



GLOBAL POLICY FOR SUSTAINABLE PROCUREMENT

Policy fact sheet

Policy owner:	Amit Agarwal
Policy approver:	Raj K Tiwari
Version:	Version no. GSP.04
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Scope:	The Global Policy for Sustainable Procurement is applicable to “UPL and its Group Companies” (hereafter referred to as UPL Group) employees, vendors, service providers, third party consultants and distributors. The policy is valid for all UPL Group locations globally.
Confidential:	For Public Access

REVISION HISTORY – Global Policy for Sustainable Procurement		
VERSION	DATED	MAIN CHANGES
GSP.01	14 th November 2020	First Draft
GSP.02	12 th April 2021	Role Change
GSP.03	8 th July 2021	Policy Revision
GSP.04	23 rd April 2024	Policy Revision

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1. Introduction

UPL is a premier global provider of agricultural solutions for entire crop cycle. The Management of UPL is committed to safeguard the Health, Safety & Environment by minimizing adverse effects arising out of its operations across the entire value chain. This policy is to guide our efforts and our values towards sustainability and is applicable to UPL's direct procurement. UPL has committed to 2025 sustainability goals (<https://www.upl-ltd.com/sustainability>) and one of the imperative pillars of the commitment is enhancing sustainable sourcing. At UPL, we take measurable steps towards incorporating key sustainability parameters at each stage of our business activity. We remain conscious of the partnerships we build and the value creation we deliver. We also stand strong with the principles of sustainable procurement and incorporate a responsible approach to supplier selection and engagement process at UPL.

2. Approach

UPL has committed to Responsible Care initiative and joined United Nations Global Compact (UNGC) to support UN's Sustainable Development Goals (SDGs). UPL is focusing on initiatives in the areas of renewable energy, emissions reduction, technology, resource conservation, safety, and community empowerment. UPL has always promoted high ethical standards of professional and personal conduct from our employees and business associates and has laid down a global code of conduct (https://www.upl-ltd.com/downloads/policies/compliances/UPL_Global_Code_of_Conduct.pdf) which expresses UPL's commitment to conducting business ethically. We also aim to ensure that our business operations are managed in a way by continually improving the sustainability practices.

We will adopt a risk-based approach in addition to spend criteria for addressing relevant Environmental, Social and Governance (ESG) aspects in the upstream supply chain followed by integration of the same into our supplier selection process.

3. Purpose

In order to achieve our goals and ensure high ethical business standards, it is empirical that our suppliers share the same values and principles; and raise the sustainability standards in our supply chain. We acknowledge that, UPL's Procurement decisions can have major Environmental, Social and Economic impacts, both for current and future generations. Ensuring sustainable supply chain is critical to our joint success with suppliers in doing business with UPL. The purpose of this policy is to ensure continuous improvement of Suppliers performance in alignment with UPL's growth. This demands a systematic, measured and continuous improvement approach, recognizing that sustainable procurement must be meaningful and substantial.

UPL will deliver on this commitment through a number of ways:

➤ Suppliers

- Supplier sustainability performance is one of the important criteria for doing business with UPL and we are committed to implement a robust program for implementation and monitoring the same on a periodical basis.
- UPL Procurement team will play a pivotal role in accelerating relevant ESG performance of suppliers as required. Suppliers will be encouraged to implement training programs at their end to ensure that all relevant staff are aware of their obligations and responsibility towards sustainability.

- UPL will follow a systematic supplier screening approach to prioritize and work upon significant suppliers based on its relevance to business, supplier country & sector specific risks and significance of their associated Environmental, Social and Governance impacts.
- UPL will cohesively work with suppliers to identify issues that do not meet its expectations and provide them relevant support to address such gaps.
- UPL Procurement team shall communicate the Supplier Code of Conduct to all suppliers, and it will be integrated into the contracts and purchase orders.
- We expect our suppliers to operate in accordance with the principles as outlined in this Policy and the Supplier Code of Conduct as referred in below link - (www.upl-ltd.com/downloads/supplier_portal/UPL_Supplier_Code_of_Conduct.pdf)
- UPL is committed to strengthen relationships with key suppliers on ESG topics through capacity building programs, periodical engagement programs and sharing of best practices. UPL will transparently communicate the supplier engagement process including the pre-qualification and performance monitoring to its suppliers.

➤ **People**

- UPL will encourage its employees to adopt sustainable procurement practices by encouraging them to consider the ESG aspects in addition to economic criteria across the entire supplier engagement process.
- UPL is committed to promote awareness on sustainable procurement within the organization and shall provide appropriate training to its relevant employees.
- UPL will ensure internal alignment between different functions and an appropriate governance and oversight from executive leadership on sustainable procurement.

➤ **Policy**

- Policy documents will be made publicly available, and it is expected that the suppliers communicate the policy and its requirements throughout their organization and their supply chain as appropriate. UPL will also develop a guideline document to support in implementation of this policy.
- UPL will periodically review the policy to determine whether revisions may be required due to changes in the law or changes in our business or the business environment.

4. Administrative responsibility:

Global Head – Procurement & Strategic Sourcing is responsible for administering, monitoring and updating this Policy and shall serve as the contact and designate if any stakeholder has a question related to this Policy.

Signature



Amit Agarwal
Global Head – Procurement & Strategic Sourcing

Signature



Raj K Tiwari
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Place: Mumbai

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