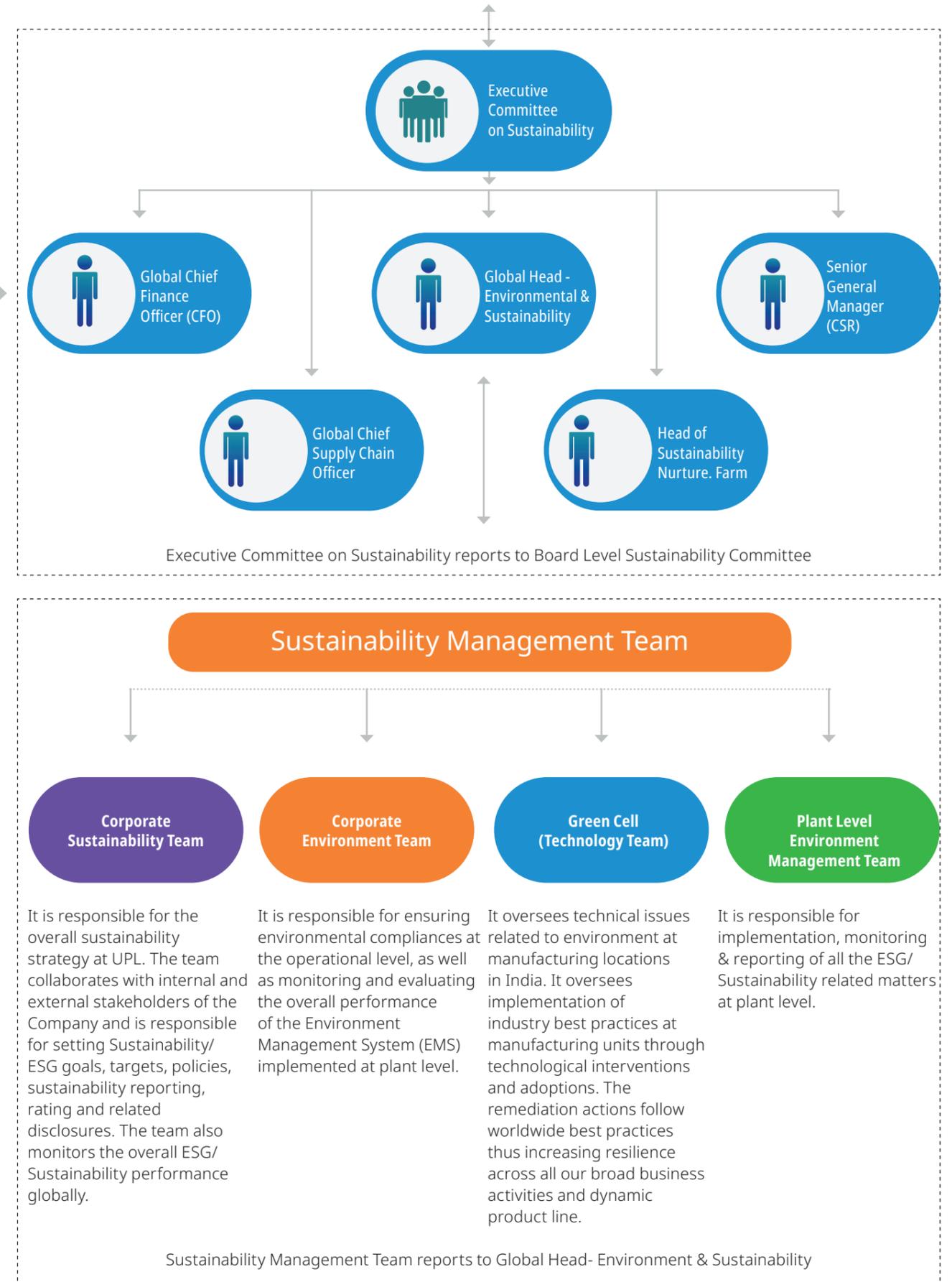
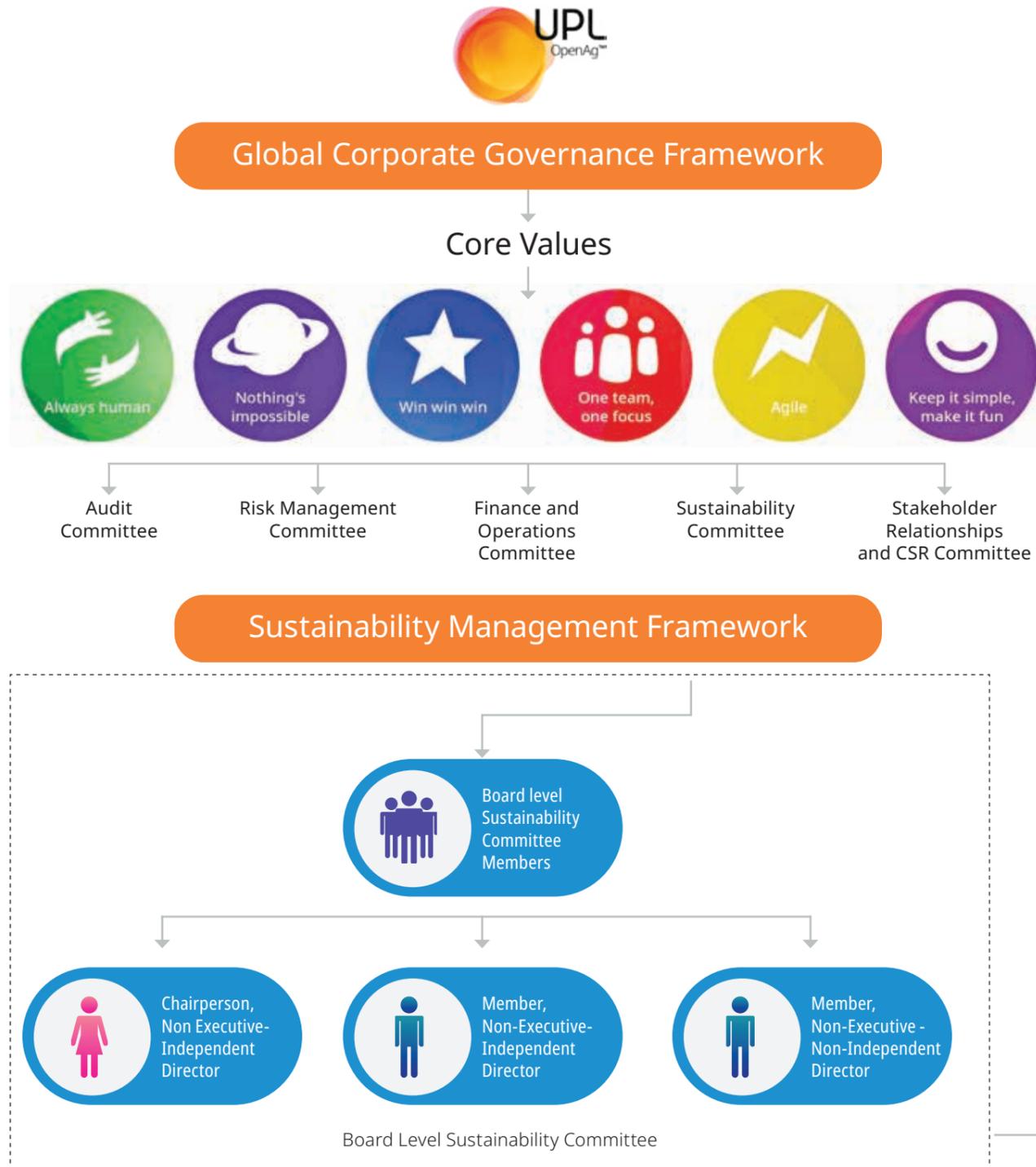
SUSTAINABILITY COMMITTEE
During the year, Sustainability Committee of Directors was constituted with specialised focus on sustainability related matters. Committee guide the management in leveraging its core capabilities and strengths to create sustainable solutions for farmers and mitigate climate change risks. The Chair of the Committee is Independent Director.

COMMITTEES

Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Audit Committee	Nomination and Remuneration Committee	Finance and Operations Committee	Risk Management Committee	Sustainability committee
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Chairperson Member

UPL's Sustainability & Environment Governance and Management Framework



Ethics and integrity¹⁰

At UPL, the ethics and values are espoused by our Board. Our Board and its Committees provide an ethical and strategic direction for the Company, in line with our vision to be an icon of growth, technology and innovation. At UPL, we have built a robust governance mechanism, based on the foundations of ethics, transparency and integrity, leading us to strengthen mutual trust and accountability with our stakeholders. We employ various codes and policies to establish the best-in-class corporate governance practices. There is also a code of conduct for UPL's board members and senior management.

CODES/POLICIES ADOPTED BY UPL FOR THE BEST GOVERNANCE PRACTICES

- Code of conduct
- Whistle blower policy
- Gifting policy
- Human rights policy
- Anti-bribery and corruption policy
- Code of conduct for monitoring and prevention of insider trading



Board performance evaluation¹¹

UPL conducts an annual evaluation of the Board and its Committees in accordance with the provisions of the Companies Act 2013 and the SEBI Listing Regulations. Directors play a critical role in this evaluation process by participating in the evaluation survey and providing feedback on the overall functioning of the Board, its committees and the contribution of individual Directors. This survey addresses key issues, such as Board/Committee structure, meeting practices, overall effectiveness and Director attendance/participation at meetings.

Nomination and remuneration process¹²

Our remuneration policy, developed by our Nomination and Remuneration Committee, assists us to select and appoint Directors and senior management and deciding their remuneration. Our remuneration system is based on several factors including individual performance and individual targets, the Company's performance and recent compensation trends in the industry. Organisational performance-based incentives are carried out by the Stock Option schemes covered by the Clawback Policy. The ratio of the total annual compensation of the Chairman and Managing Director to median employee compensation is 240X. At UPL, Executive Directors are appointed for 5 years and non-executive directors on a rotation basis every 3 years. Independent Directors can serve up to 10 years of which re-appointment is done after 5 years of initial service. For Executive Directors, a three-month notice period applies to both parties under the employment contract. Refer to the Annual Report 2021-22 for more information. We also have an Executive Compensation Policy (ECP) for remunerating the Executive Leadership Team (ELT) to drive long-term organisational goals. The ELT consists of collective business and functional leadership with top executives from the Company. Local pay practices and local employment regulations are central to the design of global ELT employment contracts. Their total compensation is managed according to standard market compensation practices that are consistent with their duties. We also work with external consultants to evaluate compensation and ensure market competitiveness.

Board knowledge of sustainability

Our Board of Directors ensures the implementation of sustainability practices in our business operations. Therefore, we continuously update our Board on recent ESG trends, frameworks, and economic, social and environmental parameters. In this way, they can further develop our sustainability approach in line with the visionary approach.

Grievance redressal mechanisms¹³

UPL recognises the importance of grievance mechanisms to strengthen stakeholder relationships and ensures effective business operations. Therefore, we have developed a strong grievance redressal mechanism for protecting policies and human rights and guiding the organisation towards a sustainable and equitable future. Our grievance redressal mechanisms are provided below.

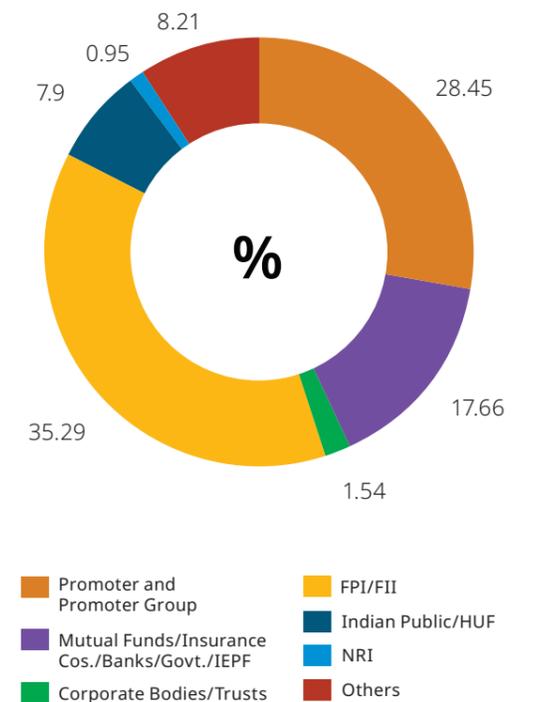
Investors can raise any grievance with the Company, RTA, MCA, IEPF Authority, Stock Exchanges and SEBI

The Company and RTA endeavours to resolve the grievances within defined timelines

We update the details of grievances to the Board, Stock Exchanges quarterly and share it on our website

We provide the details of grievances in our Annual Reports

Shareholding pattern (%)¹⁴



¹⁰ GRI 102-17, GRI 206-1, GRI 102-18 ¹¹GRI 102-28 ¹²GRI 102-24
¹³GRI 102-38, GRI 102-39 ¹⁴GRI 102-10

ECONOMIC PERFORMANCE

Poised for robust growth

At UPL, our investment decisions and growth strategy are guided by our strong commitment to sustainability. We employ practices that create sustainable value for our stakeholders, and support long-term growth, while enhancing our environmental and community footprint.

Economic value distribution

We create value for our stakeholders including employees, community, shareholders, investors and governments through our global operations.

Direct economic value generated	
Revenue from operations	₹46,240 crore
Economic value distributed	
Total expenses	₹41,365 crore
Employee wages and benefits	₹2,296 crore
Community investments	₹27 crore



Financial highlights

We optimally deploy our financial resources provided by our shareholders, bond issuers, banks, and the financial markets to create value, while maintaining a strong balance sheet and driving growth.

Profit and loss metrics

REVENUE

(₹ in crore)



PROFIT AFTER TAX

(₹ in crore)



EBITDA

(₹ in crore)



Shareholder metrics

EARNINGS PER SHARE

(₹ per share)



RETURN ON CAPITAL EMPLOYED (ROCE)

(%)



RETURN ON EQUITY (ROE)

(%)



RISK MANAGEMENT¹⁵

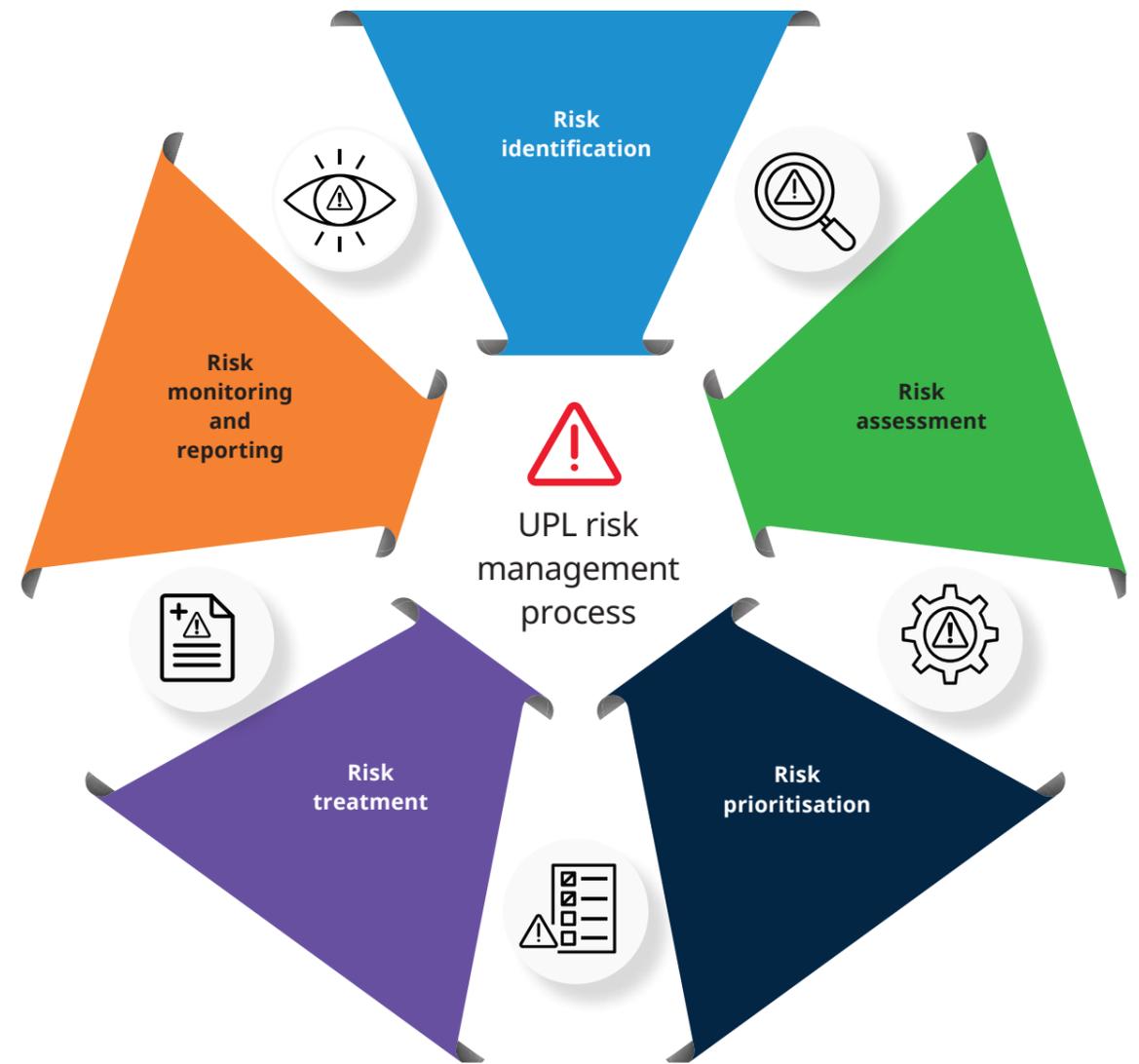
Resolving issues efficaciously

As a global agrochemicals business, we are exposed to a wide range of risks. Therefore, we have developed a robust risk governance framework that defines the process for risk identification and assessment, and develops and monitors risk management strategies, while ensuring the smooth functioning of our strategy and balancing the risk-reward equation expected by stakeholders.

Risk management process

UPL has a comprehensive and integrated risk management system for regularly assessing, reviewing and monitoring significant risks in our business activities. Our risk management process is guided by our strategy and objectives, emerging megatrends, internal and external stakeholder inputs and industry-specific analysis. This system is benchmarked with leading risk management standards, such as ISO (International Organisation for Standardisation) and COSO (Committee of Sponsoring Organisations of the Treadway Commission). The Board is responsible for the overall development and implementation of the risk management system. Our Risk

Management Committee plays a critical role to identify risks and review mitigation plans proactively. The Committee consists of five members, including two Executive Directors, Independent Director, Global Chief Financial Officer and a Global Head – Supply Chain. Our senior executives in various departments of the Company provide the Committee with regular inputs on potential risks to monitor mitigating plans for the identified risks. In addition, the Audit Committee provides the Board with an independent assurance statement on the effectiveness of current risk management practices and recommendations to enhance the risk management framework.



Risk identification and mitigation

For the reporting year, we have identified the following key risks. Further details regarding risk description, impact and mitigation measures are available through our Annual Report

- Credit risk • COVID-19 risk • Changes in market dynamics • Regulatory changes • Research
- and development • Environmental health and safety risk (EHS) • Tax • Product pricing •
- Warehousing and supply chain • Pest resistance • Climatic conditions • Foreign currency
- fluctuations • Liquidity

¹⁵GRI 102-11, GRI 102-15, GRI 102-29, GRI 102-30, GRI 102-31, GRI 102-33, GRI 102-34

Protecting data, guarding privacy

IT and cyber security remain cardinal for UPL. Therefore, we understand the importance of data integrity, security, and privacy and consistently strive to protect the confidential and personal information of our stakeholders, including our customers. We have established various systems and measures to ensure we remain responsible while collecting, storing, using, sharing, transferring, and disposing of any personal or confidential information.

Our dedicated approach ensures continuous data privacy compliance at UPL, and enables us to implement robust systems to strengthen internal capabilities. Our GRC team developed the global data privacy policy, that is based on the 10 generally accepted privacy principles, common across

all regional data privacy laws. Our data privacy commitments are in line with the GAPP and data privacy laws such as GDPR, APPs and LGPD, among others. In FY 2021-22, we did not receive any complaints concerning breaches of customer privacy and losses of customer data.



OUR APPROACH TO DATA INTEGRITY, SECURITY, AND PRIVACY

Conduct gap assessments based on applicable data privacy laws across our global operations.

- UPL's global data privacy policy is applicable to all group companies, operating units and support functions of UPL.
- The policy is applicable to all employees, workers, contractors/vendors, customers, visitors and business partners regardless of geographic locations, who either receive or have access to personal data collected or processed by or on behalf of UPL, or who provide personal data to UPL as a result of their relationship with UPL.

Established a compliance register on our 'sharepoint' portal to track the status of compliance across UPL entities.

Measures taken to prevent breach of data privacy

- VPN with MFA for secure access from home
- User training 600+ hours – Microsoft Teams
- Accelerated patching vulnerability management
- Realtime security monitoring
- Roll-out of advanced email security
- Remote support over phone and Teams
- Upgrade to cloud-based antivirus

Data privacy policies are prepared for UPL's global team. The policies are also shared with regional teams, to adhere to local laws and language.

Approach to address data privacy concerns

- The employee reports the incident in the SNOW portal and categorises it under the data privacy incidents.
- All data privacy incidents are classified as Priority 1 incidents according to the classification matrix and are escalated to Head – GRC (Escalation 1) with further escalation to the CIO (Escalation 2). The incident is then assigned to the respective stakeholders for resolution with an SLA of 4 hours.
- Root cause analysis on the incident will be conducted. In the event of widespread impact/ data loss affecting a large set of employees, breach notifications will be shared with all the affected employees.
- Evidence collection and lessons learned is further undertaken to communicate the incident to all employees.

Identified regional SPOCs to drive privacy compliance activities across UPL operations.

Conducted data privacy training and awareness for all UPL employees. Re-assessment of the controls rolled out.

¹⁶GRI 103-1, GRI 103-2, GRI 103-3, GRI 418-1

Keeping stakeholder welfare at core

A detailed stakeholder engagement was conducted in FY 2020-21 to imbibe expectations of our critical stakeholders. In addition to this we interact with our stakeholders on regular basis to review their key concerns and challenges.

STAKEHOLDER IDENTIFICATION AND PRIORITISATION

The stakeholder identification is based on a strategic understanding of stakeholder groups that are impacted by and that impact UPL. Accordingly, stakeholders are prioritised based on the level of influence, interdependency and responsibility they have towards UPL.

STAKEHOLDER ENGAGEMENT

We implement tailored engagement strategies based on the nature of each stakeholder group, across various engagement platforms.

KEY STAKEHOLDER CONCERNS RAISED

Our comprehensive engagement mechanisms enable our stakeholders to raise their concerns with regard to UPL. We also ensure each and every concern is addressed in a timely and dedicated manner.

STRATEGIC RESPONSE

We value the inputs of our stakeholders and establish appropriate action plans to align our business activities to their expectations.



Key priorities

- Occupational health and safety
- Water and hazardous waste management
- Climate change
- Demand risk
- Responsible management of information in the public domain

Modes of engagement

- Board meetings
- Annual General Meeting (AGM)

Frequency

- Y N

Our response

- Ensuring periodic and mandatory safety training for UPL's workforce
- Enhancing progress on our commitment to the Science-Based Targets initiative (SBTi)
- Augmenting progress towards UPL's sustainability goals
- Improving operational efficiency measures
- Enabling cost-effective and sustainable energy-saving solutions
- Ensuring periodic communication with regulatory authorities



Key priorities

- Increased awareness of all employees on UPL's policies
- Strategic skill up-gradation programs
- Lateral deployment
- Enhanced Standard Operating Procedures (SOP) and system implementation

Modes of engagement

- Employee satisfaction survey
- National townhall meetings
- Telephonic and e-mails
- Virtual meetings
- Magazines and newsletters
- Mid-year and annual review

Frequency

- W M Q Y N

Our response

- Periodic online policy awareness campaigns

- Presence of talent management centred interventions, leadership development programs, frontline talent development initiatives, digitised learning IDPs through open intel and supply chain academies
- Implementing initiatives to enhance talent acquisition strategy and augment multiskilling at the shop-floor level
- Implementing targeted initiatives to scale-up talent through internal movements
- Ensuring regular SOP audits, through third-party organisations
- Participating in awards that audit SOP implementation, such as F&S/ international organisation for standardisation (ISO), among others
- Ensuring periodic hazard and operability analysis (HAZOP) study



Key priorities

- Reward and recognition programs
- Strategic implementation of IT initiatives
- Ethical business practice

Modes of engagement

- Mode of engagement
- Townhall meetings
- Email
- Virtual webinars
- Employee satisfaction survey
- Organised training and information sessions
- Team-building events

Frequency

- W M N

Our response

- Theme-based R&R interventions on various platforms, such as TQM awards and safety awards
- Highest production recognition
- Contract safety management awards
- Festival celebrations
- Spot award for going above and beyond



Key priorities

- Enhanced disclosures across UPL's asset base

Modes of engagement

- Telephonic

Frequency

Q

Our response

- Increased transparency on key milestones and initiatives across the Company
- Regular engagement via annual reports, capital markets and investor days, conferences and investor roadshows



Key priorities

- Delayed delivery of products
- Increased customer engagement

Modes of engagement

- Telephonic and e-mails
- Executive announcements
- Meetings with clients and managers

Frequency

D W M N

Our response

- Improvement in operational efficiency measures
- Annual customer satisfaction survey on four major sections: delivery performance, Quality of UPL products and services, overall COT performance, overall UPL performance



Key priorities

- Environmental compliance

Modes of engagement

- One-on-one meetings

Frequency

Q

Our response

- Periodic engagement with our regulators, such as State Pollution Control Board (SPCB), Central Pollution Control Board (CPCB), Ministry of Environment and Forests (MoEF), among others
- Timely submission of regulatory compliances



Key priorities

- Sustainable agro-product portfolio of UPL
- Increased employment of technical experts
- Enhanced R&D practices in conjunction with learning and development initiatives for students

Modes of engagement

- Virtual meetings
- E-mails

Frequency

M Q Y N

Our response

- Presence of a robust product life-cycle approach across the domains of manufacturing, packaging, transportation, application and disposal
- Strict adherence to UPL's product stewardship policy
- Presence of advanced R&D centres to augment innovative technologies and address the needs and challenges of farmers globally



Key priorities

- Delay in payments
- Cancellation of orders
- Enhanced sustainable growth

Modes of engagement

- Supplier engagement forums
- Virtual trainings
- Supplier events

Frequency

Y N

Our response

- Strengthen integration of sustainability within procurement as per ISO 20400 and United Nations Global Compact (UNGC) guidelines
- Enhance sustainability engagement with suppliers and work cohesively on improvement opportunities and risks to ensure sustainable growth and grievance redressal



Key priorities

- Educational infrastructure
- Health and sanitation
- Self-help groups
- Agricultural techniques

Modes of engagement

- Group meetings
- One-on-one meetings
- Impact assessments

Frequency

M Q N

Our response

- Presence of a strong CSR policy to support holistic development across communities
- Implementation of focused sanitation programs and better healthcare facilities
- Prioritised focus towards agriculture development under livelihood enhancement and rural development projects

¹⁷GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-47, GRI 102-21, GRI 102-25

D Daily, W Weekly, M Monthly, Q Quarterly, Y Annually, N Need-based

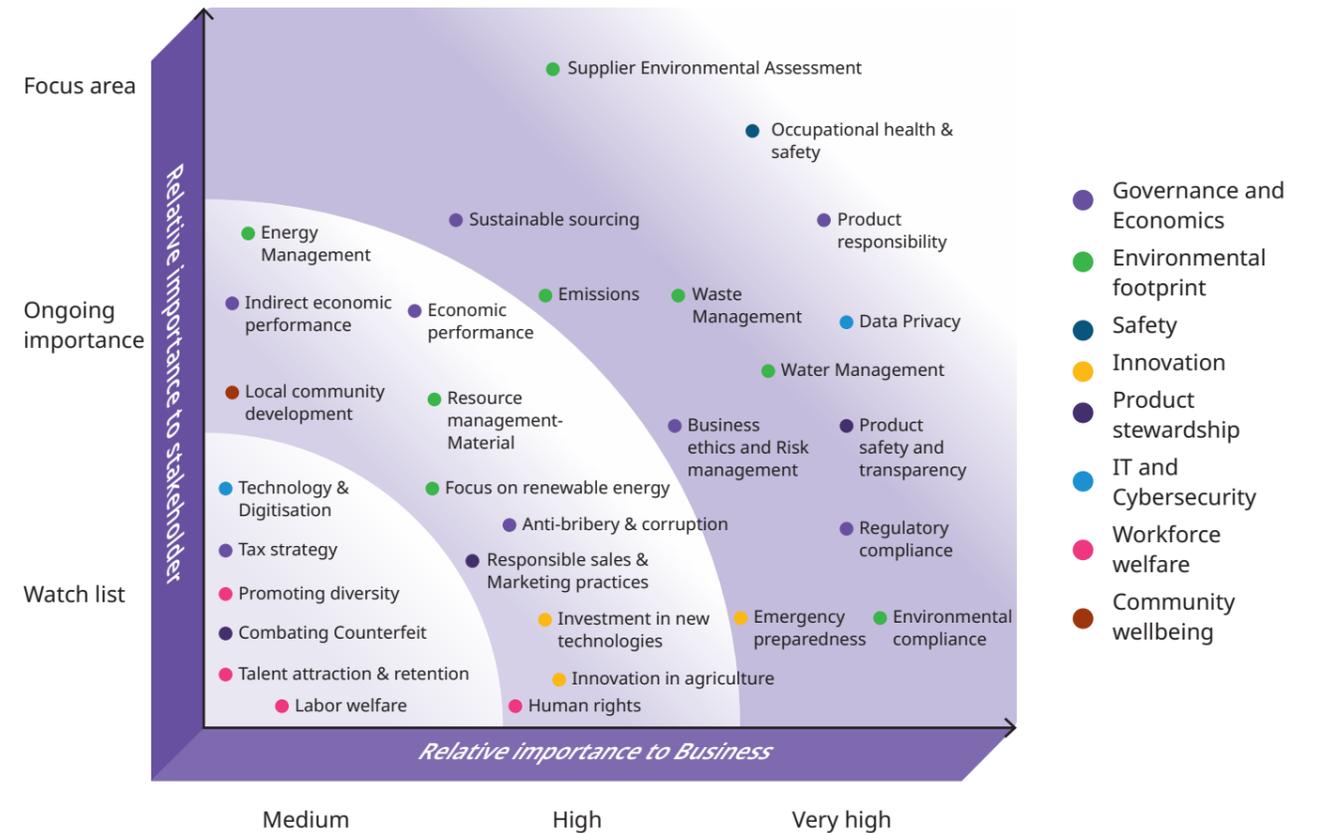
MATERIALITY ASSESSMENT

Focusing on the imperatives

Materiality assessment plays an important role in shaping our ESG journey and enhancing our ability to create value for our stakeholders. Therefore, at UPL, we strive to understand and resolve the key material issues that impact our business, to achieve long-term success as a responsible and sustainable business. Our latest Materiality exercise was conducted in FY 2020-21.



UPL's materiality matrix for FY 2021-22



Material topics	Global Reporting Initiatives (GRI) standards	Impact boundary	Report linkage	SDGs
Governance and economics				
Business ethics and risk management	102-18, 102-19, 102- 20, 102-21, 102-22, 102-23, 102-24, 102- 25, 102-26, 102-27, 102-28, 102-29, 102- 30, 102-31, 102-32, 102-33, 102-34, 102-35, 102-36, 102-37, 102-38, 102-39	Internal and external: We have an integrated risk management system, which covers significant risks across our operations and also extends to our value chain. Page 42 →	Corporate governance and risk finance	
Regulatory and compliance	103-1, 103-2, 103-3	Internal: We have provided detailed insights into UPL's established processes and systems that ensure timely adherence to regulatory compliances. Page 42 →	Corporate Governance and Risk Finance	

Material topics	Global Reporting Initiatives (GRI) standards	Impact boundary	Report linkage	SDGs
Environmental footprint				
Emissions	103-1, 103-2, 103-3, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7	Internal and External : We have provided comprehensive details on our Scope 1, Scope 2 and Scope 3 emissions, along with our initiatives to reduce our overall GHG emissions. Our Decarbonisation roadmap. Page 84 →	Environmental stewardship	 
Water management	103-1, 103-2, 103-3, 303-1, 303-2, 303-3, 303-4, 303-5	Internal and external: We have provided details on our water withdrawal, consumption and discharge. Understanding our impact on the environment and society at large, we have also implemented a robust strategy to reduce our overall water footprint. Page 84 →	Environmental stewardship	  
Waste management	103-1, 103-2, 103-3, 306-1, 306-2, 306-3, 306-4, 306-5	Internal and external: We provide insights into our waste generation and disposal methodology as well as waste recycled or sent for co-processing. We also remain focused towards recycling and reusing waste generated to reduce waste disposed to landfill. Page 84 →	Environmental stewardship	 
Supplier environmental assessment	103-1, 103-2, 103-3, 308-1, 308-2	Internal and External: We have a robust supplier screening process and sustainable procurement policy at UPL. This ensures suppliers are screened across identified ESG parameters. We also ensure our suppliers adhere to our Supplier Code of Conduct. Our Sustainable sourcing. Page 84 →	Environmental stewardship	 
Environmental compliance	103-1, 103-2, 103-3, 307-1	Internal: We have a dedicated environment policy at UPL to ensure compliance with all statutory and other such requirements of regulatory authorities, such as Pollution Control Board, among others. Page 84 →	Environmental stewardship	 

Material topics	Global Reporting Initiatives (GRI) standards	Impact boundary	Report linkage	SDGs
Innovation				
Emergency preparedness	103-1,103-2,103-3	Internal and external: We hold periodic trainings for our employees to effectively respond to any unforeseen circumstances. We also have an EHS policy, which encourages capacity building workshops on safety, emergency preparedness and response for our stakeholders. Page 98 →	Social responsibility	  
Safety				
Occupational health and safety	103-1, 103-2, 103-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10	Internal and external: Most of our Indian sites are ISO45001:2018 certified. We are exploring further ISO certifications for all our UPL sites based on the relevance of the site and importance to the business. We also provide regular safety training for our permanent and contractual employees. Page 98 →	Social responsibility	  
Product safety and transparency	103-1, 103-2, 103-3, 416-1, 416-2	Internal and external: We incorporate responsible practices across our product lifecycle approach. We also hold training programs for all our employees and customers to promote safe handling practices of the products and proper disposal mechanisms. Page 98 →	Responsible business-sustainability in supply chain	  
Product stewardship				
Product stewardship	103-1, 103-2, 103-3, 417-1, 417-2, 417-3	Internal and external: We have a robust product stewardship policy to incorporate responsible, safe and sustainable practices across our product portfolio. Page 66 →	Responsible business-sustainability in supply chain	 
Sustainable sourcing	103-1, 103-2, 103-3, 414-1, 414-2, 408-1, 409-1	Internal: We have a dedicated Sustainable Procurement Policy, which represents a guidance document to strengthen sustainability across our supply chain. Page 66 →	Responsible business-sustainability in supply chain	 

Material topics	Global Reporting Initiatives (GRI) standards	Impact boundary	Report linkage	SDGs
IT and cyber security				
Data integrity and security	103-1, 103-2, 103-3	Internal and external: We have a dedicated Global Data Privacy Policy at UPL to strengthen internal data privacy and integrity capabilities. The policy is applicable to all group companies, operating units and support functions of UPL as well as employees, workers, contractors/ vendors, customers, visitors and business partners. Page 42 →	Corporate governance	 
Data Privacy	103-1, 103-2, 103-3, 418-1		 	
Workforce welfare				
Talent attraction and retention	103-1, 103-2, 103-3	Internal: We have a robust employee appraisal process to encourage individual growth across the organisation. We also have dedicated trainings across cadres to enhance the skill-sets of all our employees. Page 98 →	Social responsibility	 
Human rights	103-1, 103-2, 103-3, 412-1, 412-2, 412-3		Social responsibility	  
Community wellbeing				
Local community development	103-1, 103-2, 103-3, 413-1, 413-2	External: We have a dedicated CSR committee at UPL. We have established key CSR focus areas to drive impactful interventions. We also conduct periodic social and environmental impact assessments. Page 98 →	Social responsibility	        



Responsible Business- Sustainability in supply chain

At UPL, we cultivate an integrated portfolio of agricultural inputs, products, and solutions to meet the needs of our stakeholders while remaining committed to our mission of delivering sustainable food products. Our OpenAg initiative provides a platform for best agricultural practices and innovation knowledge sharing, allowing us to offer sustainable agricultural solutions.



UPL's material topics

- Emergency preparedness
- Product safety and transparency
- Product stewardship
- Sustainable sourcing
- Data integrity and security
- Data Privacy

UPL's stakeholders

- Suppliers
- Customers
- Regulatory bodies

UPL's OpenAg strategy

- Open Innovation
- Open Intelligence
- Open Collaboration
- Open Markets
- Open Access

1,344
Products in our portfolio

12%
Of global spend could be categorised as 'sustainable at par with industry'

~3%
Annual revenue reinvested in R&D

30
R&D Facilities

29%
Revenue from differentiated and sustainable products

Incorporated Product Lifecycle Approach



Towards effective outcomes

At UPL, our product stewardship policy guides the structure and implementation of the stewardship program. We adopt a product life-cycle approach to integrate the synergies of research and innovation across the domains of manufacturing, packaging, transportation, application and disposal. Our comprehensive approach to product-stewardship facilitates the incorporation of responsible and safe practices across our product portfolio to promote sustainability. Furthermore, we proactively train our employees on the responsible care and management of our products to ensure the translation of our product innovation strategies into productive results.



We are humbled to state that there have been no incidents of non-compliance concerning product and service information, labelling and also marketing communications. Also, all our products and services are effectively assessed for health and safety impacts. In FY 2021-22, there were no incidences of non-compliance concerning the health and safety impacts of our products and services.

0
Incidents of non-compliance related to health and safety

Understanding the product lifecycle approach towards stewardship:



Research and development

Standing tall on our aim to develop advanced and innovative agricultural solutions, we invoke environment friendly alternatives, focussing on improved efficacy, greater consumer trust and safer toxicological, ecotoxicological and environmental aspects. At UPL, we also assure and ensure that our research and product development outcomes are in compliance with approved regulatory guidelines and beyond.



Manufacturing

Constant and consistent alignment with our vision and values is fundamental, and hence, ethical, efficient and compliant manufacturing practices are adopted in line with the environmental, health and safety standards.



Packaging, storage, transportation and distribution

Post-harvest care and any transfer or transportation security of the grains are essential, hence, we undertake proper measures to look into the storage, packaging and distribution of UPL products and grains, as per pertinent rules and regulatory framework.

Our recent collaboration with TeleSense has added the dimension of artificial intelligence and sensor technology to our processes, facilitating a more efficient supply chain pertaining to grain storage, transportation and food waste reduction.



Responsible use

Propagating a culture of responsible management and business for all employees and consumers, we conduct training programs to promote safe handling practices of UPL products, along with their use and effective, minimal waste-generating disposal mechanisms.



Integrated crop pest management

Pest management is an important component of food security and we, at UPL, offer diverse natural BioSolutions for crop and pest management, extending innovation to conventional crop protection practices through ProNutiva.



Container management

All used containers are disposed in accordance to safe waste disposal regulations in addition to a triple-rise cleaning process. Strategies are constantly curated for the same.



Disposal of obsolete waste

UPL has been the pioneer in India for installing incinerators for safe waste disposal, in addition to monitoring landfills and creating a separate site for the same. We make sure that all norms and regulations are in accordance with compliance.

¹⁸GRI 103-1, GRI 103-2, GRI 103-3, GRI 417-1, GRI 416-1, GRI 416-2, GRI 417-2, GRI 417-3

SUSTAINABLE SOURCING¹⁹

Achieving eco-sensitivity

We are committed to the UNGC principles and focus on integrating economic, environmental and social sustainability practices in all our operations.

Supply chain is an integral part of our business operations, therefore sustainable sourcing becomes a crucial aspect in achieving our sustainability goals holistically.

As a proud member of the Responsible Care Initiative, at UPL, we have a strict supplier code of conduct, which is applicable to all our suppliers, including their third-party suppliers as well and we do not tolerate violation of any regulation and expect our suppliers to follow the same.

We have also benchmarked with international guidelines and standards, practices of global peers, sustainability reporting frameworks etc. to identify improvement opportunity in our framework and standardisation of

processes, which helped us update our own Global Policy for Sustainable Procurement.

It also involved rigorous multi-stakeholder engagement with environmental sustainability leadership team, regional procurement teams, externally acclaimed consultancy, health and safety leadership team, technology and innovation teams, etc., ensuring the involvement of all factions of our supply chain, making it more altruistic in nature.

Efforts in greening our supply chain resulted in:



1. Revised sustainable procurement policy and supplier code of conduct.



2. Standardised globally applicable supplier sustainability performance assessment questionnaire (translated into local languages as required).



3. Development of standardised mechanism for sustainability performance evaluation and supplier categorisation.



4. Workflow to manage risks and opportunities, post supplier sustainability evaluation.

TARGET:

To establish robust framework/mechanism to progress to achieve target of 60% sustainable sourcing by 2025

FY 2022-23 targets:

- 25% sustainable sourcing
- Sustainable procurement: results of initial dipstick supplier survey
- 82 suppliers covered

- ~₹2,600 crore equivalent spend (USD 370 million) (20% spend)
- ~ 70% completion of improvement in action plans
- Physical on-site audits in all regions, covering ~50% of the global spend
- Continue topic-specific sustainability workshops to guide suppliers for incorporating the best practices as per the industry

SDGs aligning with:



Our procurement sustainability is standardised in an e-procurement tool, which includes supplier self-evaluation, auditor evaluation and post audit improvement plan, as required.

Sustainability performance scoring is automated, based on supplier self-assessment response and UPL and a third-party auditor evaluation, which is integrated with overall supplier performance evaluation process in system and made part of decision making for contract renewal or the formation of a new contract.

Proprietary questionnaire, focusing on environmental and social topics, is not only for compliance evaluation, but also for identification of improvement opportunities through the supply chain.

It comprises an extensive set of approximately 90 questions, focused on relevant environmental and social aspects, which we can embed at UPL.

Benchmarking with our global peers and competitors, we have also developed tools with a knowledge bank to guide suppliers for global best practices in environmental and social aspects.

Questions in the environmental segment are also particular to environmental sustainability with focus on science-based targets, water consumption, carbon footprint and future prospects.

Inculcating sustainable sourcing in our work culture, we conducted internal awareness programs with the central and regional procurement teams.

This could help the consumers understand as to why environmental and social changes are necessary, what impact we cause and how conscious procurement can create positive change.

We also launched a series of workshops for supplier organisations to guide on topics of sustainability and plan to continue these workshops with presenters from our internal experts, leading supplier organisations and solution providers to generate higher impact.

Sustainability through procurement and at the base level of our supply chain, is one of the most important agendas of the leadership team even for our internal periodic review.

We have defined procurement sustainability reporting indicators as part of procurement governance meetings at each level within procurement organisation to ensure a sustainable oversight of the program.

With each buyer responsible for making their portfolio sustainable by leveraging this foundational structure, we expect to make significant environmental and social impact globally and speedily.

¹⁹GRI 308-1, GRI 204-1, GRI 408-1, GRI 409-1, GRI 411-1, GRI 414-1, GRI 414-2, GRI 308-2



Campaigns through e-procurement tools

- Piloted campaigns to communicate revised code of conduct and receive compliance declaration from suppliers in India, China and major suppliers from EU, NAM region
- Rolled out sustainability information campaign on suppliers associated with 50% of global spend in all regions



On-site sustainability audit program for suppliers in the Indian region

- Physical audit of suppliers associated with almost 4% of the global spend
- Published improvement plans for audited suppliers as per the requirement



Sustainability workshop for suppliers

Conducted series of workshops to deliver in the Indian and China region. 2 in India and 1 in China.

Pre-onboarding screening process:

1. Site inspection conducted by multi-functional experts
2. Compliance requirements are monitored and guidance is provided for cases, where compliance needs to be updated

Post-onboarding process:

Supplier code of conduct outlines the values and principles to be adhered to by each supplier

Supplier development program:

1. Implementation of improvement plan cohesively with suppliers
2. Build ecosystem for the best practices sharing within our supply chain to improve sustainability performance
3. Develop local supply sources, waste reduction processes and environmental sustainability across the supply chain



Outcome and impact

- ~70% + global spend covered through Procurement Sustainability program
- ~20% of spend through sustainable sources
- Completed online sustainability self-assessment of suppliers associated with 30% + spend
- On-site audit action points: - 75+ key improvement action points across top suppliers being tracked

INITIATIVES:

PROCUREMENT FROM SUSTAINABLE SUPPLIERS

- Policy, framework and toolkit development
- India, where 40% of our manufacturing is based, will be our key priority for FY 2022-23
- Explore and initiate ISO20400 implementation

Our Code of Conduct also aligns with the legal framework particular to the environment, employee health and safety, child labour, sexual harassment, human rights and other business ethics.

In line with plastic waste management rules, we are offsetting 100% of our packaging materials associated with domestic consumers in India through an external agency. The external agency facilitates collection and recycling of plastic waste in a responsible manner.

We are also looking at more recycling and innovative design techniques and a probable reverse supply chain.

You can read more about the UPL Code of Conduct here.

An acceptance criterion for supplier sustainability performance for phase-I has been defined, encompassing suppliers associated with 70% global spend. It is integrated in the e-procurement tool and is communicated transparently with these suppliers.

As of today, the program is scaled up in three major regions, Asia (including China), Europe and North America. Sustainability evaluation is active for suppliers, associated with 50% of global spend.

Desk-based reviews of suppliers associated with 25% of global spend have also been completed. Based on these reviews, suppliers associated with 12% of spend could be categorised as 'sustainable at par with industry,' and an audit process will be initiated for remaining suppliers, to define improvement plan, wherever needed.

12%

of global spend could be categorised as 'sustainable at par with industry'

10 supplier site audits could be completed in short span of time and nearly 15 critical findings per audited suppliers were found that led to defining of mutually agreed environmental and social improvement plans.

This foundational work has supported the development for a year-on-year basis strategy, in terms of supplier assessment, management of improvement plans and resource requirements.

In the next financial year, the budget foresees approximately 100 supplier audits globally and audit resources are being aligned, accordingly.

UPL fosters an integrated portfolio of agricultural inputs, products and solutions to fulfil the needs of our stakeholders, while staying committed to our mission of making every single food product more sustainable. Our OpenAg initiative provides a knowledge sharing platform for best agricultural practices and innovation, enabling us to deliver sustainable agricultural solutions.

Target for FY 2022-23

Budget will foresee approximately 100 supplier audits globally and audit resources are being aligned, accordingly.

Enhancing world food security

UPL is the third largest post-patent agrochemical company in the world, with a vision of ensuring sustainable, conscientious agricultural growth and rural prosperity, to meet the demands of an ever-increasing population.

Our offerings range from pre-planting to post-harvest requirements. We have a wide product portfolio of 1,344 products, including herbicides, insecticides, fungicides, miticides, soil and plant health products, rodenticides, grain fumigants, fruit coatings, cleaners, sanitisers and storage treatments.

1,344

products in our portfolio

With presence in over 138 countries, the Company has over 13 manufacturing units across India, with a quality control approach, based on the clear target of zero-defect.

From raw material sourcing and manufacturing to post-production, all operations are closely monitored.

UPL also invests in other organisations, working towards food security, to maintain and improve its high standards of environmental care and consciousness.

INITIATIVES:

R&D

- New products and mixtures to address farmer pain-points
- OpenAg centre: technology partnering, BioSolutions R&D
- Expanding network on field research station

DIGITAL AND TECHNOLOGICAL INNOVATION

- Collaborations for developing precision agriculture tools
- Plant stress and stimulation: sea weed extract, ZEBA
- Cross technology solutions: Pronutiva

FARM-TO-FORK

- Collaborations for sustainable farming: potato, chilli, groundnut, sugarcane

FARM SERVICES

- Spraying service, covering approximately 2 million acres with a target to reach 25 million acres by 2025
- Farm advisory

Constantly focusing towards bringing innovation to traditional agricultural practices and crop protection, UPL takes a localised needs-based and yet a global approach and considers resolving and understanding the growers' needs diversely, as a primary concern. We believe that extensive R&D leads to developing innovative solutions, which meet the expectations of all associated stakeholders.

With our OpenAg network, all the stakeholders are connected globally, and we provide them with increased accessibility, transparency and availability of agricultural solutions.

2025 Target

Achieve 50% revenues from innovative and sustainable solutions to enhance yields and quality

FY22 Target

Achieve 30% revenues from innovative and sustainable products

QuickPhos

QuickPhos (phosphine and its application technologies), has been globally acknowledged as the safest, most effective way of preserving grains and other perishable commodities. Its principal ingredient aluminium phosphide, keeps storage pests at bay on all food grains, without any compromise on grain quality, for consumption.

Fruit and vegetable security

DECCO produces high quality FDA, EU and PFA approved surface protection solutions to preserve fruit and vegetables.

The solutions prevent fungal infections and also control shrinkage and dehydration, thereby making transportation for a longer period of time easier. Also, the solutions give fruits and vegetables a healthier shine.

Oorja

A potato sprout suppressant, Oorja ensures fresh and nutrient-rich potatoes all year round and freshness during its journey from the farm to your table. Currently UPL is the leading company to provide services to protect potatoes after they've been harvested. UPL is an important partner to the potato value chain.

Anti-counterfeit awareness

Awareness and education in terms of checking for counterfeit and using counterfeit products are imperative and UPL aims to boost its drive towards making stakeholders and consumers understand the risks and problems that may arise with the usage of illegal pesticides. The support and network of multiple awareness programs, associations and unions of global pesticide industry help us develop awareness campaigns and programs against illegal and counterfeit pesticides and products.

We conduct periodic random inspections in the market and curate precautionary principles for the buyers to work towards the aim, along with direct measures taken in interest of the farmers, soil, water and biodiversity health.

Be vigilant against duplicate or fake products

Check the product if there is any tampering of the package/ bottle seal

Buy products only from a licensed dealer, distributor or retail outlets

Check the manufacturing and expiry dates of the product

Avoid buying from unknown suppliers and bargaining with them

Check the registration number and the Active Ingredient (AI) content

Ask for an original bill, receipt or cash memo

Call the customer care number for more information



Making informed choices

Whilst monitoring the environmental footprint with simultaneously keeping innovation fundamental to UPL and to OpenAg, we strive to have a positive impact on the environment and the community by focusing on a localised approach towards the farmers' needs in a sustainable manner.

Energy and resource efficiency are also taken into consideration, and we lead in agricultural solutions with high yield with support of our research and innovation centre. We also invest in cost-efficient products for our beneficiaries and stakeholders.



BENEFITS OF OUR PRODUCT PORTFOLIO ACROSS THE GLOBE



ProNutiva

Providing better and higher yields with low residual level, high effectiveness and less incidents with phytotoxicity, ProNutiva integrates natural bio-solutions like bio-protection, bio-stimulants and bio-nutrition with existing crop protection techniques through a particular stage or the entire development lifecycle of a crop, as per the need of the farmers.



ZEBA

To contribute to better soil health and less use of irrigation water, ZEBA is a patented, starch-based, superabsorbent soil enhancer, which makes sure that a constant supply of moisture is available in the soil throughout the growing season, enhancing soil health for germinating seeds, seedlings and plants. It thus positively impacts soil microbiome and the soil food web with its biodegradable property as well, hence reducing nutrient leaching and stress, better plant root, biomass development, constant plant size, crop growth and quality across fields.



Farmer engagement initiatives - Unimart and Adarsh Kisan Centre

UPL's localised need-based approach with a global network makes it an essential part of the Company to spread local awareness, and engagement, in addition to organising awareness programs and training initiatives directed towards small-scale and marginal farmers, with a view to keep them updated on the latest farming techniques and practices.

Adarsh Farm Services enables significant cost and time reduction for farmers by providing high-tech tractor-mounted spray equipment, minimising crop damage.

Adarsh Kisan Centre functions as a remote advisory contact centre for farmers, for resolving crop-related issues, concerns and queries, and has extensive presence over Mumbai, Vizag, and Chandigarh.

UPL Centre for Agriculture Excellence (CAE) located in Nahuli works gratis, for implementing training programs with accommodation facilities for farmers, agricultural practitioners and students.



Decco

Decco looks after the post-harvest care and protection, mainly working towards prevention of food wastage through treatment given to 8.9 MT of citrus crops. The SRC system of Decco enables 95% conservation of water and 100% recovery of the treatment solutions.



Argos

A recent launch through Belgium, Netherlands and France and post the ban of CIPC for potatoes in 2020, Argos, an orange oil extract for anti-sprouting serves and aims to be a solution for potato farmers for storage facilities and for the prevention of harvest sprouting.



Fawligen

As an ultimate biological solution preventing the maturation of a larvae stage of a pest to a mature worm, it protects the crop when applied at its initial stages, especially maize. It is a really effective crop protection technique for the farmers.

Launched in Africa, this tackled the invasion of Fall Armyworm (FAW), which approximately caused a loss of 17.7 million ton of maize, added with a loss of USD 4.8 billion.



Aflasafe

To inculcate sustainable growth to maize crop production and ensure food security for most stable crops in the region, specifically at UPL's Maize Integrated Project based in Mali, Africa, the Aflasafe technology has been adopted as a practice to control the aflatoxin level of the crops and helps in protection and mitigation.



Biocontrol solutions - Iodus and Thiopron

Chlorothalonil was a key solution for the protection of wheat against septoria in its early stages, which got banned.

UPL hence developed two Bio-Solutions, namely Iodus and Thiopron, and both received validation after they protected 200 kilo hectares of wheat in different regions of France and the UK.

EXCELLENCE IN PRODUCT QUALITY

Prioritising quality

The success of UPL can be credited to consistent product enhancement and maintenance of quality standards with the brand's reputation in the market, thereby, enabling us to develop a high-quality and tough control management system. This system works with a cohesive and integrated approach, bringing together multiple varied initiatives, systems and periodic checks and reviews, to maintain the highest quality at every stage of the product through its lifecycle.

Periodic updates are made to the products based on the reviews and feedbacks from the farmers and other consumers. With advancing technology, we incorporate appropriate changes to our products.

We also take into account cost leadership and the best practices to achieve resource efficiency, utilisation and effectiveness of process, with the help of a statistical and engineering-concept based tool.



Our Quality Management System

-  Accreditation to ISO:IEC:17025:2017 by NABL
-  Digitisation of our laboratories through our Laboratory Information Management System (LIMS)
-  Card-based surveillance system to monitor counterfeit of products
-  Incorporation of operational excellence practices to strengthen our process efficiency
-  Periodic training given to our employees to ensure implementation of best global practices
-  The head of safety and quality oversees the management system at a pan-organisational level
-  Dedicated team to ensure effective quality management
-  Multiple checks and measures at regular intervals to ensure highest product quality

Cost Leadership at UPL

Capitalising on operational strategies

Technology uptake

Resource usage optimisation

Operational Excellence

Our approach to operational excellence

Understanding the process

Identifying of process hotspots

Running simulations/dry runs

Deployment of interventions to enhance process efficiency

Our operational reform monitoring teams

MAXPRO

Facilitates the retention of our strong cost leadership position by formulating effective strategies

ENERGY CELL

Focuses on implementation of energy efficient interventions and technologies across manufacturing operations

MAXPRO+

Enables cost optimisation of the manufacturing processes by utilising statistical tools to assess performance gaps and improve overall productivity and efficiency

GREEN CELL

Addresses environment-linked technical issues across manufacturing sites in India; develops technology-based interventions for aligning our manufacturing practices with remedial activities for air pollution and waste treatment

Responsible Use Columbia:

In Colombia, the post-consumer container collection program is a social and environmental initiative of 33 companies affiliated to the Campo Limpio corporation, for the management of empty pesticide containers. This initiative promotes the triple washing of containers and the adequate delivery to the collection and final disposal centres.

Safe use and handling

The safe use and handling of agrochemical products require permanent monitoring and accompaniment of our sales force, and distribution channels, in addition to the farmers, who use our products in the field. Therefore, this is a main focus of management at UPL.

Falsification

One of the most important pillars for the stewardship program is the permanent monitoring in the field to detect counterfeits and other illegal products, through the Project Against Counterfeiting and Trademark Usurpation led by ANDI. It seeks to train actors, who, due to their particular professionals have the opportunity to become agents for the prevention of the sale, marketing or application of counterfeit products.

Apliche Bem:

A stewardship program in Brazil, promoting better quality life to agricultural workers and the society.

W&CA Apliche Bien:

Apliche Bien – the concept

- Efficiency of phytosanitary product is directly linked to conditions of application.
- Free training program to promote good agricultural practices through autonomous, fully equipped mobile units.

Responsible use Mexico

Through the Train the Trainer programme in Mexico, UPL seeks to exercise stewardship and strengthen the co-responsible participation of the pesticide industry so that good agricultural practices are promoted and practised, and also ensure an agricultural and food safety and demand generation.

Stakeholder interests above all

UPL works with a global yet local and need specific approach from region-to-region and farmer-to-farmer, which makes understanding the aspirations and expectations of our farmers, who are our most invaluable stakeholders, a primary part of our values and partnerships.

Increasing our stakeholders' accessibility to all UPL products, solutions and services, with apt feedback and review mechanisms, along with query redressal, are important. Engagement and involvement are cardinal not just for farmers, but also for all our stakeholders, across multiple levels.



01

An annual customer satisfaction survey based on our 4 major sections – delivery performance, quality of UPL products and services, overall COT performance and overall UPL performance.

02

Satisfactory index percentage is calculated from the survey, using a 5-point ordinal scale.

03

The resultant score formed from our Net Promoter Score (NPS) and satisfactory index, enables us to identify satisfied and unsatisfied customers.

04

We communicate with the unsatisfied customers, identify the gaps and devise corrective action plans in co-ordination with various departments.

05

We maintain a constant progress check on the implementation of the suggested corrective actions in our processes and strategies.

Environmental stewardship

At UPL, we employ a sustainable approach to business that helps us create value for our stakeholders by making responsible use of natural resources. We are committed to reducing our environmental impact and maximising our positive social impact by aligning our operations with global sustainability goals and targets.



UPL's material topics

- Emissions
- Water management
- Waste management
- Supplier environmental assessment
- Environmental compliance

UPL's stakeholders

- Permanent employees
- Regulators
- Suppliers and vendors
- Academia

UPL's OpenAg strategy

- OpenInnovation
- OpenIntelligence
- OpenCollaboration
- OpenAccess

39,61,001 KL
Water consumption

5,57,78,112 KWh
Renewable energy used as fuel source

1,45,987 MT
Hazardous waste disposed

7%
Reduction in per tonne CO₂ emissions FY 2021-22 vs. FY 2020-21

2,97,624 KL
Total water recycled

4R Approach of waste management strategy



ENVIRONMENTAL STEWARDSHIP

Building environmental resilience²⁰

The idea of UPL, our vision, mission, purpose, the values we advocate, the industry we work within, and the people we cater to, are built from and depend on a sustained planet.

Right from our product portfolio to our business activities, climate change mitigation is key to us. It not only impacts our stakeholders, but also plays a major role in creating opportunities and value, in the short as well as long term. UPL is proud to have an environmental policy that can lead our sustainability strategies and monitor our environmental performance. Applicable to all our stakeholders in the same light, our policy gives out a clear, transparent message about what we stand for and work towards. Committed towards being cognisant towards our environmental footprint, the energy and water conservation policies help us keep our natural resource usage levels in check, facilitating better efficiency and conservation, coupled with reducing and reusing of resources along with process optimisation.

Our key performance indicators (KPIs) are spelled out through well-defined internal monitoring mechanisms across departments and also dive into an individual's annual performance review. This strong internal governance system helps us work towards lessening our environmental footprint actively. Our environment, health, and safety (EHS) team also makes it a point to not only go beyond compliance and legal standards, but also executes global best practices efficiently. This is effectively achieved with the help of our sustainability committee on board inclusive of the top management and board members. UPL's 'Green Cell' and along the 'Energy Cell' are at the core of our focus on environmental efficiency and resource protection, with innovation driving these cells along with Environment Cell, ensuring absolute compliance to environmental regulatory or legal requirements. Furthermore, the efforts made by our dedicated cells has helped us to achieve Zero Non-Compliance in FY 2021-22.



Our environmental footprint

39,61,001 KL Water consumption	1,45,987 MT Hazardous waste disposed	10,18,635 MT CO ₂ emissions (Scope 1 & Scope 2)
--	--	--

2025 targets

Reduce manufacturing environmental footprint from baseline FY 2019-20

20% Specific water footprint	25% Specific waste disposal	25% Specific CO ₂ Consumption
--	---------------------------------------	--

Our environmental footprint

SPECIFIC WATER FOOTPRINT M³/MT



SPECIFIC WASTE FOOTPRINT KG/MT



SPECIFIC CO₂ FOOTPRINT KG/MT*



*Specific CO₂ footprint currently includes only Scope 1 and Scope 2 emissions

- In FY 2019-20 (the baseline year for sustainability targets), considering 33 plants (excluding Rotterdam plant that was closed in July 2020), specific water consumption was 6.93 m³/MT, specific waste disposal 2,300.11 kg/MT and specific CO₂ emission 1,378.85 kg/MT.
- On a comparable basis as FY2019-20, in FY 2021-22 the specific water consumption was 5.85 m³/MT, specific waste disposal was 1,841.19 kg/MT and specific CO₂ emission was 1,093.80 kg/MT.

²⁰GRI 103-1, GRI 103-2, GRI 103-3, GRI 302-1, GRI 302-3, GRI 302-4, GRI 307-1

OUR CLIMATE STRATEGY

Striving to be eco-conscious

At UPL, we are cognisant of the adverse implications of climate change on food security, our overall business and as well as the well-being of our stakeholders. The threats include natural resource scarcity, extreme weather events such as floods and cyclones and many others.

Considering the arising challenges due to climate change, we have conducted a detailed risk assessment that has helped us to identify the following risks based on the dynamic nature/growth of our business and their simultaneously impact

UPL has been a critical agrochemical Company in ensuring the global food security through its customer centric solutions and products since its establishment in 1969. UPL operates across 138+ countries as of date and has more than 13000 product registrations. Our commitment to conserving and preserving the ecosystem is central to us and we constantly focus on reducing the adverse impacts on the climate, as any adversity directly impacts

the farmers, crop production and the entire food supply chain. To combat the same, we consistently work towards formulating and implementing a robust climate strategy.

Recent trends in climate change have evidently put pressure on global food supplies and is a matter of concern with respect to food security and global economy. Hence, UPL has decided to assess the climate change related risks and opportunities associated with its business which will help the Company to develop an action plan imbibed in business strategy against Climate Change. The potential risks of climate change for an organisation are not only physical, but also transitional. Climate change not only has long-term ramifications for an organisation, but it also has significant immediate and short-term consequences.

CLIMATE CHANGE MITIGATION

We are committed to augment energy conservation and the decarbonisation of our operations to reduce our carbon footprint.

CLIMATE CHANGE ADAPTATION

We aim to consistently enhance the resiliency of our operations and farmers to the physical impacts of climate change.

ENVIRONMENT FOCUS AREAS

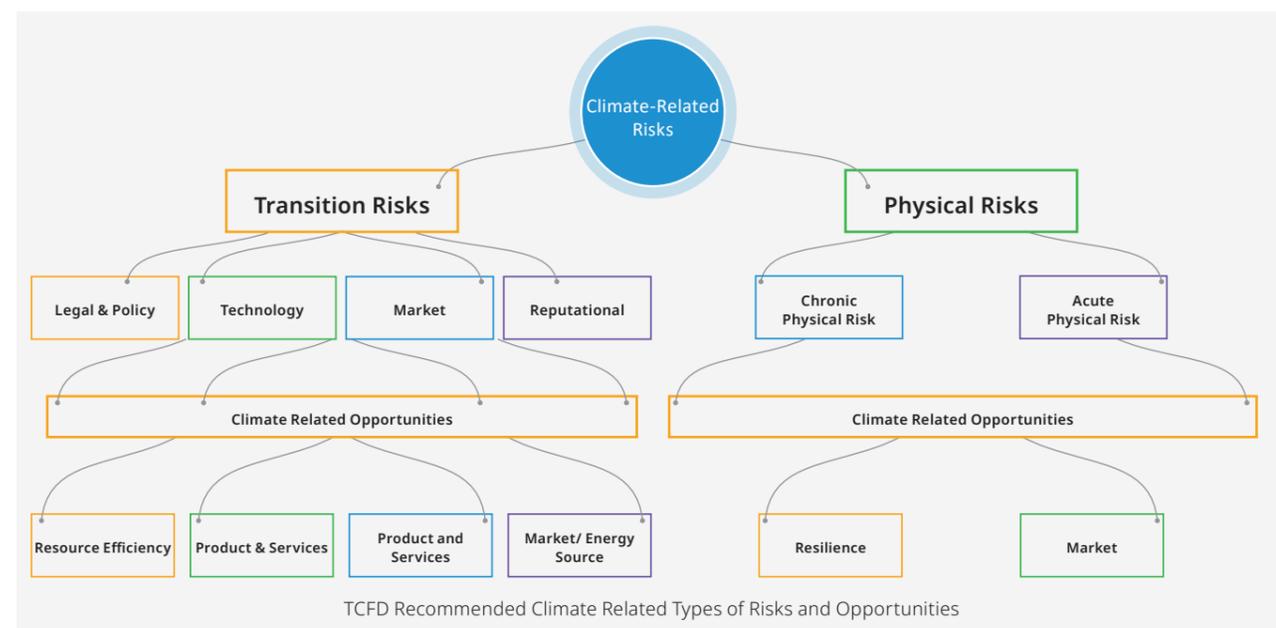
Energy efficiency

Carbon emission management

Water management

Waste management

According to the TCFD recommendations, these risks and opportunities were then divided into the following categories:



For more details refer to TCFD Report- UPL Ltd. (2022) here

Energy efficiency

Through an engagement with farmers in over 138 countries while building food security and a sustainable food supply chain, UPL actively invests in the development of innovative solutions, weighing in on our sustainable impact and the product portfolio.

Understanding and addressing energy efficiency across business activities is crucial and so is monitoring our performance via systems installed at multiple locations to record our consumption on a daily basis.

Our strategy towards energy conservation also aligns with achieving set sustainability goals and targets.

50,388 MWh

Electricity sourced from wind and solar

65,237 GJ

Energy saved through conservation initiatives

1,02,40,249 GJ

Total Energy Consumption

ENERGY CONSUMPTION ACROSS INDIA AND INTERNATIONAL OPERATIONS FOR FY 2021-22

Source	Indian operations (GJ)	International operations (GJ)
Coal	73,59,061.76	0
Natural gas	10,14,413.24	2,16,007.24
Furnace oil	0	9,698.05
HSD	18,306.79	13,277.60
LPG	0	1,024.80
Gasoline	0	4.44
Grid electricity	9,56,763.73	2,21,760.85
Steam	2,11,372.20	17,756.89
Renewable energy (solar and wind)	1,79,990.10	1,405.21
Renewable energy (briquettes)	19,405.87	0

ENERGY INTENSITY GJ/MT*



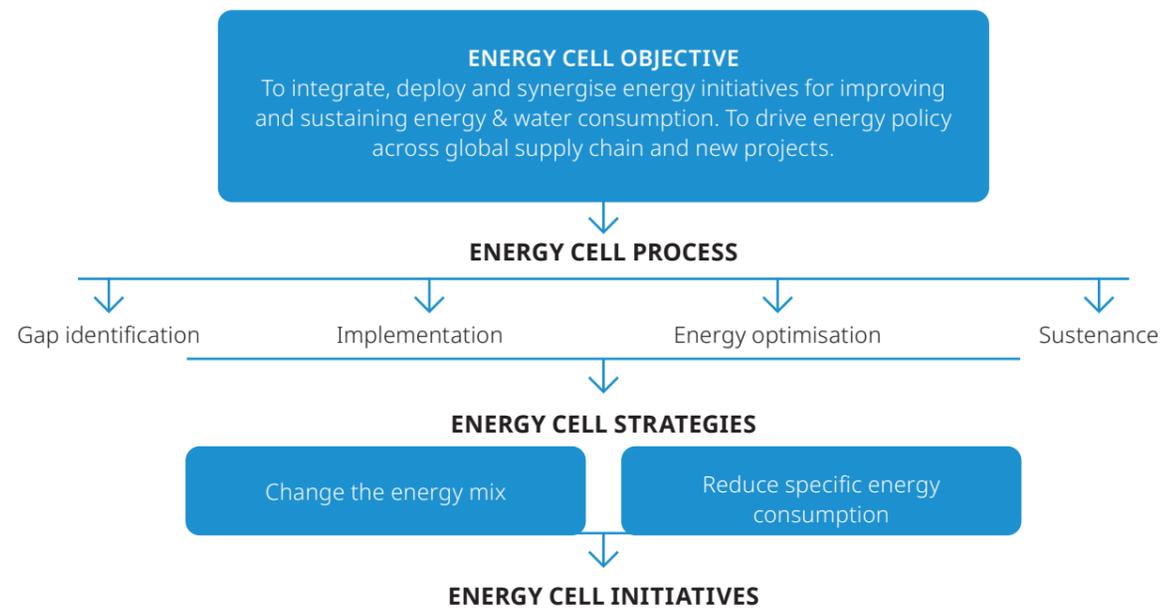
*Energy per ton of production



Energy cell²¹

UPL has always stood at the centre of innovation, bringing in cutting in technology to the agricultural industry. The 'energy cell' is a dedicated establishment, working towards identifying, integrating and implementing projects that reduce our energy and environmental impact through monitoring and reducing specific consumption of electrical, thermal and water resources.

We also have our own protocols established along with Standard Operating Procedures (SOPs) that perform the analysis of theoretical consumption, gap analysis studies, temperature profiling, energy bill analysis, process heat integration, heat recovery for the energy cell, and also help in the adoption of best technologies that can be utilised for the execution of the process.



Category of initiative	Energy savings in GJ	CO ₂ emission reduction in tCO ₂
Process modification		
Steam norm reduction through merging of C-5013B with C-50104 ethanol column system	2,782.08	330.86
Power norm reduction at GF-1 by giving steam through BPT to EO plant	453.60	99.54
Utility Changeover from CHW to CW in R-9011, HE-9014 - 22 TR Load	231.74	50.85
Utility Changeover from CHW to CW in ATFE - 100 TR Load	1,053.37	231.16
Utility Changeover from CHW to CW in Methanol Column - 180 TR Load	3,852.20	845.34
Pumping Power Optimisation - Utility & Process CT Pumps	878.84	192.86
Steam Savings due to 4 Effect MEE Plant	31,342.08	3,727.38
Trap Optimisation	5,443.20	647.34
Flash Steam Recovery	2,721.60	323.67
Condensate cooling by aquas instead of cooling water	3,015.61	358.63
EA LB Cl2 heat pinching with vapour	124.89	14.85
Power norm reduction at acephate by SFD heat integration	187.35	41.11
Steam norm reduction at acephate by SFD heat integration	2,117.49	251.82
MDC column feed preheating	370.94	44.11
MDC FFE preheating	710.83	84.54
Refurbishing BPT for power generation	836.31	183.52
Power Norm reduction at SFD plant by N2 heat pinching	459.65	100.87
Steam Norm reduction at SFD plant by N2 heat pinching	2,466.78	293.36
Technology upgradation		
Power Norm reduction in GF by Energy efficient CT Fan	292.12	64.10
Steam norm reduction at GF-2 by flash steam recovery	451.58	53.70
Hot water VAM to recover waste heat from ZLD batch evaporator	4,507.75	989.20
Absorption heat pump	937.36	111.48

²¹GRI 305-5

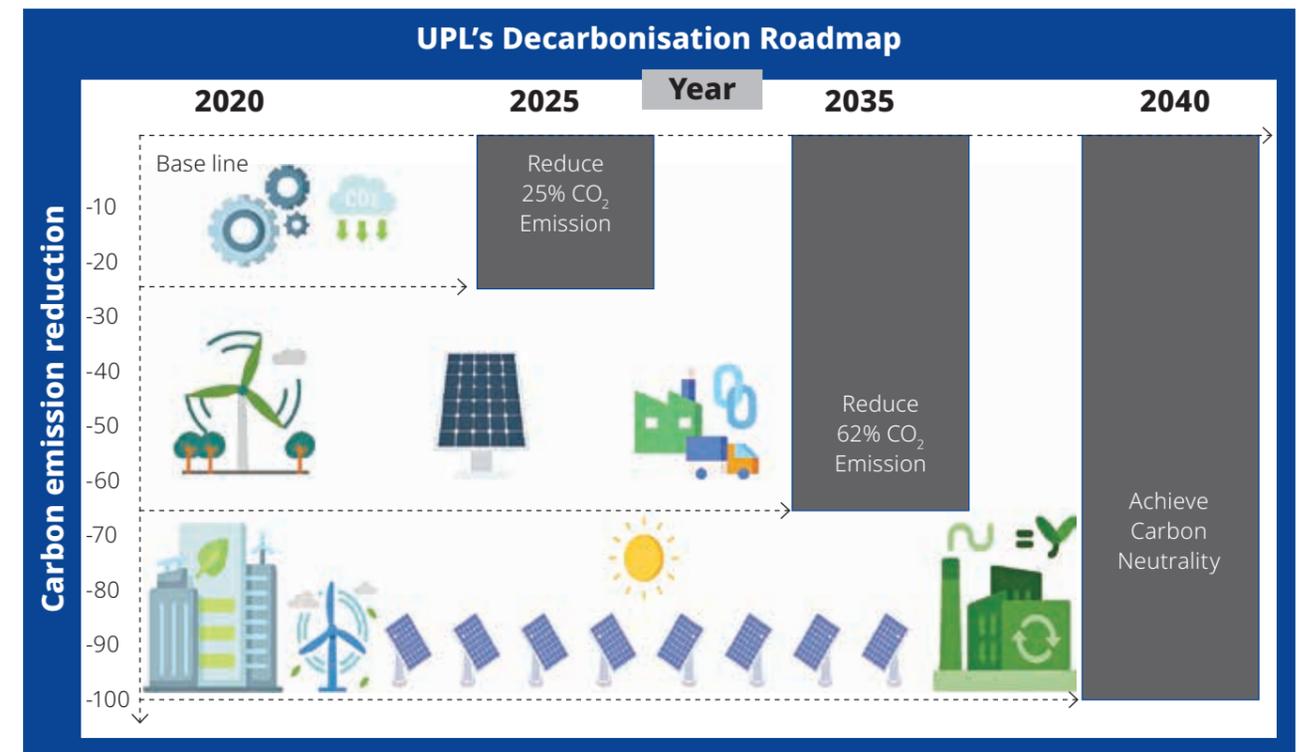
Carbon emission management

While building a climate resilient future for all our stakeholders and on a global front, monitoring our carbon emissions is essential. Carbon footprint reduction is a sure-fire way to achieve our 2025 Sustainability Goals and Targets.

Through resource efficient initiatives empowered by innovation in technology as well as approach, we have

implemented a number of programs enhancing our energy efficiency and reducing our carbon footprint.

Biomass forms as an important source of energy. Currently, we are working towards installing biomass boilers for steam generation, in addition to aiming to facilitate maximum renewable energy and green power purchase agreements for our projects and initiatives.



PROJECTS

CO₂ REDUCTION:

- Utilisation of biomass as a source of energy: working on installing a biomass boiler for steam generation
- Use of renewable energy through green power purchase agreements
- Process and technology innovation to reduce CO₂ emissions

7%

Reduction in per tonne CO₂ emissions FY 2021-22 vs. FY 2020-21

Accelerating progress to reduce our carbon footprint

Scope of Emissions	Indian Operations	International Operations
Direct Emissions (scope 1)	7,54,432.36	13,917.48
Indirect Emissions (scope 2)	2,35,094.07	15,191.33

Specific carbon footprint

1.06

Emission Intensity (Scope 1+Scope 2)/ Ton of Production

450.72 MT

SO_x

330.37 MT

NO_x

SO_x and NO_x emissions pertain to UPL's India Operations only. The particulate matter is also captured, monitored and reported to regulatory authorities. The estimations of emissions for Scope 1 is made based on IPCC, For Scope 2, CEA emission factors are used for India location and DEFRA is referred for overseas location.

Scope 3 emission

This year UPL has conducted a detailed Scope 3 emission assessment and included Scope 3 emissions in our overall GHG Inventory. During the assessment of 15 categories proposed by GHG protocol for Scope 3 Emissions, 9 relevant categories were identified and the details for the same have been mentioned below :

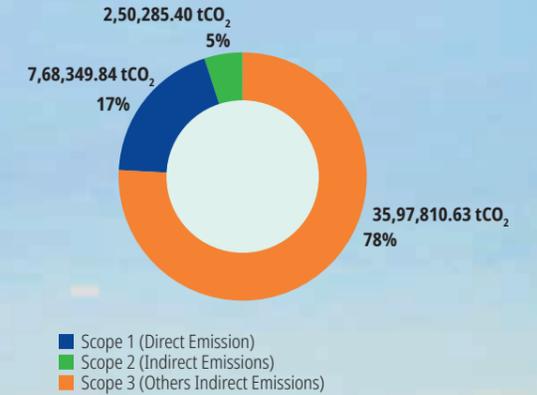
Our Scope 3 emissions are generated through the following 9 categories:

- Purchased Goods and Services
- Capital Goods
- Fuel and Energy Related Activities
- Upstream Transportation and Distribution
- Waste Generation in Operations
- Business Travel
- Employee Commute
- Downstream Transportation and Distribution
- Upstream leased assets

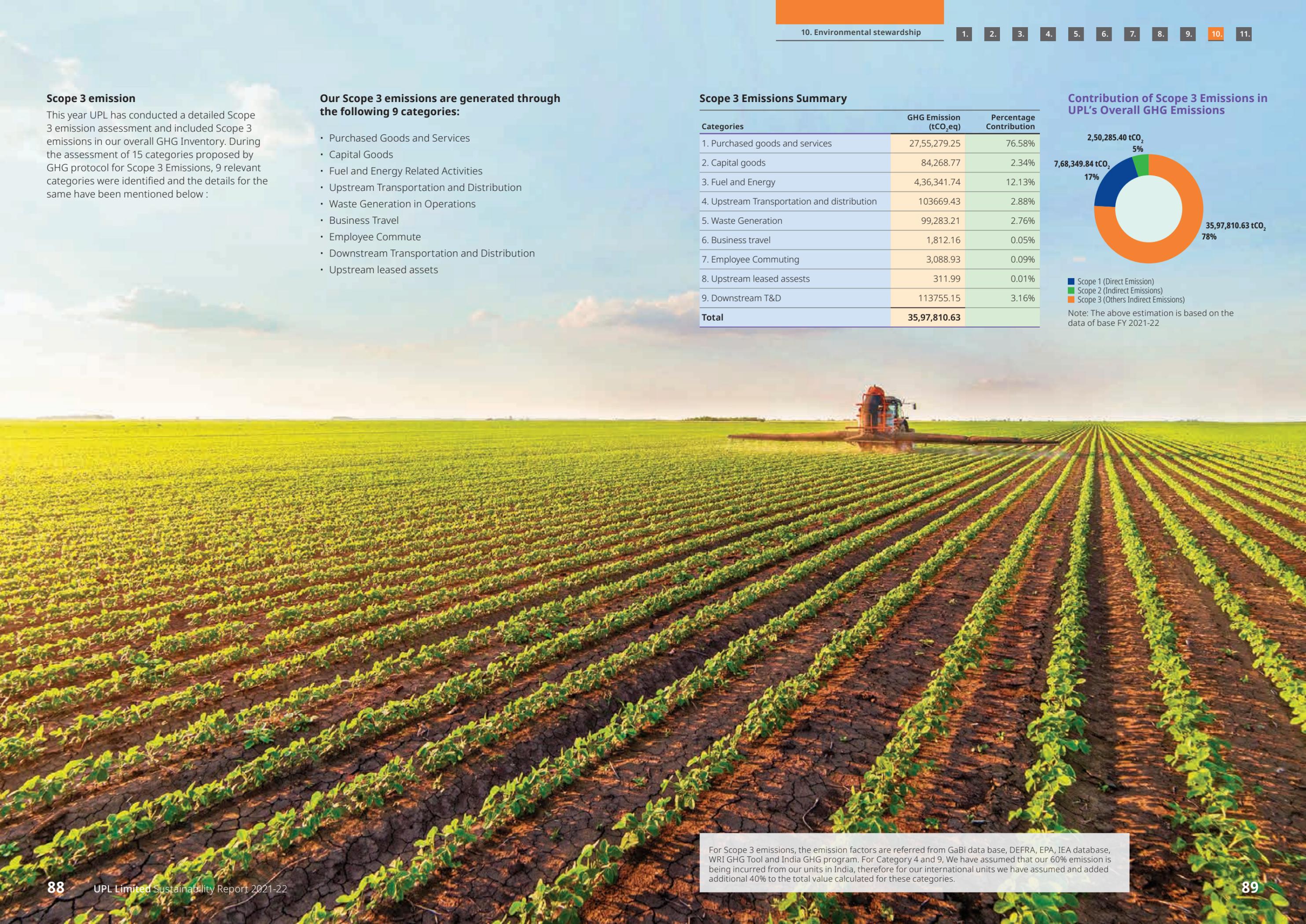
Scope 3 Emissions Summary

Categories	GHG Emission (tCO ₂ eq)	Percentage Contribution
1. Purchased goods and services	27,55,279.25	76.58%
2. Capital goods	84,268.77	2.34%
3. Fuel and Energy	4,36,341.74	12.13%
4. Upstream Transportation and distribution	103669.43	2.88%
5. Waste Generation	99,283.21	2.76%
6. Business travel	1,812.16	0.05%
7. Employee Commuting	3,088.93	0.09%
8. Upstream leased assets	311.99	0.01%
9. Downstream T&D	113755.15	3.16%
Total	35,97,810.63	

Contribution of Scope 3 Emissions in UPL's Overall GHG Emissions



Note: The above estimation is based on the data of base FY 2021-22



For Scope 3 emissions, the emission factors are referred from GaBi data base, DEFRA, EPA, IEA database, WRI GHG Tool and India GHG program. For Category 4 and 9, We have assumed that our 60% emission is being incurred from our units in India, therefore for our international units we have assumed and added additional 40% to the total value calculated for these categories.

WATER MANAGEMENT²²

Being water-savvy

Access to clean and safe water is not only a basic human right, but also aligns with the Sustainable Development Goal number 6 of the United Nations to be achieved by 2030. As a responsible corporate citizen, we make sure at multiple levels that no negative impact on the quality or supply of water resources is created through our operations for any part of the ecosystem and society.

We take active efforts to identify and mitigate water risks, while improving the resilience of our business activities. Ground, surface, rain and municipality water, form our main sources of water and we consistently strive towards incorporating a stakeholder-centric approach in our water management strategies.

Working with farmers and actively engaging with them also gives us an opportunity to reduce our global fresh water

footprint across farms. We discharge treated effluent into deep sea, rivers and common effluent treatment plants (CETP). Our effluent discharge quality is as per regulatory requirements. 60% of our plants are in water stress regions. We have withdrawn, discharged and consumed, 49,11,631 KL, 12,22,927 KL and 36,88,704 KL of water respectively from the water stress regions.

INSIGHTS INTO OUR WATER MANAGEMENT STRATEGY HAVE BEEN ELABORATED BELOW:

Identification of water-related risks

- Conduct periodic verification of water-related risks at our manufacturing locations. This exercise is conducted as per a water risk analysis and as per WRI Aqueduct.
- Periodic internal/external audits to find the root cause of excess water demand

UPL's approach to reduce our water footprint

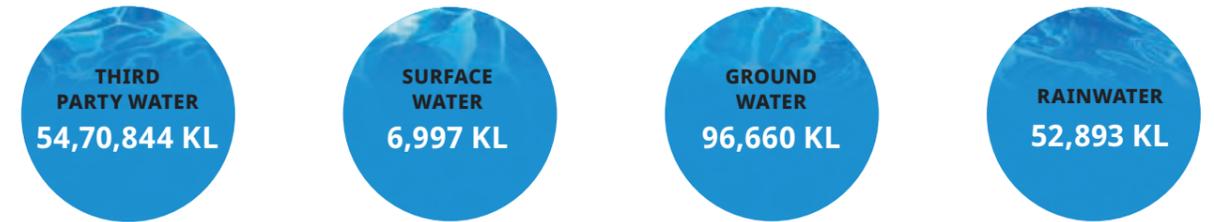
- Rainwater harvesting to reduce abstracted water demand
- Recycling and reuse of green effluent stream
- Forward Osmosis technology for effluent recycling
- Scale-Ban technology to reduce cooling tower water demand
- Develop controlled discharge facilities for effective surface run-off management
- Implementation of effluent segregation practice and stream wise treatment
- Waste-water recycling and reuse to achieve zero liquid discharge by using energy & space efficient waste-water treatment technologies
- Recovery of valuable material (e.g. product, byproduct) from effluent stream

Mapping progress towards established goals

- Reduce 20% of specific water consumption* by 2025
- Enhance focus towards a reduction in our operational water footprint
- Develop innovative products that enable water conservation at farms
- Ensure effluent discharge quality is as per regulatory requirements

²²GRI 103-1, GRI 103-2, GRI 103-3, GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-4, GRI 303-5, GRI 306-1

ENCOURAGING A LOWER WATER FOOTPRINT



Source of Water Withdrawal (KL) in FY 2021-22



Source of Wastewater Discharge (KL) in FY 2021-22

HIGHLIGHTS FY2021-22

14%
Reduction in per tonne water consumption

2,97,624 KL
Total water recycled

39,61,001 KL
Total water consumption

UPL is the first agrochemical company to make a technical manufacturing facility Zero Liquid Discharge (ZLD).

DRIVING INNOVATION ACROSS WATER MANAGEMENT

VACUUM DISTILLATION TECHNOLOGY (VDU) PILOTING

Vacuum distillation is the foundation of VDU technology, which also makes use of vapour compression. It is a cost-effective and environmentally friendly method of treating industrial wastewater as it makes use of a specialised compressor. There is no need for an external steam or heat source for evaporation, which reduces the required area footprint, and the technology has lower CAPEX and OPEX, easy installation and commissioning and no structured support as required in other evaporation systems.

REMOVAL OF COLOUR AND REFRACTORY COD FROM PENDIMETHALIN EFFLUENT BY AN ADVANCED OXIDATION TREATMENT

We at the Jhagadia plant have developed an in-house treatment method for removing colour and refractory COD Pendimethalin effluent. The treatment method has been accelerated into its implementation phase.

ELIMINATION OF TEMPERATURE RISE IN EFFLUENT TREATMENT PLANT (ETP)

Established a method to efficiently control temperature rise in all of our ETP bioreactors. With the help of chemicals, wastewater pre-treatment has greatly improved both the temperature rise across bioreactors and the chemical consumption required for polishing treatment at the ETP. At the PL-05 Jhagadia 1 MLD ETP facility, this procedure has been put into action.

IN-PROCESS NEUTRALISATION OF EVAPORATION CONDENSATE

Devised a method to neutralise acidic compounds in evaporation condensate in a cost-effective manner. The benefits extend to a decrease in the amount of landfill sludge and an increase in the effectiveness of biological treatment. At our Jhagadia plant, we are currently in the process of implementing this technology.

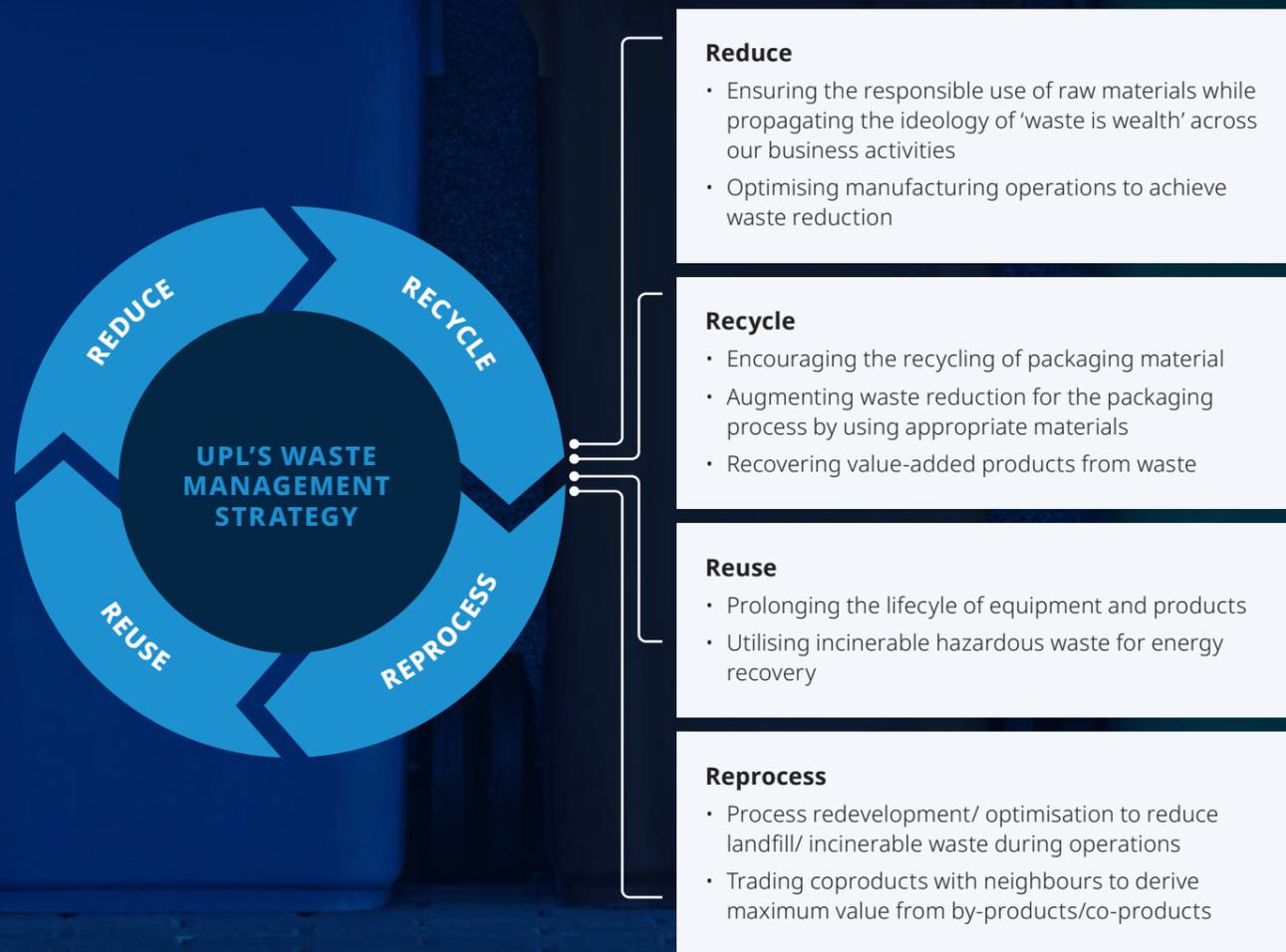
FORWARD OSMOSIS TECHNOLOGY

Implemented for efficient treatment of high TDS and low COD effluent stream. This helps us to enhance reuse and recycling of treated wastewater.

In sync with 4R approach

Embedding sustainability through multiple levels of operations, we also aim to adapt to a functioning circular economy. This is largely enabled by low-impact practices, innovative resource efficient technology, driven by a clear focus towards reducing waste generation through our holistic approach in waste management.

We tend to generate both hazardous and non-hazardous waste, given the nature of our business activities, but have also established a 4R waste strategy, aiming to accelerate progress towards our goal of a 25% reduction in specific waste disposal by 2025.



ACCELERATING PROGRESS TOWARDS A CIRCULAR ECONOMY

1,58,147 MT
non-hazardous waste was recycled or sent for co-processing

54,520 MT
of hazardous waste was recycled or sent for co-processing

149 MT Reduced Plastic Consumption

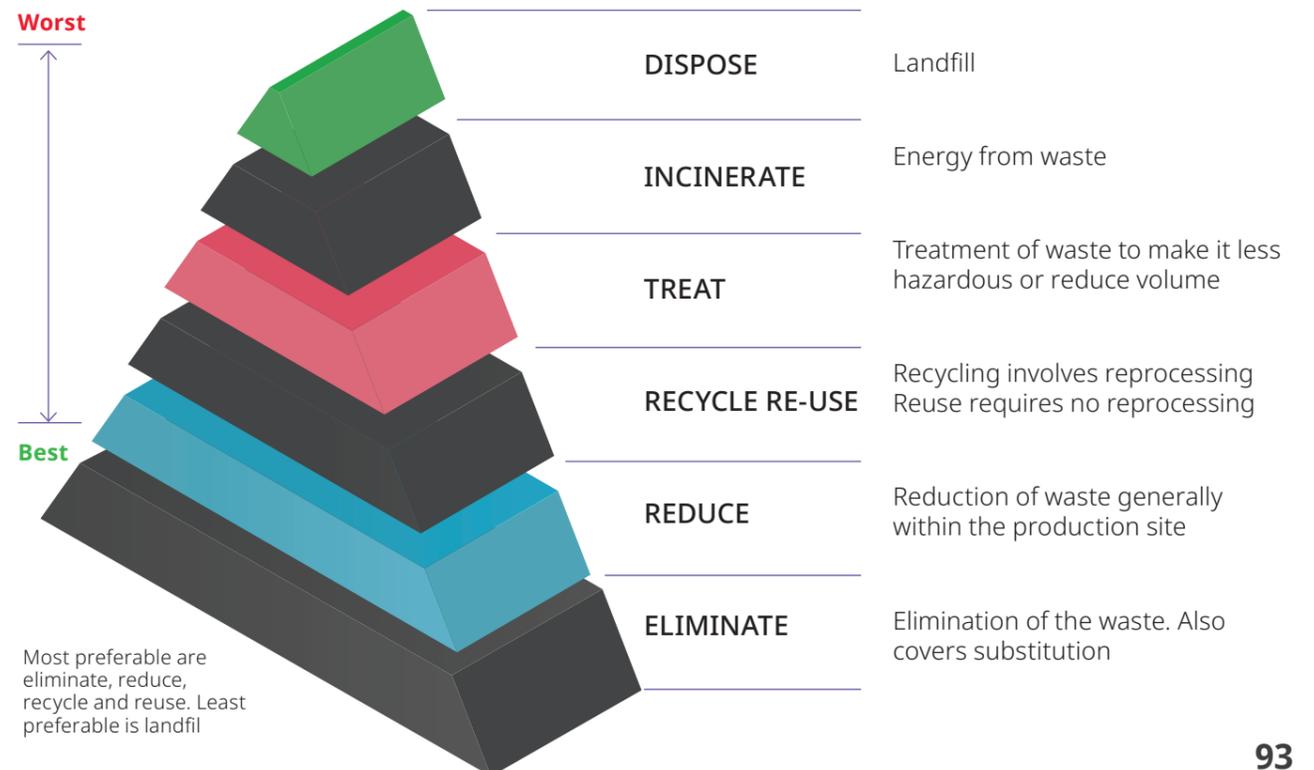
²³GRI 103-1, GRI 103-2, GRI 103-3, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5

There were no significant spills during the reporting period. During the period under review, no water body has been significantly affected by the effluents we produce. We work with the State Pollution Control Board and authorised third-party vendors to transport and recycle our hazardous waste. Our team at each location engages with authorised and reported third parties to manage our waste safely and ensures that all relevant regulations are followed. Generated, transported and disposed of 1,45,987 metric tons of hazardous waste and 1,558 metric tons of non-hazardous waste with the support of government authorised third party agencies. We have also generated and diverted 54,520 metric tons and 1,58,147 metric hazardous and non-hazardous waste respectively through recycling and co-processing initiatives. The data for the waste disposal is as per regulatory authorities' manifest which is generated during the collection stage of the waste disposal process.

Global	MT
Hazardous waste	
Waste disposed through incineration	28,207.82
Waste disposed through landfill	1,17,778.96
Waste going for recycling/Waste going for Co-processing	54,520
Non Hazardous	
Waste disposed through incineration	1,462.07
Waste disposed through landfill	96.04
Waste going for recycling/Waste going for Co-processing	1,58,147

Waste Minimisation Plan

(Zero Non-Hazardous Waste to Landfill by 2025)



SOLID WASTE DIVERTED

Stewardship project

Reuse, reduce, and recycle activities, which keep solid waste out of the landfill.

Current state: environmental impacts FY 2021-22

- Approximately 7,00,000 lbs. solid waste generated
- 14,194 kg CO₂ tailpipe emissions annually from tanker truck hauls
- Filling local landfill (majority of solid waste is wooden pallets)

Future state: cost reduction and reduction of environmental impact

- Cost reduction**
 - Estimated USD 54,000 at 85% reduction of solid waste
- Environmental impact reduction**
 - 45,582 kg CO₂ annual tailpipe emissions eliminated
 - Approximately 15,000 40x48 wooden pallets at 40 lbs each, diverted from local landfill annually

1,58,147 MT
Non-hazardous waste recycled

Social sustainability

UPL's culture is driven by positive energy and commitment, as we believe our work is all about embracing a cause bigger than us. This is reflected in our OpenAg purpose of building an agriculture network, valuing our people and helping communities to grow.



UPL's Material Topics

- Occupational health and safety
- Talent attraction and retention
- Human Rights
- Local community development

UPL's stakeholders

- Employees
- Regulatory bodies
- Local Community

UPL's OpenAg strategy

- Open Hearts
- Open Intelligence
- Open Collaboration

39,837

training hours spent on human rights policies and procedures

13,000+
employees*

₹27 crore
CSR spend[^]

~ 1 million
CSR beneficiaries

Four focus areas of CSR:

- Institution of excellence
- Sustainable livelihoods
- Nature conservation
- National and local area need



*Includes Crop Protection and Advanta globally | ^Includes ₹75 crore donated to PM Cares Fund

SOCIAL SUSTAINABILITY

Empowering our human capital²⁴

Our employees lie at the core of all our endeavours and their wellbeing and development are of paramount importance to us. UPL's workforce management strategy works around three main facets, which include active employee learning and development, employee engagement and welfare as well as occupational health and safety.

Our employees are our key human resources, seconded by UPL's Employee Code of Conduct, which covers all our business associates as well as employees. We also have a robust Human Rights policy and Human Resource (HR) management program. The HR team oversees the seamless functioning of our focus areas, as part of our HR management strategy, which also has a number of engagement activities, feedback systems and ensures that employee satisfaction is authentic, through prompt addressal of employee issues, inconveniences and challenges²⁵.

In recent years, digitisation and new technologies have really ramped up. It is our vision to be a leader in technology growth and innovation, on accomplishing which, will we be able to meet our mission to make every single food product more sustainable. Other key skills we have are our entrepreneurial mindset, adaptability, and resilience, which, when combined with our push to encourage talent and build diverse and inclusive teams, make for a global workforce that demonstrates our corporate values of 'agile' and 'nothing is impossible.' Inclusion and involvement through every segment of our workforce, irrespective of gender, age and other distinctions, are what make us agile, dynamic and seamlessly efficient.

The best way to serve our stakeholders is by being ecologically responsible and achieving real-world impact for farmers. When biodiversity flourishes, so do we all, and so does our planet, which is why we say we're reimagining sustainability for real world impact. We want to promote products and solutions that are renewable, meet the food needs of today and hold a bigger promise for our future. Technological transformation, customer partnerships and working together with farmers, are at the forefront of our work ethos. Every day we demonstrate the change that can be achieved through OpenAg, bringing about changes in the lives and livelihoods of smallholder farmers across the world. We have always believed that a successful company shares its prosperity with stakeholders and with society at large. In fact, for companies like ours, society is a powerful stakeholder. We are activating a lifelong vision and commitment to ensuring food security for all, supporting local farmers and communities in the process. In summary, we believe in connecting our business with ecological wellbeing, diverse communities and agricultural interests worldwide. And through the connections we make, we create extraordinary value, contribute to social progress and advance the prosperity of people everywhere.

²⁴GRI 103-1, GRI 103-2, GRI 103-3



Learning and development modules

Classroom training

Digital training modules

On-the job learning

SAFETY CAPACITY BUILDING PROGRAMS AND EMPLOYEE WELLBEING

- Self-safety recognition program (SSRP)
- Kaun banega suraksha gyani (KBG)
- War against hazards (WAH)
- Specialised health check-ups based on employee functional roles

EMPLOYEE ENGAGEMENT PLATFORMS AND WELFARE INITIATIVES

- Annual appraisal programs
- Grievance redressal mechanisms
- 'Ask HR online' platform to address employee concerns
- Integrating success factors as a powerful digital tool in our HR processes
- Supporting female employees with crèche facilities
- Subsidy on home loans, health insurance, medical coverage for all employees
- Protection of human rights



DRIVEN BY DIVERSITY

Being fair and inclusive²⁶

At UPL, we focus on value creation by expanding our pool of staff and building an agile workforce. Our staff is an eclectic mix of employees, hailing from different educational, cultural, and demographic backgrounds, and we consciously ensure that the inclusion and diversity principles and employability practices remain free from the shackles of age and gender.



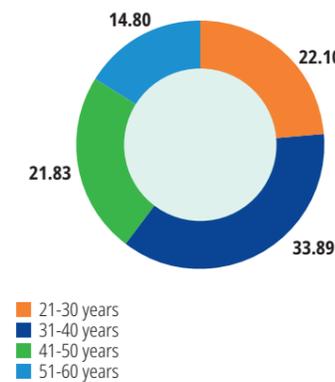
²⁶GRI 102-7, GRI 102-8

TOTAL WORKFORCE

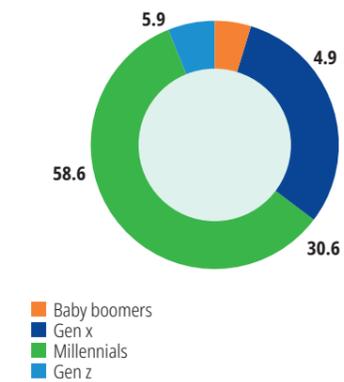
Employee category	Units	FY 2021-22				
		<30 years	30-50 years	>50 years	Male	Female
MANAGEMENT - EXECUTIVES						
Top management	Nos			6	6	
Senior management	Nos		11	22	31	2
Middle management	Nos	2	452	260	608	106
Junior management	Nos	854	4035	824	4365	1348
Total employees	Nos	856	4498	1112	5010	1456
WORKMEN - PERMANENT						
Permanent associates	Nos	1244	2277	529	3948	102
WORKMEN - TEMPORARY						
Contractual labour*	Nos	1,269	3,304	334	6,134	85

* for India locations

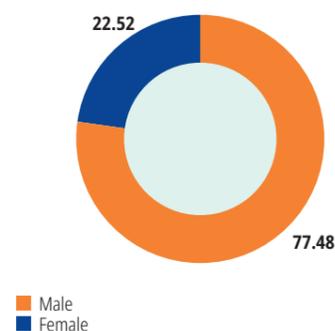
Age Diversity (%)



Workforce by generation (%)



Gender Diversity- White Collar (%)



Workforce trend



Focusing on employee welfare

With innovation at the foundation of UPL, we promise to give all our stakeholders the best practices, services and access to cutting-edge technology and landscape. For the same, employees need to be equipped with various learning tools, aimed at facilitating exemplary development interventions. These would bring out maximum productivity, while augmenting our capabilities and enhancing value creation for all our stakeholders.



The learning and development program is customised so as to enhance behavioural, technical, and professional skills among our workforce, apart from aiming to nurture leadership qualities through exclusive training modules. Our employees are also continually encouraged to exhibit their skills by leading projects and delivering innovative solutions. Deployment of a variety of tools and platforms helps us connect with our employees better and at multiple levels. We introduced our Employee Assistance Program (EAP) together with Workplace options, the world's largest independent provider of integrated employee wellbeing solutions. Our EAP services were made available to all white-collar employees of UPL across India, from 2nd August, 2021. It is a confidential employer-funded support service for our employees and their immediate family members, who

may be experiencing personal or work-related difficulties. Employee support is provided by professionals, who are entirely independent from UPL. They are bound by professional standards regarding confidentiality and do not disclose the details of the individuals who have contacted the service. Aside from this, we also offer pain management physiotherapy options for employees in key locations to help them manage acute or chronic pain. An open and encouraging work environment is something towards which we strive for, and the discussion of ideas, opinions and collaboration through cadres is what gives our employee engagement an innovative push. Our HR connect along with grievance and redressal platforms helps us in being connected with our employees efficiently and solve their issues effectively as well²⁷.

Employee appraisal program

- Align each employee's professional goals with UPL's strategy and vision.
- Enhance employee productivity through strategic employee wellbeing initiatives.
- Ensure professional growth and development of each individual employee.
- UPL believes and practices fair policies across the group. Our pay practices are purely based on merit.
- For the performance evaluation system, UPL follows a balanced scorecard approach and uses SAP success factors system to manage performance evaluation online. Goals are set at the beginning of the financial year and reviewed towards its end. Review and performance ratings are purely based on actual achievement against targets.

Grievance redressal

- Our redressal mechanism ensures judicious resolution of employee grievances
- Our worker's committee represents a formal mechanism to manage employee grievances
- Our open-door policy provides an accessible platform to all the employees for efficacious grievance resolution
- We also take all sexual harassment complaints and any indecent or complicit behaviour very seriously and the perpetrator would be faced with really strict circumstances. Our Sexual Harassment Prevention policy can be found, here.
- You can read more on our grievance redressal policy, here.

Platforms to connect with HR

- Sessions conducted by the HR team- HR Hour, HR4U facilitate the addressal of employee needs and challenges
- Our AskHR platform provides employees easy digital access to share their concerns

Aside from this, we also offer pain management physiotherapy options for employees in key locations to help them manage acute or chronic pain.

²⁷GRI 103-2, GRI 103-3

PROTECTION OF HUMAN RIGHTS²⁸

Safeguarding the fundamentals

We ensure the monitoring and implementation of human rights across operations, supported by our zero-tolerance policy to child labour, forced labour and discrimination.

Our human rights policy is backed by a systematic monitoring system with strong periodic updates to our monitoring mechanisms, ensuring efficacious protection of human rights.

Apart from this, our all-inclusive cyclical exercise of a human rights risk assessment is followed by the execution of corrective actions and further, by monitoring its implementation, crediting our Human Rights policies and efforts even more²⁹.

We also underwent a human rights' assessment by a third-party expert in last three years covering more than 40% of our India locations and one unit from international location. The screening was extended to our suppliers with an aim to strengthen our commitment towards human rights across the value chain.

You can read our Human Rights Policy, [here](#).

39,837

Total number of hours devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations

²⁸GRI 412-1, 412-2, 412-3 ²⁹GRI 103-1, GRI 103-2, GRI 103-3

Total employees leaving the organisation

Employee category	Units	FY 2021-22				
		<30 years	30-50 years	>50 years	Male	Female
Management - Executives						
Top management	Nos		1		1	
Senior management	Nos		1	4	5	
Middle management	Nos		54	29	70	13
Junior management	Nos	206	656	90	752	200
Total employees	Nos	206	712	123	828	213
Workmen - Permanent						
Permanent associates	Nos	256	229	49	515	19



15.30%

Total turnover rate

0.2%

Turnover rates for new hires

Benefits provided to employees

Sr.No.	Benefits provided to employees	Permanent	Temporary
1	Life insurance	Yes	Yes
2	Health care	Yes	Yes
3	Disability and invalidity coverage	Yes	UPL ensures this benefit to be covered by the service provider
4	Parental leave	Yes	Yes
5	Retirement provision	Yes	NA
6	Stock ownership	No	NA
7	Others. Accidental insurance	Yes	Yes

TRAINING AND ENGAGEMENT PROGRAMS

Continuous upskilling and improvement

People development and learning are at the heart of our organisational growth and transformation. OpenAg is all about connecting people and creating new opportunities for all. We make this possible when we create a culture of growth for everyone. This means that each employee has access to trainings, and during the performance review cycle, each employee discusses their Individual Development Plan with their manager.

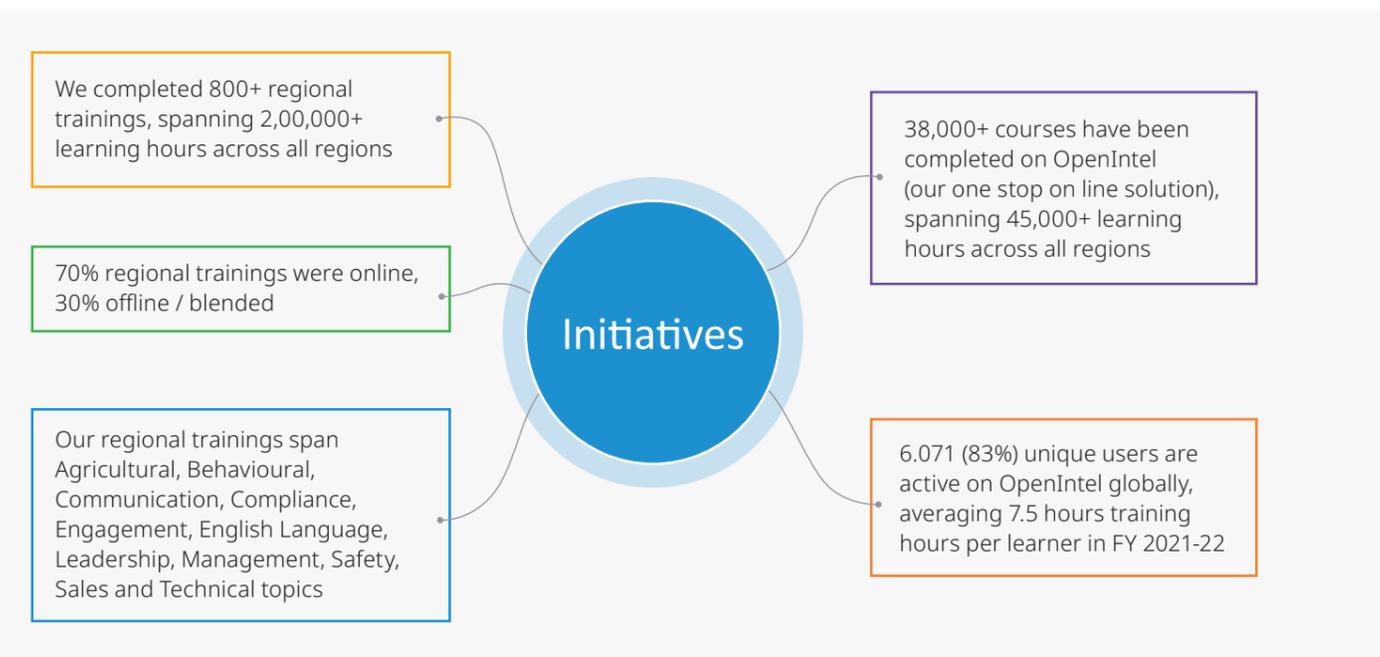
The Learning and Development Global Team is a centre of expertise that assesses common (and uncommon) employee needs and suggests programs in line with the Company's strategy and in support for all the regions/geographies we are present in.

We have an online learning and information platform – OpenIntel – with a large base of content across multiple topics and accessible to any employee on their computer or mobile. We also conduct webinar-based and in-person trainings with external or internal moderators/trainers.

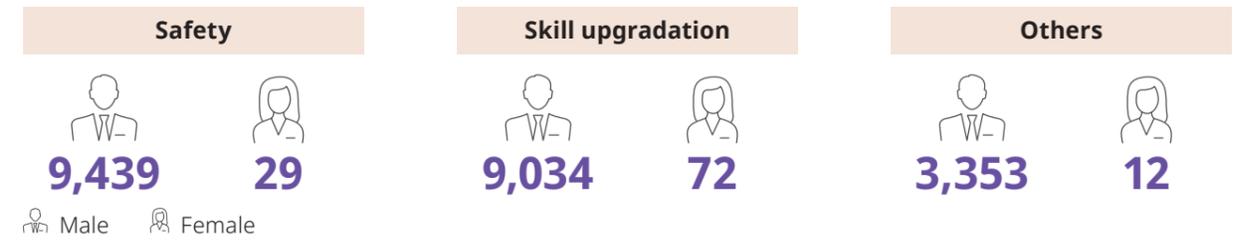
The L&D team has developed a global selling program online and we recently launched a crucial learning programme called 'The Power of Inclusion – an Unconscious Bias' training linked to furthering our Diversity Equity Inclusion (DE&I) journey.

We hold corporate ethics to the highest standard and scrutiny, so you'll find we have several modules on Compliance, Ethics and Code of Conduct, Confidential Information, Anti-Bribery and Corruption.

Our L&D digital adoption rate has 83% engaged learners and now, our new target is 90%.



Training hours by gender (Total training hours)



Training hours by cadre

Category	Training hours by cadre			
	Hours of Training for Employees at Management level		Hours of Training for Employees at Non-management level	
	Male	Female	Male	Female
Safety	3,243	12	5,607	17
Skill upgradation	3,348	54	2,019	0
Others	2,143	3	48	0

We've also conducted a series of internal webinars to share the best practices and subject-knowledge of our people. These webinars are called 'knowledge corner,' and we invite a select employee, a subject matter expert (SME) to talk about a key topic/project for UPL, once a month.

In 2021, our Women's Network had more than 83% participation in our March 2021 round and the overall engagement score was 88%, which surpasses the industry benchmark.

To understand and get insights about the results of the Culture Survey globally, we generated a space for transparent dialogues and ran 76 focus groups across the globe; more than 420 people participated, and we had more than 1,000+ actionable suggestions from employees for our continuous improvement.

We also have regular touchpoints with all employees via our Global and Regional Townhalls, our weekly online Global Connect newsletter and the Global quarterly online magazine – 'UPL and You.'

At a regional/local level, there are recognition programs in place, and at the global level, we have the OpenAg Awards – a carefully coordinated event, where we receive and consider thousands of entries and select our greatest achievements and teams of the year. These awards also reaffirm our values by celebrating projects/individuals that have demonstrated an outstanding example of values in action. We had more than 30 winning teams this year and they were felicitated in a grand ceremony this May.

Recently, the HR team introduced a Global Core Competency Model. It represents critical behaviours required by every employee to enable us to achieve our vision, mandates and business objectives. The model

was envisioned and refined keeping much of what made us successful in mind, specifically our entrepreneurial mindset, our adaptability and resilience, our strong results orientation and our customer centricity. Through the workshops we conducted, we also identified three new competencies that will be critical for us to master as we grow from a USD 6 billion company today, to a USD 10 billion company over the next four to five years. With continual execution excellence, strategic orientation and building teams and talent, we aim to be a global industry leader, while delivering on our goal of success and sustainable development.



Emphasising on holistic wellbeing

Our employees are our driving force, and protecting them from every external as well as internal hazard is an intrinsic responsibility of UPL.

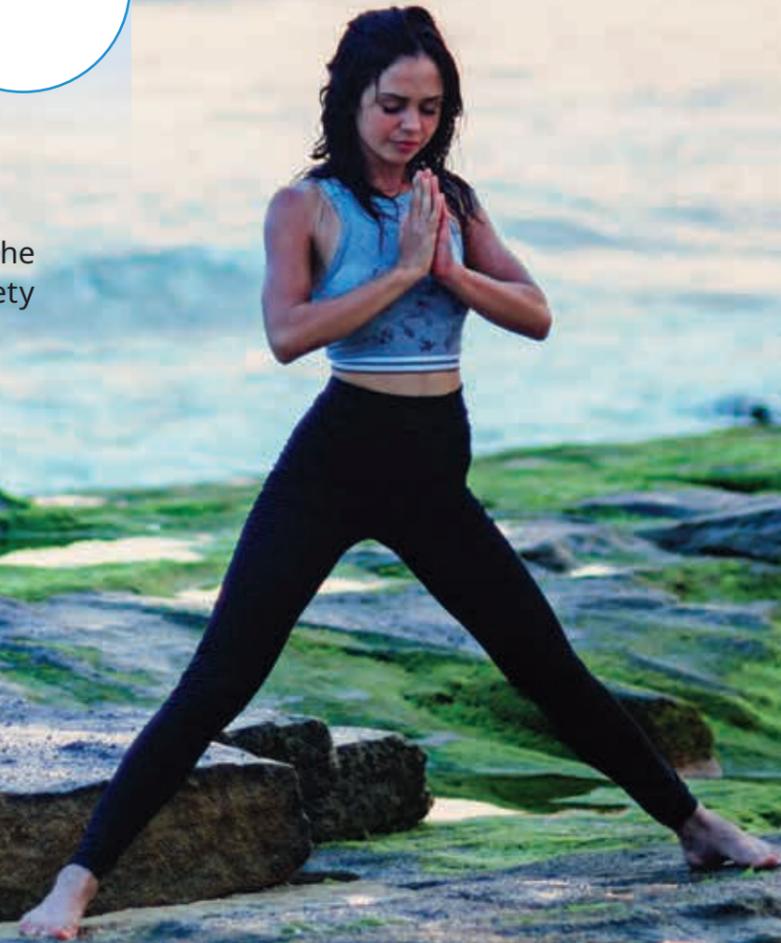
We focus on occupational health and safety holistically, making sure no one from the UPL community is in any danger, as we incorporate the best industry practices at all fronts.

UPL has always had a well-established safety management system with 3 fundamental areas



Vision

To become one of the Best & Safest Chemical Manufacturing Companies in the World and achieve "Best in Class" in Safety by making "Safety a way of Life"



³⁰GRI 103-1, GRI 103-2, GRI 103-3, GRI 403-8, GRI 403-1

Capability building is an aspect, which starts with the entry of an employee into the organisation.

UPL has a system of assessment-based on levels 0, 1 and 2 trainings, which builds our capability in terms of health and safety and functional training.

This would require minimum 30 days before a person can take independent charge in his/her respective function. Besides this, employees have a development plan and his/her training needs are identified and catered to. Capability building is a continuous effort.

There is also a system of rewards and recognition for good citizens and good safety performance; there are

safety promotional events, which continuously keep safety awareness levels high across sites.

There are systems for Risk Assessment and mitigation like Process Hazard Analysis, Hazard Identification and Risk Assessment, Job Safety Analysis, etc. to ensure that every task is carried out in the safest manner possible. UPL has also instituted a separate Process Safety Vertical for addressing the high consequence process hazards.

The Company also has taken advantage of video analytics-based Industry 4.0 solutions to ensure the safety of personnel, especially on the Man Machine interface. The system provides SMS and e-mail alerts on any non-compliances.

Safety Management Systems at UPL

Management Leadership & Commitment		
System	Facility	Personnel
2017 to 2021 <ul style="list-style-type: none"> Activity based Risk Assessment Relief Systems, Volatiles & fugitives Management HazChem Transport Safety Mgmt Safety Software –Worksafe Online Leadership Safety GEMBA Walk Cultural Transformation 	<ul style="list-style-type: none"> Upgradation of Process Safety Infrastructure – SIS (Safety Instrumented System) Upgradation of Fire Hardware's Listing tools & tackles inspection inside unit Mechanical Integrity 5 S & Zero Leak Infrastructure upgradation to eliminate Man Machine interface & Man Chemical Interface 	<ul style="list-style-type: none"> License to Operate Kaun Banega Suraksha Gyani WAH – War Against Hazzard Safety Induction - Level 0 & 1 Training for Company as well Contract Employees Visual Identification for New Contractor Development of In -house as Fireman Preventive Health Awareness Program
2014 to 2016 <ul style="list-style-type: none"> Safety Vision & Benchmarking Second Party Audit System PHA -Process Hazard Analysis (3 Stage) Safety Abnormality reporting & rectification Strong mutual aid Legatrix software to track compliance 	<ul style="list-style-type: none"> Change Management (Facility & Technology) PSSR – Pre Start -up Safety Review Safety Control Points (Process) Layer of Protection Analysis (LOPA) Work Place Area Monitoring Well Equipped OHC & Ambulance with trained staff 	<ul style="list-style-type: none"> Inviolable Standards Theme Based Safety Talk Change Management (Personnel) SSRP – Safety Self Recognition Program BCA – Blood Cholinesterase Activity (Min - 75% for Non OP area, Min – 87.5% for OP area) Development of ERT (Emergency Response Team)
2011 to 2014 <ul style="list-style-type: none"> PSR – Plant Safety Representative Contractor Safety Management Incident Investigation & Reporting Work Permit System Third Party Audit 	<ul style="list-style-type: none"> Emergency Preparedness Mechanical Integrity & Quality Assurance 	<ul style="list-style-type: none"> Training & Performance Behaviour based Safety Management BCA – Blood Cholinesterase Activity Safety Committiees Safety Celebrations

Journey

OCCUPATIONAL HEALTH AND SAFETY

UPL has engaged a professional agency SWASYA for a diagnostic study including Safety Climate Survey to assess where we stand with respect to our Indian peers and global counterparts. Post diagnostic study, we have entered a Safety Culture Transformation journey with SWASYA for handholding UPL on the pain areas identified and for enhancing the safety culture. The Safety Culture Transformation journey of two years has been kicked off on 1st April, 2022.

Six workstreams have been identified

- Behavioural interventions
- Competence
- Process safety management
- Incident investigation
- Contractor safety management
- Standards for high-risk activities

The above efforts will also enhance our performance on Safety Leading and Lagging Indicators. The Company is targeting to achieve Zero Harm by 2030.

Safety Performance review is a three-tier approach at UPL which is conducted at unit level and SCM level on a monthly basis and APEX on quarterly basis. Both, SBUs and manufacturing plants have defined leading and lagging indicators on safety as part of our performance assessment process.

Our behaviour-based safety system is known as the Safety Observations program and apart from this, we also have a system of Leadership Gemba Walk across the sites where in behaviours are also addressed and leaders engage with the workforce 1:1.

SAFETY OBSERVATION & THEIR COMPLIANCE

FY 2018-19		34,840
FY 2019-20		64,965
FY 2020-21		85,153
FY 2021-22		91,363

With newer steps on Safety Couture Transformation, we aim to incorporate more behavioural interventions to make the safety observation process more humane and engaging.

We are very careful and particular about our employees' health and have a proper medical programme for ensuring the same, with the pre-employment and periodic medical inspection programme, in line with the prescribed requirements under the regulations.

In addition to that, we have the occupational centre managed by factory medical officers with necessary paramedical staff trained to cater to medical emergencies.

Some of the units of UPL have also been certified by Bureau Veritas under the pandemic management programme with in house laboratory for ensuring tests for some of the potent chemicals.

We have also engaged an expert industrial toxicologist for ensuring guidance on managing hazardous chemicals from the medical and other exposure aspects.

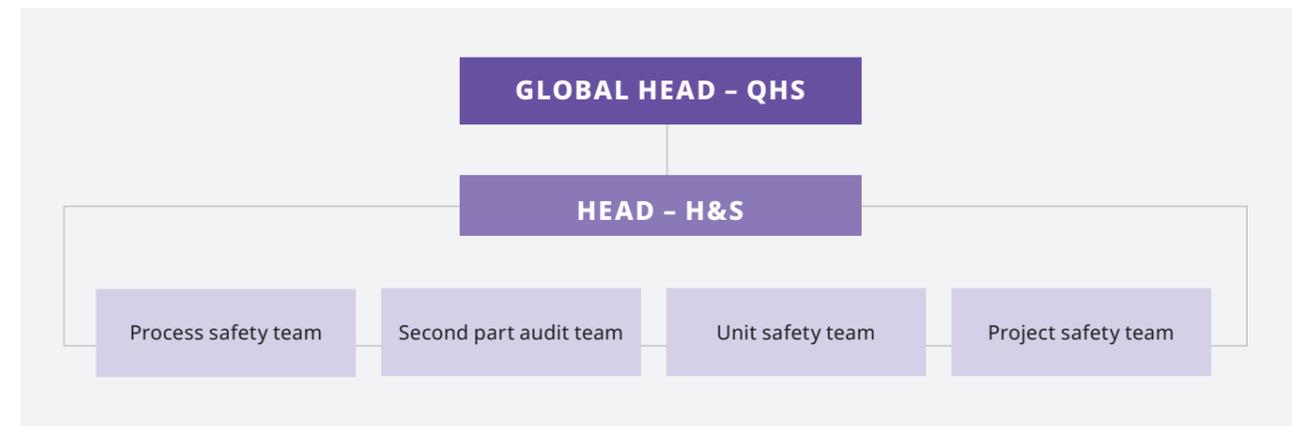
Occupational health and safety (OHS)

Our occupational health and safety (OHS) management system comprises several interventions to establish concerned policies and regulations for all our employees. Adopting a comprehensive approach to OHS, UPL makes sure that we are complying with legislations, like the Factory Act and the State Factory Rules, The Manufacture Storage and Import of Hazardous Chemical Rules (MSIHC), Indian Boiler Act

and Rules, Petroleum Rules, Environment Protection Act and Rules and Insecticide Rules, among others.

We are certified by the occupational health and safety standard ISO 45001:2018 by Bureau Veritas across all our sites, reflecting our commitment to providing the best-in-class safety practices for our workforce, with all permanent and contractual employees covered under our OHS management system. Our OHS management system is internally and externally audited, in a timely manner.

EHS governance at UPL



We also incorporate health, safety and environment management systems (HSEMS) that strengthen our safety plan and regulations, bringing safety awareness to our employees, lessening the occurrence of incidents.

The Health, Safety and Environment (HSE) committee, constituted as per the guidelines of Factories Act, 1948, comprises a minimum of 50% representation of non-management workforce and monitors efficient functioning of HSEMS. By the guidance of the HSE committee, we have developed our EHS policy in compliance with all requirements pertaining to occupational health, safety and environment, with all our employees and suppliers across the globe covered by our EHS policy.

Objectives of our EHS policy

- 1 Capacity building of the workforce on safety, emergency preparedness and response
- 2 Providing health check-ups
- 3 Continuous risk assessments, waste reduction and ideal resource utilisation
- 4 Reducing adverse effects emerging from manufacturing activities at all applicable sites and localities
- 5 Building safety right at the design stage
- 6 Stakeholder engagement
- 7 Practicing necessary standards for Health, Safety and Environment Performance as well as Statutory Compliance



OCCUPATIONAL HEALTH AND SAFETY

Hazard identification³¹

Our process for identifying hazards takes an all-encompassing approach to risk identification, utilising a number of tools to develop suitable strategy and mitigation plans as well as the verification of implementation plans. A cross-functional team oversees the entire hazard identification and mitigation plan, demonstrating our expertise in safety management.

Tools used to identify Risks and Hazards

- Activity based hazard identification & risk analysis (HIRA)
- Man chemical interface
- Man machine interface
- 3 stage hazard & operability studies (HAZOP)
- Job safety analysis (JSA)



Implementation and verification of mitigation plans

- Implementation of mitigation plans for identified root causes
- This is followed by the field verification of the implementation of mitigation plans through safety audits, Gemba round, Pre-Start Up Safety Review (PSSR)

The entire process is developed and monitored periodically by cross functional teams with expertise in safety management

Safety capacity building³²

To raise safety awareness among our employees, we use a three-phase training program. Our safety capacity-building program is intended to align employee-specific roles with training modules, thereby increasing the value of our programs. Furthermore, training programs emphasising specific safety domains such as Process Safety Management, Safety Leadership, Hazard Recognition, Construction Safety, Electrical Safety and Emergency Response Management are carried out to fill identified gaps in our existing programs.

Our safety capacity building strategy



³¹GRI 403-2 ³²GRI 403-5

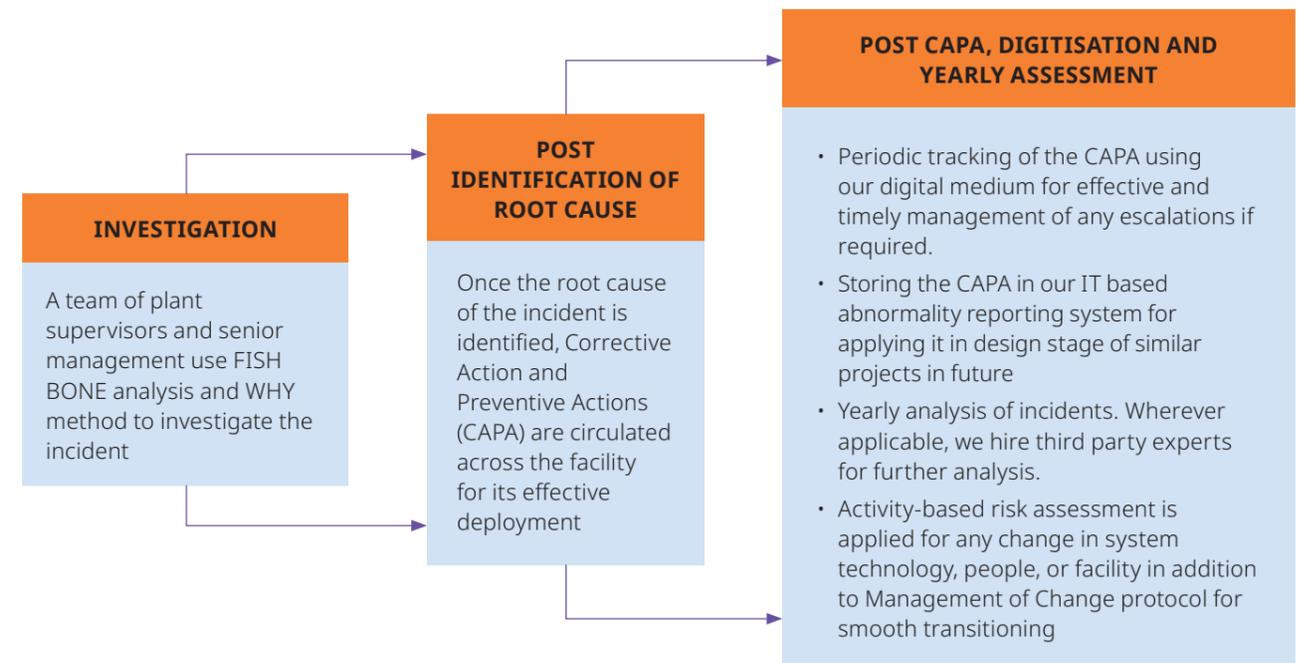
Safety audit

We conduct internal and external safety audits on a regular basis as part of our safety management system to monitor the implementation of our safety-related practices and interventions across all of our operating sites. Biannual internal safety audits and annual external safety audits allow us to identify gaps in our system and implement appropriate corrective action plans. With regular monitoring of corrective action plan implementation, we ensure efficient redressal of safety findings.

Enhancing our safety management system³³

We have taken a strategic approach to improve our safety management system, linking it with our IT-based abnormality reporting system to ensure transparency and seamless operation. In addition to yearly assessments by third-party experts, our digital interventions support a systematic review of incident corrective action plans. We guarantee a thorough incident investigation approach, as well as the implementation of action plans for identified root causes.

The investigation procedure is detailed below:



Emergency preparedness

With a strong presence of global manufacturing sites, we take adequate precautions to effectively respond to any emergency that may affect our operations directly or indirectly. We have a dedicated team of experts skilled in emergency coping techniques, in addition to training our employees to deal with emergencies and unforeseen situations. Our EHS policy also encourages capacity-building workshops on safety, emergency preparedness and response for our workforce. At the moment, 800+ ERT members from UPL's Indian operations have been trained to deal with emergencies.

At UPL, we have always believed in long-term growth that prioritises human life, safety and environmental sustainability. To ensure the safety of our workforce and the preservation of our environment, we have consistently implemented the appropriate processes and industry best practices.

Health and wellbeing³⁴

We invest in our employee's health and well-being. First, we give all new hires pre-employment health checks. Blood Cholinesterase Activity (BCA) and vertigo tests are performed during onboarding and annual medical checkups. We conduct health checks based on employee roles to facilitate the right treatment. Our Occupational Health Center (OHC) is fully equipped with medicines and antidotes to provide onsite medical facilities and annual medical checkups. We consider chemical exposure and flammability as major health hazards.

In FY 2021-22, our permanent and contractual employees had no work-related illnesses.

³³GRI 403-2 ³⁴GRI 403-3, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9, GRI 403-10

Our safety performance in FY 2021-22

Safety-linked metrics (Permanent employees)		
Description	Male	Female
Fatalities (as a result of work-related injury)	0	0
High-consequence work-related injuries (excluding fatalities)	24	0
Recordable work-related injuries	5	0
Manhours worked	1,73,92,787.55	

Safety-linked metrics (Contract employees)		
Description	Male	Female
Fatalities (as a result of work-related injury)	0	0
High-consequence work-related injuries (excluding fatalities)	3	0
Recordable work-related injuries	17	0
Manhours worked	3,03,54,075.45	

Safety-linked metrics (Permanent employees)	
Description	Employee
*Rate of fatalities	0
*Rate of high-consequence work-related injuries	1.38
**Rate of recordable work-related injuries	0.06

Safety-linked metrics (Contract employees)	
Description	Employee
*Rate of fatalities	0
*Rate of high-consequence work-related injuries	0.10
**Rate of recordable work-related injuries	0.11

*Rates have been calculated as per 10,00,000 manhours worked

**Rates have been calculated as per 2,00,000 manhours worked

Employee engagement in safety culture³⁵

At UPL, we believe in achieving zero incidents with the help of all our stakeholders. Our employees are encouraged to recognise hazards, risks and prevent incidents by pausing operations. According to the Health and Safety accountability standard, each employee is authorised to stall operations if a hazard is identified. Plant Safety Representatives are responsible for implementing our safety standards and interventions across facilities (PSR). Our safety program encourages employees to align their work ethic with our safety principles and culture through creative mediums.

Key safety engagement programs

Self-safety recognition program (SSRP)

- Encourages workers to adopt safety norms and regulations in plant operations.
- Reward-based programs to encourage employees to approach safety proactively.

Kaun Banega suraksha gyani (KBG)

- Our themed safety quizzes facilitate employee safety engagement creatively.
- The program is founded on the application of the safety training our employees have received. So, we can gauge their awareness post-training

War against hazards (WAH)

- The program encourages employees of all levels to identify workplace hazards and alert authorities for prompt action, preventing incidents.
- This incentive-based program encourages employees to contribute to our zero-incident goal..

National safety week celebration

ERT competition

Road safety week celebration

Fire service day

Surakshamahotsav celebration

³⁵GRI 403-4



OUR COMMITMENT TO UPLIFT COMMUNITIES³⁶

Building an equitable tomorrow

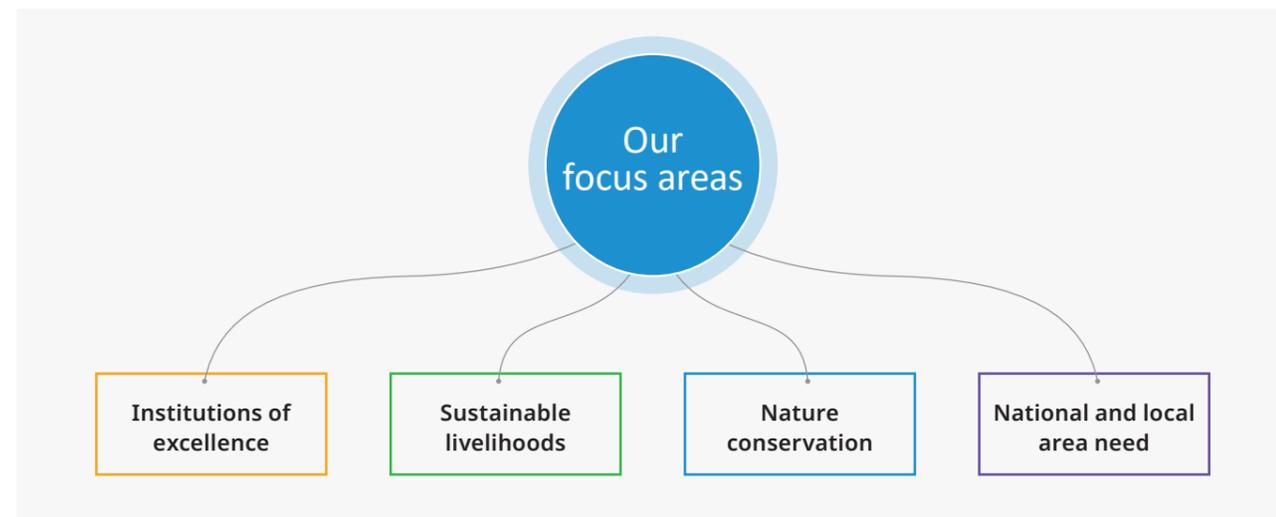
With transcending boundaries and borders, UPL's business activities and strategy have always strived to uplift communities across the world. Keeping a holistic approach towards development and welfare at large, is fundamental to the creation of a better and more sustainable world, while generating profit through business operations.

UPL has constantly worked towards key CSR areas and their betterment through a community outreach of 30+ countries and 70+ communities, supported by 80+ development programs and our work through the pandemic propelled a structured course of action for the post-pandemic period.

Our Company has set up a CSR committee, in accordance with sub section (1) of section 135 of the Companies Act 2013 to provide advice on the Company's CSR policy and monitor CSR activities with the four identified CSR focus areas for UPL. Any stakeholder grievances related to the policy are reviewed through the grievance mechanisms at UPL.

Our collaboration with NGOs and other organisations helps to maximise our outreach and our continued partnership leads to positive value creation for all our stakeholders. We also conduct external third party social and environmental assessments to better our impact, making sure that even though most of our operations are in the industrial zone, we do not create any negative impact on our local communities³⁷.

Our CSR framework is built on the foundation of our Vision, Mission and Values



³⁶GRI 103-1, GRI 413-1 ³⁷GRI 103-2, GRI 103-3, GRI 413-2



Our Vision
To be a catalyst for a more equitable and inclusive society by supporting long term sustainable transformation and social integration



Our Values

- Care
- Excellence
- Sustainability



Our Mission

- Implementing need-based projects through participatory approach
- Focusing on building capacity to make the community self-reliant

Crop residue management

- Stubble burning across North India after the kharif season leads to increased pollution, poor air quality and increased GHG emissions.
 - Stubble burning also causes soil degradation, dips in farm productivity and other ecological problems.
- A three-pronged technological approach was devised by amalgamating biotechnology, digitisation and farm mechanisation.
 - Carbon sequestration is an additional benefit.
 - Quick, cost-effect and eco-friendly solution.

Key challenges

Solution

FY 2021-22 targets

Impact 1.5 million lives through community initiatives

2025 Target

Impact 3 million lives through livelihood, education, health and sanitation

₹27 crore

CSR spend

~1mn

CSR beneficiaries



Program scale	
4,20,000+ Acres serviced	25,000+ Farmers serviced
Program impact	
10,38,965 Tonnes CO ₂ avoided	1,41,612 Tonnes ash prevented
42,697 Tonnes CO prevented	1,000+ Field force engaged
700+ Machines deployed	35 days The spraying operations lasted

The sustainable rice initiative

Key challenges

- India is the second largest producer and consumer of rice in the world, accounting for 21% of the population.
- Rice cultivation requires huge amount of water consumption.
- Paddy cultivation contributes to 2.1 GtCO₂ eq.
- Field size is around one hectare.

Solution

- Implemented and scaled the use of AWD (Alternate Wetting and Drying) and direct seeding techniques in a smallholder community.
- Monitored the depth of ponded water ensuring no yield loss.
- AWD/DSR reduced water consumption and pest incidences, improved yield quality.
- Mechanisation helps fast-tracking seeding process, eliminates manual labour and ensures farmers' safety.

Sugarcane sustainability program

Key challenges

- Sugarcane is a water-intensive crop and farmers use flood or furrow irrigation methods, which consume a lot of water.
- Excess water leaches below the root zone along with the fertilisers and chemical inputs, which increases the cost of cultivation.
- The farmer is not aware of the best cultivation and preventive pest and disease management practices, hence, the yield of most of the farmers is less than 40t/acre.

Solution

- Working with sugar mills and training farmers therein to adopt sustainable sugarcane cultivation practices, increasing row-to-row plant-to-plant spaces and avoid burning of crop residue.
- Ensures the implementation of scientific package of practice, which includes the use of hydrogel Zeba, which reduces plant abiotic stress. In addition to this, growth promoters and the crop protection solutions will improve the yield by 25%.

Program scale

1,80,000
Acres of farmland

- Punjab, Haryana, AP and Telangana
- Possible scale up across Bihar, West Bengal, Uttar Pradesh, Karnataka and Tamil Nadu

Program impact

- Reduced water and energy consumption by **15-30%**
- Increased yield upto **5%**
- Reduced methane emissions by **50%**
- Advisory helped reduce **pest and disease incidences**
- Helped generate **0.83** carbon credits per acre
- Overall cost of cultivation for the **rice farmers** decreased



Program scale

- **10,000** acres of farmland currently being piloted in Maharashtra
- Aiming to scale it up to **1,00,000** acres by January 2023

Program impact

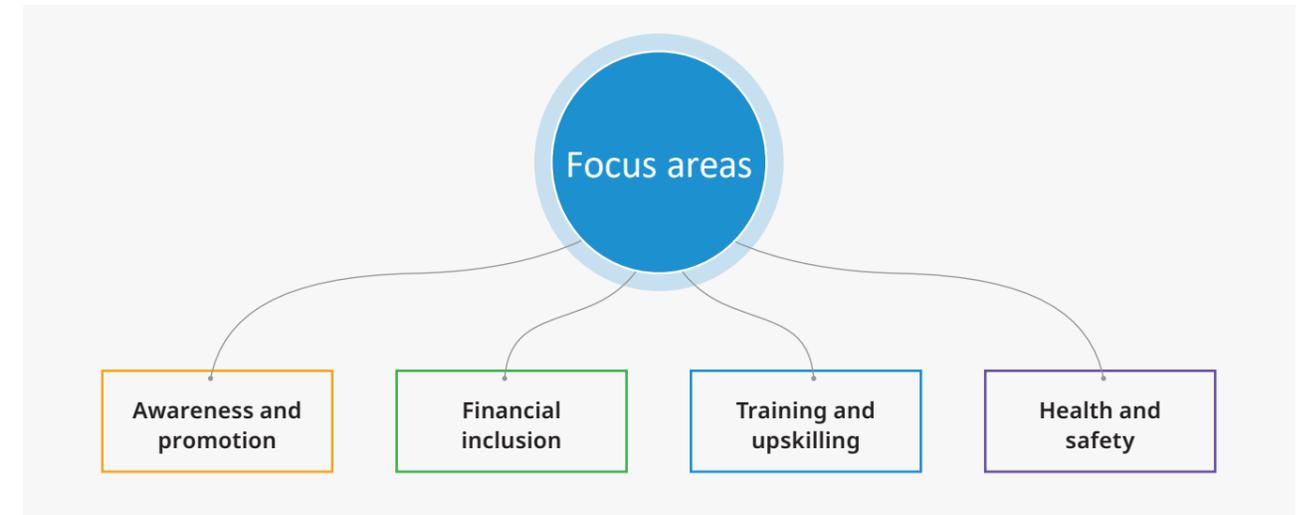
- **Pests and disease infestations** reduced
- Yield increased by **25%**
- **N₂O** emissions reduced
- **Soil health** improved
- **Residue management** optimisation
- Water consumption reduced by **25%**
- Estimated **carbon credit generation** per **1** unit acre
- **Overall cost of cultivation** decreased





Rural livelihoods - women in agriculture

The initiative strives to create equal opportunities for women in agriculture to participate and contribute. This improves their overall lifestyle, making them financially independent.



Impact created

- 500+** rural jobs for women
- 2x** effectiveness compared to male peers
- 100%** women field force in Haryana
- 20%** diversity in field force

Successfully trained, advised and educated more than 1.5 million farmers	Helped save 150 million litres of water, using agricultural practices	Implemented projects at scale across 9 states in India
Helped farmers sell 10,000 tonnes of produce through market linkage	1 st Organisation to forward sell 20,000 potential agri-related carbon credits in India	Network of 80,000 agricultural retailers present in 3 countries in less than 24 months
Aim to help brands source responsibly and ethically	Fleet of 10,000 Krishi Mitras, who help farmers adopt sustainable farming practices ensuring that the produce meets certification standards	The only brand that is using technology and leveraging ground presence to truly disrupt the agriculture space
70% of the pilot projects have turned into long-term strategic partnerships		
Have more than 1,50,000 acres of land under emission reduction programs	Helped cultivators reduce more than 1,50,000 units of carbon emission successfully	Helped make 6,00,000 acres of farmland sustainable

Responsible cocoa farming in West Africa

OpenCollaboration is one of the core elements that UPL embraces. Under the same, we have been looking at smallholder farmers across the global cocoa supply chain and focussing on responsible cocoa farming. We are working with West African farmers over the years to adopt

good agricultural practices, wherein over 12,000 farmers have been trained under the Cocoa Sustainability Project.

UPL took one step further in this initiative and collaborated with Croda International Plc on the product development of BANZAI™, the first proven chemical biostimulant foliar spray, specifically designed for cocoa.

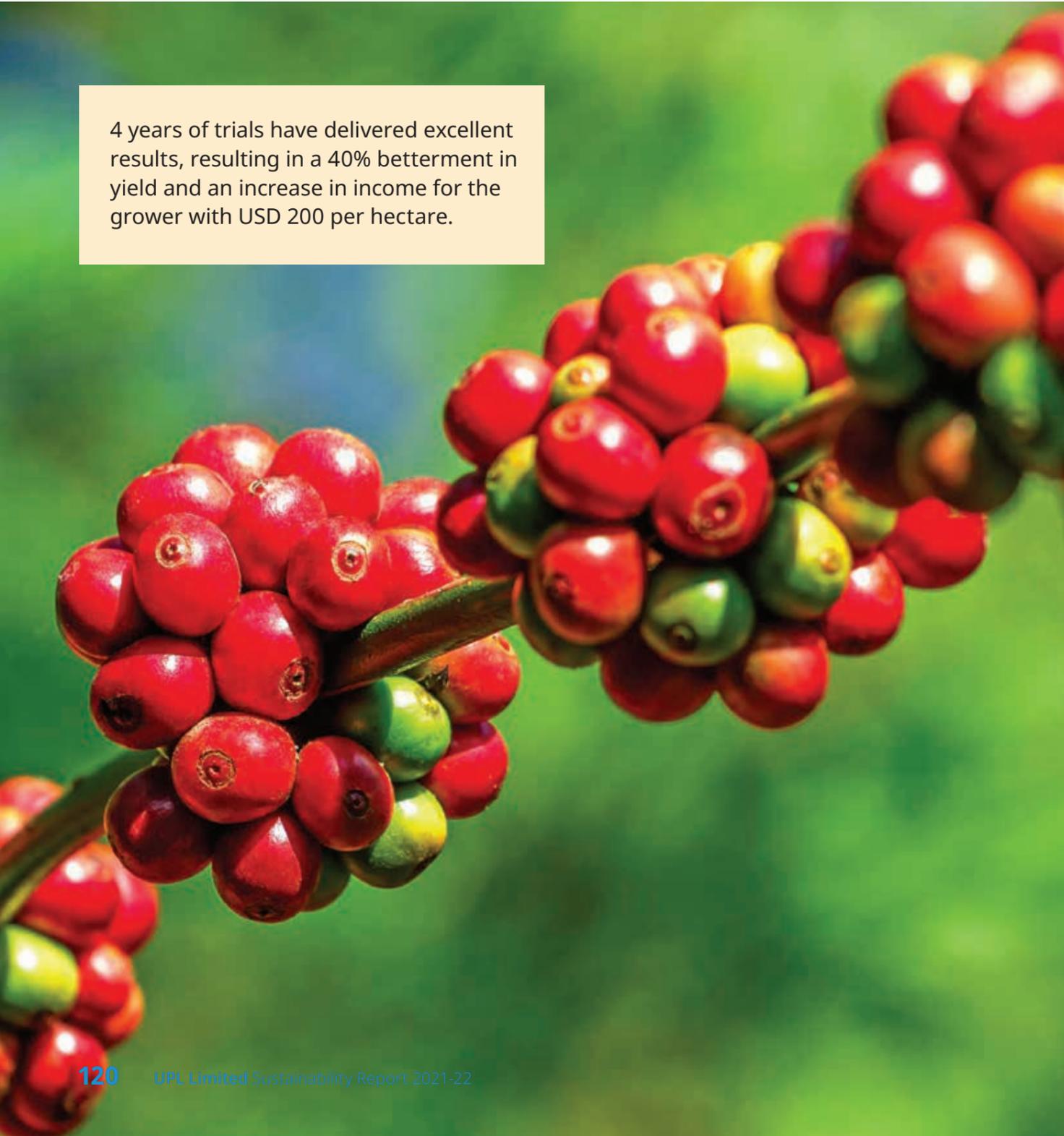
4 years of trials have delivered excellent results, resulting in a 40% betterment in yield and an increase in income for the grower with USD 200 per hectare.

Cornubia warehouse attack

A rather unfortunate incident occurred in Cornubia, Durban, South Africa when thousands of businesses were attacked during the riots in KwaZulu-Natal and parts of Gauteng in July 2021, wherein UPL operations and facilities were attacked in South Africa. SAR 50 billion dollars as well as 340 lives were lost.

UPL ever since, has been focussed in mitigating the loss as much as they could, with 130 people at all levels working round the clock. We had closed down for mitigation efforts but reopened again in November 2021.

We have committed to better functioning of all our facilities, and maximising our output, while engaging the best industrial practices and giving back to all our stakeholders.



National CSR initiatives across our focus areas

Institution of excellence

Giving back to the community and working on social upliftment are what UPL has continually strived for. Blending social and economic growth with education helps us elevate our efforts to do our maximum and aim higher for years to come.

The Sandra Shroff ROFEL College of Nursing, Vapi (SSRCN)

It is Gujarat's first self-funded nursing college, with the goal of healing and comforting the suffering while becoming a global leader in nursing education and research. Students volunteered as COVID-19 assistants during the recent outbreak of the COVID-19 pandemic (second wave).

The Sandra Shroff Gyan Dham School

The school is well-known for its outstanding academic performance over the years and it offers the CBSE curriculum to students from nursery to class 12. It is wellknown for its comprehensive curriculum that focuses on both academics and extracurricular activities.

The Gyan Dham Eklavya Model Residential School, Ahwa

Our Gyan Dham Vapi Charitable Trust's school aims to provide a holistic environment for tribal children. With emphasis on academic and extra-curricular activities, students are exposed to different activities including skill development programs to make them self-employable.

The Shroff S. Rotary Institute of Chemical Technology

The institute was founded with the goal of producing quality engineers for the chemical and allied industries. It provides students with technical training. In addition to R&D contribution, the institute offers consultancy services to industries.

The UPL Center for Agriculture Excellence

It is a residential farmer training school imparting latest skill trainings to augment their efforts across farming practices.

Sustainable Livelihood (UPL Pragati)

We work to promote sustainable livelihoods, which is a well-coordinated and integrated approach to improving the quality of life for farmers, rural youth and women. Our programs seek to provide environmentally, economically and socially sustainable opportunities to all segments of society.

UPL Khedut Pragati

Most farmers in India are dependent on traditional farming techniques, rain-fed irrigation, and low technological utility, which force them to poor- quality of life. At UPL, we are collaborating with farmers to change the farmers' status quo by creating sustainable livelihoods through agriculture development. We enable the farming community to live a better quality of life through increased profitability and improved nutrition. All Agri interventions aim to make farming a sustainable and profitable venture for farmers by implementing the following:

- Increase in per acre yield of crop
- Production cost reduction
- Better natural resource management

UPL Udyamita (SHG & Entrepreneurship)

Through the "UPL Uyamita" program, we are working to provide sustainable livelihoods to rural marginal women. This program seeks to provide individuals (with a strong emphasis on women) with the understanding, skills, and access to information, knowledge and training required to perform effectively. We have implemented a number of interventions to increase the capacity of youth and women.

UPL Niyojaniy (Skill Development)

We established an industrial skill training centre known as UPL Niyojaniy in 2014 to provide comprehensive industry-specific skills training to unemployed youth so that they can be successfully employed in nearby industries. These centres provide short-term, usually 3-6 month, practical programs with a focus on the Fabrication, Chemical, and Electrical sectors. We have established and managed four skill development centres in Ankleshwar, Dahej, Halol and Vapi. We have partnered with two it is (Industrial Training Institute, Surat- Mahila and Amod) under Public Private Partnership model to share our industrial and technical expertise with these institutes.

Nature Conservation

We have initiated several efforts to overcome issues of depleting forest lands, high pollution levels and restoring ecological balance, conserving environment and improving flora and faunal diversity.

EcoClubs

Eco Clubs have been established in community schools. As Eco Club members, students who are enthusiastic, environmentally conscious, and socially committed are chosen from each school and are involved in meaningful environmental activities and projects in their respective schools and communities. They oversee green activities such as tree planting, medicinal garden development, and cleanup activities such as waste collection, recycling, and reuse as well as conserving locally threatened flora and fauna.

Green Ganesha Workshops

In collaboration with Parisar Asha, we brought the Green Ganesha Workshops to school children in Vapi and Mumbai. Every year, the program is implemented in various Mumbai schools to educate children about the dangers of POP idols. This initiative raises awareness in society about the need

to end idol humiliation and environmental pollution. This workshop also provides the participants with the joy and satisfaction of creating Ganesha out of eco-friendly shadu clay, which acts as a stress reliever.

UPL Sarus Conservation

We initiated the UPL Sarus Conservation program with the aim to preserve Sarus by a participatory approach involving farmers and other stakeholders. We documented the numbers and habitat of the species in Kheda district and a complete report on the conservation efforts have been published and released by IUCN.

UPL Social Forestry

The community is encouraged to plant trees on village common land, government wasteland and Panchayat land under Social Forestry. It also aims to encourage people to plant trees to meet the growing demand for timber, fuel wood, fodder, and other products, thereby reducing pressure on traditional forest areas while recognising local communities' rights to forest resources and encouraging rural participation in resource management.

National and local area needs

We at UPL adhere to our core value of "Always Human" by directing our resources toward improvement of our communities, both locally and nationally.

Community building in India

Empowering communities also empowers UPL. It inspires us to do better and do more, to create positive impact and enable people to do their best. We have a target of impacting 2 million lives by facilitating initiatives pertaining to education, sustainable livelihoods, nature conservation, and catering to local and national needs, making communities independent and self-sufficient.

Through our initiatives, we already have 37,000 beneficiaries and have a target to reach 50,00,000 beneficiaries by FY 2026-27.

UPL School Sanitation

We conduct community awareness drives about hygiene practises and behaviour to improve the overall sanitation environment in rural areas. These programs are usually held in schools, where children serve as torch

bearers for cleanliness and spread the message throughout the community.

UPL Unnati (Mumbai)

UPL Unnati is an important step to strengthen the processes and systems of NGOs and Community based organisations. We work to improve civil society organisations' administrative and management systems in order to improve project deliverables. In its 2nd phase of implementation, we have worked with 9 organisations in Mumbai cumulatively with more than 10,000 women working with these organisations.

Global Reporting Initiative (GRI) Index¹

This report has been developed in accordance with the GRI Standards: Comprehensive Option.

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¹ GRI 102-55

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417-1 (2016)	Requirements for product and service information and labelling	67	
417-2 (2016)	Incidents of non-compliance concerning product and service information and labelling	67	
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Sustainable sourcing			
103-1 (2016)	Explanation of the material topic and its boundary	70	
103-2 (2016)	The management approach and its components	70	
103-3 (2016)	Evaluation of the management approach	70	
408-1 (2016)	Operations and suppliers at significant risk for incidents of child labor	68	
409-1 (2016)	Operations and suppliers at significant risk for incidents of forced or compulsory labor	68	
414-2 (2016)	Negative social impacts in the supply chain and actions taken	68	
414-1 (2016)	New suppliers that were screened using social criteria	68	
Data integrity and security			
103-1 (2016)	Explanation of the material topic and its Boundary	53	
103-2 (2016)	The management approach and its components	53	
103-3 (2016)	Evaluation of the management approach	53	
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Data privacy			
103-1 (2016)	Explanation of the material topic and its Boundary	52	
103-2 (2016)	The management approach and its components	52	
103-3 (2016)	Evaluation of the management approach	52	
418-1 (2016)	Substantiated complaints concerning breaches of customer privacy and losses of customer data	52	
Environmental Management			
Energy			
103-1 (2016)	Explanation of the material topic and its boundary	83	
103-2 (2016)	The management approach and its components	83	
103-3 (2016)	Evaluation of the management approach	83	
302 -1 (2016)	Energy consumption within the organisation	85	
302-2 (2016)	Energy consumption outside of the organisation		Information unavailable. (Currently, we do not monitor this data. We intend to incorporate systems in place to disclose the same for future reporting purposes)
302-3 (2016)	Energy intensity	85	
302-4 (2016)	Reduction of energy consumption	85	
302-5 (2016)	Reductions in energy requirements of products and services		Information unavailable. (We have taken initiatives with respect to process changes which is based on our yearly projects instead of our products and services.)

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303 - 3 (2018)	Water withdrawal	91	
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303 - 5 (2018)	Water consumption	91	
Emissions			
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103-2 (2016)	The management approach and its components	86	
103-3 (2016)	Evaluation of the management approach	86	
305 - 1 (2016)	Direct (Scope 1) GHG emissions	87	
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305 - 4 (2016)	GHG emissions intensity	87	
305 - 5 (2016)	Reduction of GHG emissions	86	
305 - 6 (2016)	Emissions of ozone-depleting substances (ODS)		Information unavailable (Most of our plants use refrigerant gases with zero ozone depleting potential)
305 - 7 (2016)	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	87	
Waste management			
103-1 (2016)	Explanation of the material topic and its boundary	92	
103-2 (2016)	The management approach and its components	92	
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306 - 1 (2020)	Waste generation and significant waste-related impacts	92	
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Supplier environmental assessment			
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103-3 (2016)	Evaluation of the management approach	68	
308 - 1 (2016)	New suppliers that were screened using environmental criteria	68	
308 - 2 (2016)	Negative environmental impacts in the supply chain and actions taken	68	

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Occupational health and safety			
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403 - 1 (2018)	Occupational health and safety management system	106	
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403 - 4 (2018)	Worker participation, consultation, and communication on occupational health and safety	112	
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