



# SUSTAINABILITY REPORT 2020-21

OpenAg™  
REIMAGINING  
SUSTAINABILITY

# Reimagining sustainability – OpenAg™ in action

FY 2020-21 was a year of reckoning for sustainable food systems. The COVID-19 pandemic led to global food supply chain disruptions, impacting food availability and accessibility. The pandemic revealed the cracks in the global food system, with the potential to impact the livelihoods of marginal and small farmers and hinder the ability to feed the world. At UPL, we continued to leverage our capabilities to deliver sustainable solutions, globally. With augmented efforts to increase world food security, we put our best foot forward to take on new challenges and improve agricultural viability across the world.

At UPL, our OpenAg strategy reflects our purpose to create a deeper impact on society and strengthen food security by encouraging innovation and building an enhanced portfolio of crop solutions. 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.

## Carbon sequestration

In our endeavour to combat climate change and reduce our carbon footprint, we have implemented an aggregation-based carbon farming model. Along with a plausible reduction in CO<sub>2</sub> emissions, the model aims to create new revenue streams for farmers while encouraging the use of regenerative practices that allow for the preservation of soil health and the improvement of their lives.

### Carbon sequestration at UPL



Accelerating our efforts towards carbon sequestration, we planted 5,99,379 trees across 787.79 acres, capturing 11,987 MT CO<sub>2</sub> over the years\*.



\*Estimation: 20kg CO<sub>2</sub>/tree/year

## Green Cell – embedding sustainability through innovation

As part of the improvement cell at UPL, the Green Cell aims to augment the reduction of the company's environmental footprint. We endeavour to embrace innovation and state-of-the-art cost effective technologies for the effective treatment of solid, liquid and gaseous wastes across our global manufacturing operations.

**Robust presence of a multidisciplinary team of Chemists, Microbiologists, Chemical, Bio-chemical and Environmental Engineers.**

**Major technologies embraced by UPL include Forward Osmosis (FO), Scaleban, Dissolved Air Floatation (DAF), Moving Bed Bioreactors (MBBRs)**

### Patent applications include:

- Pendimethalin: Novel effluent treatment process (in-situ calcium hypo treatment) and scale up for complex effluents
- A novel process for elimination of thermogenesis in ETP bioreactors and its efficiency improvement
- A novel method for wastewater treatment



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# Sustainability performance highlights



## Environment

Reduced  
**22%**  
Water consumption intensity\*

Reduced  
**31%**  
Waste disposal intensity\*

Reduced  
**15%**  
Carbon emission intensity\*

**19%**

Electric Power from renewable sources at our two largest manufacturing plants



Included in DJSI Sustainability Yearbook 2021



## Social

We continue to support communities, increasingly in a pandemic scenario and help them achieve holistic transformation

**₹100 Cr**  
CSR spend#

**1 Mn**  
CSR beneficiaries

**#1**  
Agrochemicals company in ESG by Sustainalytics^



## Governance

**#1**  
Biosolutions Company

**#5**  
Agrochemical Company in the world

**138+**  
Country presence across 6 continents

**50%**  
Independent Directors in UPL Ltd



UPL Joins United Nations Global Compact (UNGC) to support Sustainable Development Goals

\* During FY 2020-21 as compared to FY 2019-20  
Specific (Intensity) is a measure as per MT of production

# Including ₹75 crore contributed to PM CARES Fund

^ Based on Sustainalytics Report dated 25th September 2020



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### **Independent Limited Assurance Statement to UPL Limited on its Sustainability Report for Financial Year 2020-21**

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 limited assurance on selected non-financial disclosures in the Sustainability report ('the Report') for the reporting period from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021 ('the year' or 'the Reporting Period'). Our responsibility was to provide limited assurance on selected non-financial disclosures in the Report as described in the Scope, Boundary and Limitations.

#### **Reporting Criteria**

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

#### **Assurance Standards Used**

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 Reporting period.
- The boundary of the Report includes operations of UPL and its subsidiaries, as mentioned in the Report.



#### **GRI Standards: Universal Standards**

- **General Disclosures**

- 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**

- **Environment**

- Energy (2016) : 302-1, 302-3, 302-4
- Water and Effluents (2018) : 303-3, 303-4, 303-5
- Emissions (2016) : 305-1, 305-2, 305-4\*, 305-5
- Waste (2016) : 306-1, 306-2

- **Social**

- Occupational Health and Safety (2018) : 403-9, 403-10
- Human Rights Assessment (2016) : 412-1

\*The data for emission intensity is restricted to Scope 1 (direct) and Scope 2 (energy indirect) emissions only

The assurance scope excludes 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 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 above.
- 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 Company for data analysis.
- Discussion with the personnel responsible for the evaluation of competence required to ensure reliability of data and information presented in the report.
- Assessment of data reliability and accuracy.

The performance data was reviewed through virtual interactions using screen sharing tools at the corporate office and selected sample locations. The locations included are as mentioned below:

- Unit 0 – Vapi
- Unit 2 – Ankleshwar
- Unit 3 – Ankleshwar
- Unit 5 – Jhagadia
- UCPL - Colombia
- Head office – Mumbai

### Conclusions

We have reviewed selected non-financial disclosures 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 conclusions 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 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 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 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 20, 2021

# Welcome to UPL

## Purpose-led sustainability

UPL is committed to delivering value-based outcomes for all our stakeholders. We leverage our core capabilities and strengths to create sustainable solutions for farmers and mitigate climate change risks. While we continue to face adverse and unprecedented challenges, we strive to live our values and augment our efforts to build a sustainable tomorrow, today.

Our Vision  
Working with farmers to help them feed the world sustainably

Goals	2025 target	SDGs in focus
<b>1</b> Reduce environmental footprint	Reduce manufacturing environmental footprint from baseline FY 2019-20  20% ↓ Specific* water consumption  25% ↓ Specific* CO <sub>2</sub> emission  25% ↓ Specific* waste disposal	 
<b>2</b> Enhance world food security	50% Revenues from innovative and sustainable solutions** to enhance yields and quality	 
<b>3</b> Enhance sustainable sourcing	60% Sustainable sourcing	 
<b>4</b> Strengthen community wellbeing	3 million Lives to be impacted through livelihood, education, health and sanitation	 

\*Specific is a measure per MT of production

\*\*Sustainable solutions includes bio-solutions and soil and seed health products

# About this report<sup>1</sup>

As a leading public agrochemicals company, UPL endeavours to create an agriculture network that feeds sustainable growth for all. In line with our mission to make every single food product more sustainable, we continue to strengthen our OpenAg network that is inclusive of the entire world and its ~7 billion people.



Our 5<sup>th</sup> annual sustainability report presents our sustainability approach, strategy, and performance to all our stakeholders

## Strengthening commitment to sustainable development

In line with our commitment to the greater good, we strive to strengthen our contribution towards the global 2030 agenda for sustainable development. We support all 17 Sustainable Development Goals (SDGs), along with our prioritised SDGs for

the business. In FY 2020-21, UPL joined the United Nations Global Compact (UNGC) initiative as a signatory in support of the 10 principles to advance the broader sustainable development goals of the United Nations.

### 10 Principles of UN Global Compact



## Reporting period and frameworks

The financial and non-financial information disclosed in this report pertain to the reporting period of 1st April, 2020 to 31st March, 2021. This report has been developed in accordance with the GRI Standards: Comprehensive Option. It is in adherence with all the reporting principles with respect to content and quality as per the GRI Standards. The report is further guided by UNGC principles and provides linkages to the UN SDGs. This report also serves as UPL's UN Global Compact Communication on Progress (CoP) for FY 2020-21.

There has been no restatement of information for the reporting period. Specific assumptions and methodologies have been mentioned in support of any estimates made in this Report. Our latest sustainability report published in October, 2020 can be accessed on our website along with our previous publications.

## Scope and boundary

The report covers the national and international business activities of UPL, inclusive of all global manufacturing and formulation plants in addition to our Mumbai headquarters. The subsidiaries, joint ventures, and associate companies where we have no operational control have been excluded from the reporting boundary. Details of all the entities are covered in our consolidated financial statements that can be viewed in our annual report on the company's website. During the reporting period, UPL took a collective decision to shut down the company's Rotterdam facility from July 2020 onwards.

## Stakeholder engagement and materiality assessment

The stakeholder engagement and materiality assessment represent the foundation of our Sustainability Report. It enables us to gather internal and external stakeholder insights towards our progress on sustainability. Taking into account

the unprecedented challenges in FY 2020-21 along with the changing global regulatory environment and the evolving business landscape, we undertook a fresh stakeholder engagement and materiality assessment exercise to identify the most relevant issues to the business and UPL's environmental, social and governance impact. Furthermore, the assessment was guided by the recommendations of the GRI Standards. Our prioritised material topics define the contours of the FY 2020-21 Sustainability Report, of which further details can be accessed on page 42 of this report.

## Assurance

Our sustainability report has been externally assured by an independent third-party assurance provider KPMG Assurance and Consulting Services LLP, based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised) – limited assurance criteria. The assurance statement can be found on page 4.

## Feedback and suggestions

We appreciate receiving feedback from our stakeholders as it supports us by improving our performance in sustainability reporting. We encourage you to share your views and insights to:

**Dr. Mritunjay Chaubey**  
Global Head of Environment & Sustainability

### UPL Limited

UPL House, 610 B/2, Bandra Village, Off Western Express Highway, Bandra (East), Mumbai 400051

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<sup>1</sup>GRI 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

# Chairman's Message<sup>2</sup>

The year 2020-21 was the most challenging one in our lifetime. The COVID-19 pandemic resulted in unprecedented health, social and economic disruptions across the world.

## Dear stakeholders,

I take this opportunity on behalf of the entire UPL family, to express our gratitude towards the frontline workers for putting a brave effort in ensuring health and wellbeing of citizens across the world. I also take the opportunity to thank the scientists and medical professionals working tirelessly to find out a possible cure to stave off the pandemic.

In such an eventful year, being conferred with the Padma Bhushan, one of India's highest civilian awards, was indeed a moment of pride and a testament to the hard work and determination of everyone at UPL to build a more sustainable world.

**At UPL, we are reimagining sustainability through our OpenAg purpose which is creating an open network for agriculture while activating connections across the agriculture ecosystem.**

Over the past five decades of our presence, we have been respected in the industry for venturing into uncharted territories led by our sustained investments in building one of the strongest research and innovation capabilities in our sector. This also vindicates our strong resolve to deliver products and solutions to farmers globally which help protect their produce, ensure income and enhance the sustainability of the global food supply chain.

## Need for global action

Global hunger and food insecurity are ongoing challenges even in our modern world, as millions continue to face undernourishment or lack of regular access to sufficient safe and nutritious food. Changing climate and increasing population can aggravate those challenges, affecting the entire food value chain. The growing number of extreme weather events in the recent past has reduced the yields of major crops, raising questions about how to make farming practices more sustainable in a rapidly evolving world.

Technological adaptations and innovations can help provide solutions to many of these challenges. Investment in new sustainable agricultural technology can impact a worldwide system of distributors, suppliers, and along the entire agricultural chain.

At UPL, we are reimagining sustainability through our OpenAg purpose which is creating an open network for agriculture while activating connections across the agriculture ecosystem. We are transforming from an agrochemical company to provider of holistic and long-term solution for the entire food value chain. Our idea of sustainability is not just restricted to our manufacturing units. Our global network of research and development network is working relentlessly to identify the farmer pain points and focuses on solutions that help in protecting farm produce and secure farmer income while conserving the natural resources, resulting in a sustainable food value chain for the world along with taking the adequate measures at the manufacturing level to minimise impacts on the environment.

Our strategic partnerships and collaborations beyond borders are helping us in delving deeper into issues faced by the farmers of today across geographies and help us create sustainable solutions.

## Extending care for the community

At UPL, we understand that a holistic community development is integral to our overall growth. This was further vindicated by the onset of the pandemic and we quickly sprang into action with focused initiatives across the globe. Our innovative India-specific initiatives included deployment of farm equipment for community sanitisation among others.

**Our strategic partnerships and collaborations beyond borders are helping us in delving deeper into issues faced by the farmers of today across geographies and help us create sustainable solutions.**

As the second wave created nation-wide shortage of oxygen, we converted our nitrogen plants to produce medical-grade oxygen and installed oxygen plants to make eight hospitals in India become self-sufficient.

## Reinforcing our commitment towards sustainability

We are proud to commit our support to the UNGC initiative and believe participation plays a critical role in achieving the Sustainable Development Goals. Partnering with the United Nations aligns with our OpenAg purpose as we aim to generate a deeper impact on society by creating sustainable growth for all. Our sustainability leadership has been acknowledged by DJSI and we have been ranked #1 in the agrochemical sector for ESG risk management by Sustainalytics.

## Sustainability at the core

Sustainability forms the core of our business, and we will continue to invest proactively in our systems, processes and technologies to enhance our sustainability performance. While we have reported a revenue of ₹38,694 crore during the year, we have generated around 29% of our revenues from sustainable and specialised products, reflecting our continued focus on providing sustainable solutions to our customers. As a step ahead in sustainable farming, we have implemented an aggregation-based carbon farming model along with growing use of renewable energy in manufacturing and effective waste management.

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

**RD Shroff**  
Chairman

<sup>2</sup>GRI 102-14



# Message from the Global CEO

The pandemic wreaked havoc on human life and livelihoods across the globe in 2020, with economic and social activities impacted alongside the devastating health challenges. The roll out of vaccines towards the end 2020 brought hope to many. However, a second wave swept across the world soon after and postponed the recovery.

Being classified as an essential industry, UPL was able to continue its operations uninterrupted. Aligned with our core value of Always Human, UPL undertook COVID-related initiatives for the community, for our employees, partners, customers and other stakeholders. In one such initiative, we converted our captive nitrogen plants to produce medical oxygen to meet the overwhelming oxygen demand during the second wave of the pandemic in India. We also shared our learnings with 100+ other industry players so that they too could come forward and contribute additional oxygen to support the needs of hospitals. In another initiative, we were able to supply 6.5 million litres of sanitiser to help India's authorities sanitise public spaces.

**At UPL, we consistently strive to build a product portfolio that is energy and resource efficient to enable a positive environmental footprint.**

**Our focused sustainability approaches have help us get recognised across platforms. We are the only Agrochemical company in the World included in the DJSI Sustainability Yearbook 2021 powered by the S&P Global CSA for demonstrating excellence in sustainability.**

## Reimagining sustainability

On one hand, the pandemic exposed the vulnerability of our social and economic systems. On the other, it also underscored the importance of protecting global food security from the impacts of climate change. Agricultural activity is adversely impacted by climate change, and farmers are especially vulnerable. However, transformative practices in agriculture can reduce carbon emissions and mitigate the impact of global warming.

Our OpenAg purpose revolves around reimagining sustainable agriculture based on three pillars – sharpening our focus on reducing our environmental footprint, concerted efforts towards supporting environmental sustainability and economic resilience for farmers, and ensuring food security and safety of the food value chain. Every project and investment at UPL is focused on these pillars.

At UPL, we consistently strive to build a product portfolio that is energy and resource efficient to enable a positive environmental footprint. With farmers at the heart of all our business activities, we also aim to invest in products that are cost efficient. Through our NPP – Natural Plant Protection – business unit, we are well-positioned with our unique technology platform, our wide portfolio of differentiated and BioSolutions products to make agriculture more sustainable. Our ProNutiva solution blends BioSolutions with conventional crop protection chemicals to reduce the use of inputs, help crops grow better, and make them resilient to the climatic conditions. We have launched nurture.farm, a digital platform for growers, farming communities and food systems, fostering resilient farmers, making agriculture simple, profitable and sustainable for generations to come through technology-led solutions covering every step of the farming life cycle. Our concerted efforts help protect farm produce, ensuring food availability on one hand and supporting farmer incomes on the other.

On the operational front, we have a dedicated team called 'Green Cell' that continuously scouts for emerging technologies and implements them in our manufacturing plants to ensure sustainable operations by reducing our environmental footprint in terms of energy use, water use, and waste. The team helps as we strive to improve resource conservation, increase cost efficiencies, and capitalise on opportunities to build resilience across our business activities and product portfolio.

## Collaborating for change

At UPL, we collaborate with partners to resolve challenges and create new opportunities together. We believe that Open Collaboration enriches the global agricultural network by connecting people and creating opportunities for all. Our sustainable collaboration helps bring positive change in the lives of farmers, consumers and society.

We are proud of our new collaboration with the FIFA Foundation, through which we will work within the FIFA Foundation's Football for Schools Programme, designed to engage children in interactive education sessions focused on developing life skills and promoting values through football. We will also coordinate access to the FIFA Football for Schools Programme for numerous schools in rural areas in Brazil, as well as engaging with local authorities in key markets. UPL and the FIFA Foundation will also work together to support sustainable development objectives and environmental protection efforts through a ten-year programme that will enable the reduction of carbon dioxide emissions and reward smallholder farmers in developing markets for adopting sustainable agricultural practices.

In another initiative, we have partnered with TeleSense, a California-based Internet of Things (IoT) innovator, revolutionising postharvest grain storage and transport. With around one-third of global food production lost annually due to food waste, this is a problem our industry cannot ignore. Our partnership with TeleSense represents a new vision for how grain is stored, handled and transported by creating a more efficient, data-driven supply chain that will reduce food waste, improve food quality and increase sustainability.

## Recognised across the globe

Our focused sustainability approaches have help us get recognised across platforms. We are the only Agrochemical company in the World included in the DJSI Sustainability Yearbook 2021 powered by the S&P Global CSA for demonstrating excellence in sustainability. We have also been ranked #1 among all Agrochemical companies globally in 2020 by Sustainalytics. Finally, we joined with other leading business and organisations to sign the Business Declaration for Food Systems Transformation, as well as a letter of support for the setting of science-based targets to keep global temperature increases below 2°C.

## In conclusion

At UPL, sustainability is ingrained in the way we do business. We have aligned our Sustainability Goals 2025 with our overall business agenda. We are focused on driving sustainable agriculture and achieve transformational growth through innovative technology. We will continue to tap new growth engines, new markets, and new technologies to continue our journey and to support sustainable agriculture.

**Jai Shroff**  
Global Chief Executive Officer

# Message from the Director

## Dear stakeholders,

The pandemic has redefined consumption and lifestyle behaviour across the globe. People have become more conscious about sustainability and are cognisant of the impact they create. Addressing environmental challenges amidst lifestyle changes has become key and people are more committed towards changing their own behaviour for promoting sustainability.

**Our OpenAG strategy is designed to deliver our sustainability goals, by focusing on innovation, collaboration, access and intelligence.**

As an organisation we are committed to sustainable growth. We have adopted a sustainable growth strategy which focuses on; minimising environmental impact, increasing food security for the growing population and enabling socio-economic security for our farmers.

Our OpenAG strategy is designed to deliver our sustainability goals, by focusing on innovation, collaboration, access and intelligence.

### OpenCollaboration

Our collaborations are key enablers in our OpenAG strategy. With each partnership, we strive to create strong, open and innovative collaborations, spread across borders. Each of these collaborations are subject to three core parameters; reduce wastage, improve quality and enhance sustainability.

Our OpenAg network provides us with opportunity to leverage shared technology to transform agriculture as we know today. At the same time, it strengthens our ability to connect with people and our farmers, for better understanding of their issues and needs. This enables us to find solutions for a sustainable future by bringing constructive changes in farming and the lives of farmers.

Our various partnerships empower us to provide differentiated, futuristic and sustainable solutions. Our recent two-year collaboration with Soil Health Institute will help us in finding innovative and environmentally sustainable farming solutions that safeguard and enhance soil health through scientific research and advancement. We continue to look for new collaborations which are aligned with our vision, mission and values of sustainable growth.

### OpenHearts

With OpenHearts, we are committed to give back to the society. Since inception we have believed in growing together as a community. From my parents taking a personal overdraft for building the first school at Vapi, Gujarat, to our various initiatives for fighting the pandemic globally, the very ethos of serving the society is embedded in our culture and has passed on for generations at UPL.

It is with these strong principles that we continue to serve the community, coming up with ingenious and innovate solutions even in the face of adversity. I am gratified that even during these difficult times we were able to maintain our commitment towards a holistic growth, with continued focus on educational excellence, sustainable livelihood and nature conservation. We continue to work on multiple initiatives that we have pledged across the globe.

**We have adopted a sustainable growth strategy which focuses on; minimising environmental impact, increasing food security for the growing population and enabling socio-economic security for our farmers.**

### Our Enablers

Our employees are enablers of our sustainable growth strategy. They are the foundation of our strategic execution plan. Their perseverance and dedication enable us to move forward towards fulfilling our sustainability goals and prioritised SDGs.

It is with the conviction in our employees and continued faith of all our stakeholders that we have been able to take our commitment forward, joining the United Nations Global Compact (UNGC) initiative as a signatory in support of the 10 principles to advance the broader sustainable development goals of the United Nations.

I would like to take this opportunity to thank each one of our employees, partners and all our stakeholders for being part of our journey to reimagine sustainability in everything that we do.

**Vikram Shroff**

Director

# Organisational overview<sup>3</sup>

UPL is a premier global provider of total crop solutions. Leveraging 50+ years of expertise in the agrochemicals industry, we are designing sustainable solutions for securing long-term food supply.

## UPL's market reach and global presence

As the fifth largest global crop protection company, UPL has an impactful presence across 138+ countries, with 43 manufacturing facilities and ~10,000 employees. The acquisition of Arysta LifeScience in FY 2018-19 enhanced our position as a leading natural products and bio-solutions company. 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.

2,200 Products

### North America

193 Products  
1 Plant

### Latin America

550 Products  
9 Plants

### Europe

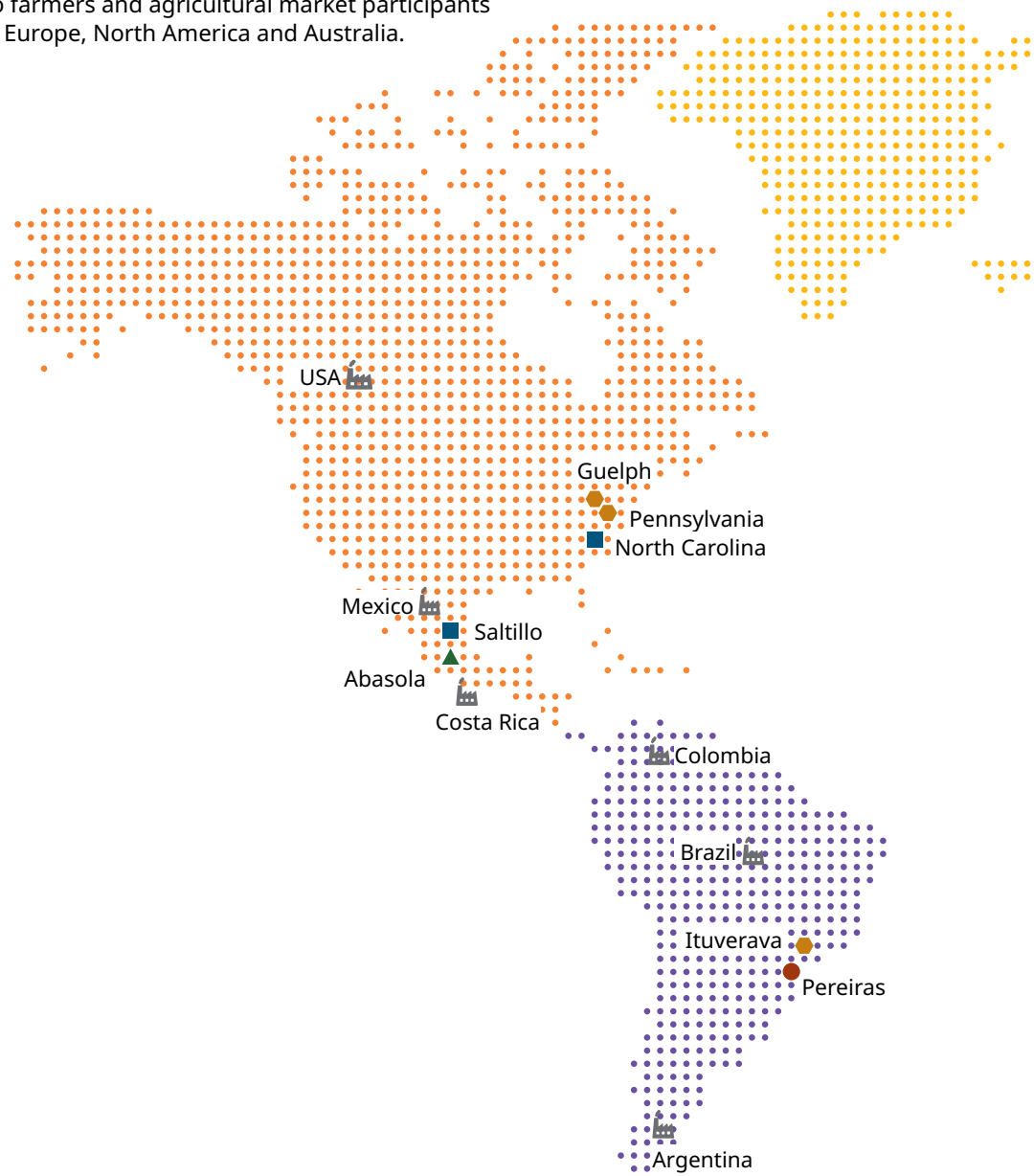
498 Products  
10 Plants

### ROW

876 Products  
8 Plants

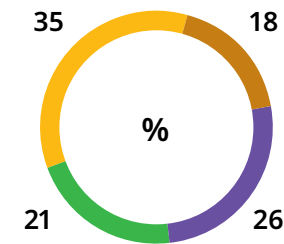
### India

178 Products  
15 Plants

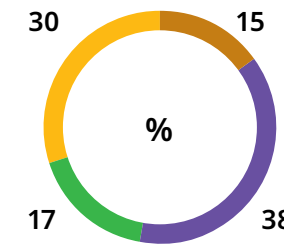


● Field station ▲ Future field station ■ NewAg tech ● Chemistry 🏭 Manufacturing plants

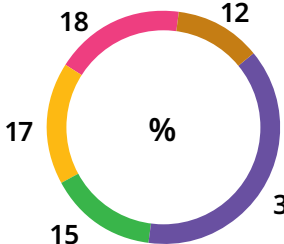
SALES MIX BY REGION - INDUSTRY



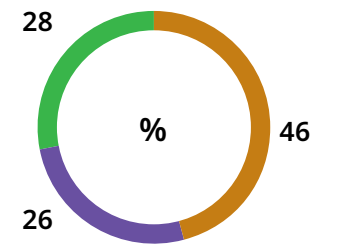
SALES MIX BY REGION - UPL



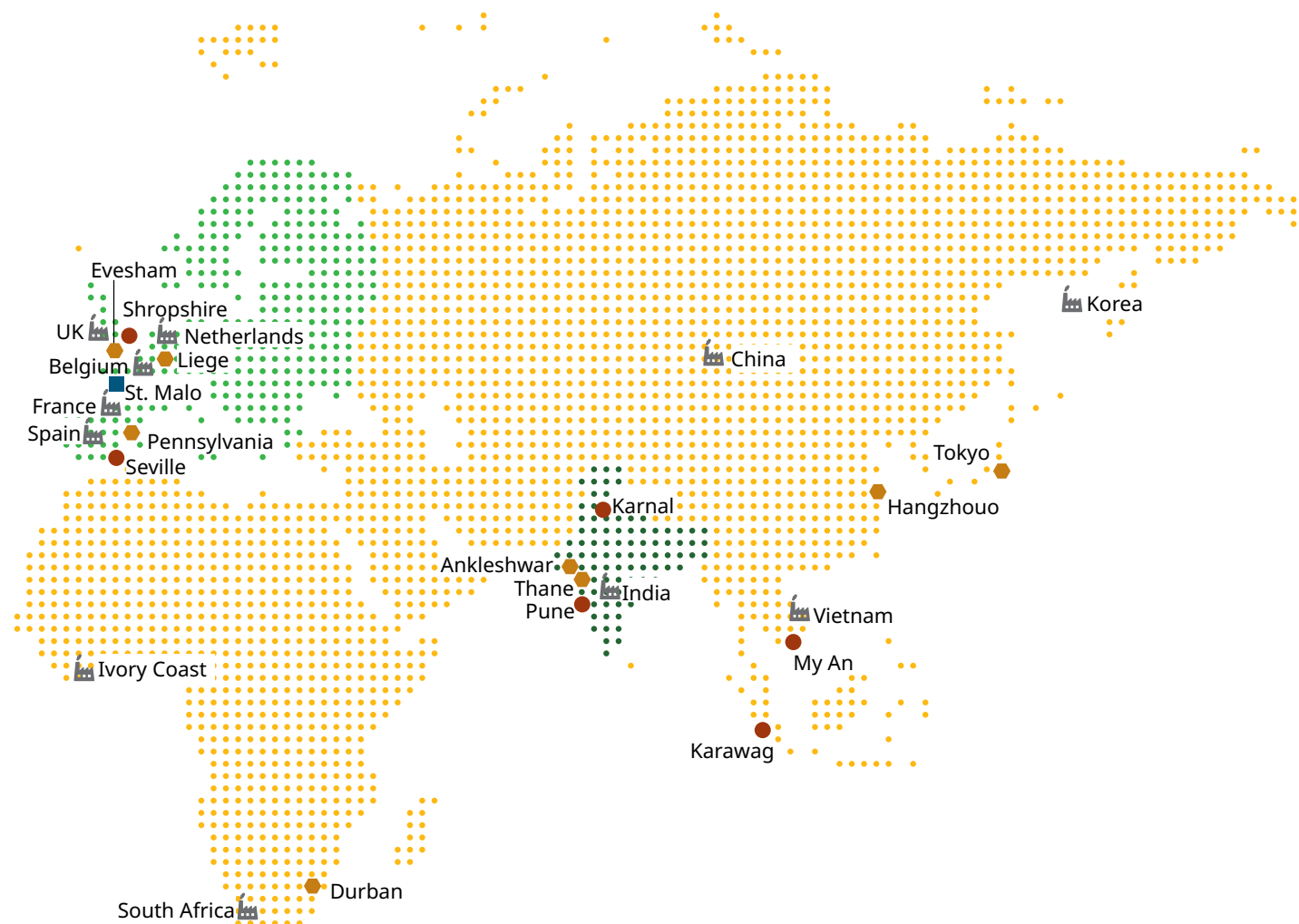
REVENUE MIX BY REGION



MARKET SHARE BY PRODUCT SEGMENT



■ North America ■ Latin America ■ Europe  
■ Rest of the world (including India) ■ India ■ Latin America ■ Herbicides ■ Insecticides  
■ North America ■ Europe ■ Fungicides ■ Rest of the world



<sup>3</sup>GRI 102-4, GRI 102-6, GRI 102-7, GRI 102-9








Organisational overview →

**Our product portfolio<sup>4</sup>**

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, we have been able to augment our R&D capabilities to introduce sustainable agricultural solutions and offer a myriad of sustainable products to farmers.





















Providing digital access to the latest agriculture innovations in farming practices to farmers has helped align our Open Intelligence initiative with our services. Engaging with farmers through our advisory services accommodates our Open Access initiative in addition to 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 sector.

**Key principles of our service**

-  **Research & Development**
-  **Manufacturing**
-  **Packaging, storage and transport**
-  **Responsible use**
-  **Integrated crop pest management**
-  **Container management**
-  **Disposal of obsolete stock**



<sup>4</sup>GRI 102-2, GRI 102-7

Technology and Services	Key features	Interlinkage with OpenAg initiative	
<b>Seeds</b> 	Advanta Seeds with over 60 years of R&D experience has been instrumental in serving our growers with localised need-specific germplasm. The advanced technology has produced seeds which offer specific traits – pest and herbicide resistance, drought and salinity tolerance and high quality oil.	 Open Innovation	
<b>Crop Protection</b> 	Our products display region-specific crop protection characteristics, meeting the requirements of growers with flexibility. Our crop protection portfolio addresses the needs of each specific growth stage of crop life, ensuring complete coverage. In addition to crop protection, our newer formulations are characterised by easy dissolution and maximum absorption with low dosage.	 Open Innovation	
<b>Plant Stress and Stimulation</b> 	Our plant stress and simulation portfolio induces crop simulation, resilience to biotic and abiotic factors at each of the five critical stages of a plant lifecycle, thereby contributing to sustainable financial growth of growers. The range of products offers multicomponent technology to the farmers addressing their needs collectively.	 Open Innovation	
<b>Post-Harvest</b> 	Our post-harvest products prevent thousands of tons of food from being wasted globally. Through our R&D profile, we develop the most effective solutions to reduce post-harvest losses. Decco, our post-harvest company, has a global market presence across fruit coating products, storage solutions, services, and equipment.	 Open Innovation	
<b>Soil and Water Technologies</b> 	Given the interdependency of soil and water health in agriculture, we have developed Zeba to have a positive impact on soil health, in addition to reducing the usage of irrigation water. Given its biodegradable nature, Zeba positively impacts soil microbiome, thus supporting soil food web.	 Open Innovation	
<b>Aquatics</b> 	Our Aquatics technology enables the preservation of water bodies from the attack of invasive aquatic plants and algae. We strengthen our commitment to protect water bodies, both public and private, by offering a host of tools to our customers to determine the right solution.	 Open Innovation	 Open Intelligence
<b>ProNutiva</b> 	We have developed ProNutiva, an exclusive crop health solution which integrates natural biosolutions such as bioprotection, biostimulants and bionutrition with existing crop protection products to meet the increasing needs of farmers. By ensuring higher yields with less incidence report of phytotoxicity and lower residual level despite high effectiveness, ProNutiva is our one-stop sustainable agriculture solution.	 Open Innovation	 Open Market
<b>Farmer Engagement</b> 	We offer a variety of advisory and engagement services to farmers globally, keeping them abreast about innovative products and advancement in technology. Our Centre for Agriculture Excellence provides free scientific agriculture practices training, Unimart offers guidance on farming practices, Adarsh Kisan Center runs remote advisory for farm-related queries. Trust++ provides banana farmers with access to quality fungicides for permanent monitoring of Sigatoka.	 Open Innovation	 Open Intelligence
		 Open Access	

Organisational overview →

**Advanta Seeds**

Our global seed business, Advanta Seeds, incorporates advanced techniques of biotechnology in conventional plant breeding methods to produce high yielding seed varieties. Strengthening our commitment to the UN SDGs, Advanta leverages its leadership in research and innovation to promote sustainable agriculture solutions while focusing on the wellbeing of smallholder farmers and food security.

**Agrobiodiversity**

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

**Partnerships for sustainability**

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

**Access to quality seeds**

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

**Smallholder farmer prosperity**

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.



**Empowering women in agriculture**

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

**Climate-smart crops**

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

**Improve nutrition**

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

**Youth engagement in agriculture**

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 support the next-generation of farmers

**Advanta Seeds was ranked #4 in South and Southeast Asia and #5 global seed company in the Access to Seeds Index in 2019 for contributing to UN SDGs and food security**

**Youth engagement in agriculture**

In Indonesia, we train youth and young farmers in agronomy and new technologies. In addition, we collaborate with schools and universities to provide students with career opportunities in agriculture.



In Thailand, we work with the local government to introduce nutrition programs in schools. For example, we provided seeds and the necessary support to grow vegetables at schools. The harvest is used to prepare nutritious meals for children and share the crop with their community.



**Empowering women in agriculture**

We launched a joint programme 'Realising Gender Equality through Empowering Women and Adolescent girls' in partnership with UN Women and Farm Africa. The programme provided agronomy training and 1 kg of Hybrid sunflower seeds to each farmer to teach them new skills and elevate their social and economic status.



During the pandemic, Advanta Indonesia targeted women for the crop and technology demonstrations. For their comfort there were designated areas for women with health and safety checks. This enhanced women participation by 30%, followed by increased social-media engagement for seed inquires. This initiative has been recognized by the UN Women 2020 Asia-Pacific WEPs Awards.



**Smallholder farmers prosperity**

We promote crop diversification among farmers from 40 provinces in Thailand by offering them discounted corn seed varieties to grow after the rice season. This helps supplement their income by reducing their dependency on one crop. This initiative, in coordination with BAAC (to provide credit for farmers) and Betagro (to buy the crops), has impacted 20,000+ farmers with 25,000 hectares of production in 2020



**Access to quality seeds**

Advanta Seeds in partnership with Farm Africa, Bytrade Tanzania and Agricultural Market Development Trust (AMTD) has introduced a scheme to provide hybrid sunflower seeds to farmers in Tanzania. The hybrid varieties like Hysun 33 have been instrumental in impacting 20,000 farmers with drought tolerant, high yielding crop varieties.

Organisational overview →

**Sustainability at UPL**

Our commitment to UNGC principles has enabled us to augment our contribution towards the global 2030 Sustainable Development Goals. By aligning the principles of UNGC with our Open Agriculture Network Initiative, we are creating a symbiotic plan to advance towards a sustainable agriculture ecosystem and enhance world food security.

**UNGC Principles**

- 

**Human Rights**

  1. Businesses should support and respect the protection of internationally proclaimed human rights;
  2. Make sure that they are not complicit in human rights abuses

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**Labour**

  3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
  4. The elimination of all forms of forced and compulsory labor;
  5. The effective abolition of child labor;
  6. The elimination of discrimination in respect of employment and occupation

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**Environment**

  7. Businesses should support a precautionary approach to environmental challenges;
  8. Undertake initiatives to promote greater environmental responsibility;
  9. Encourage the development and diffusion of environmentally friendly technologies

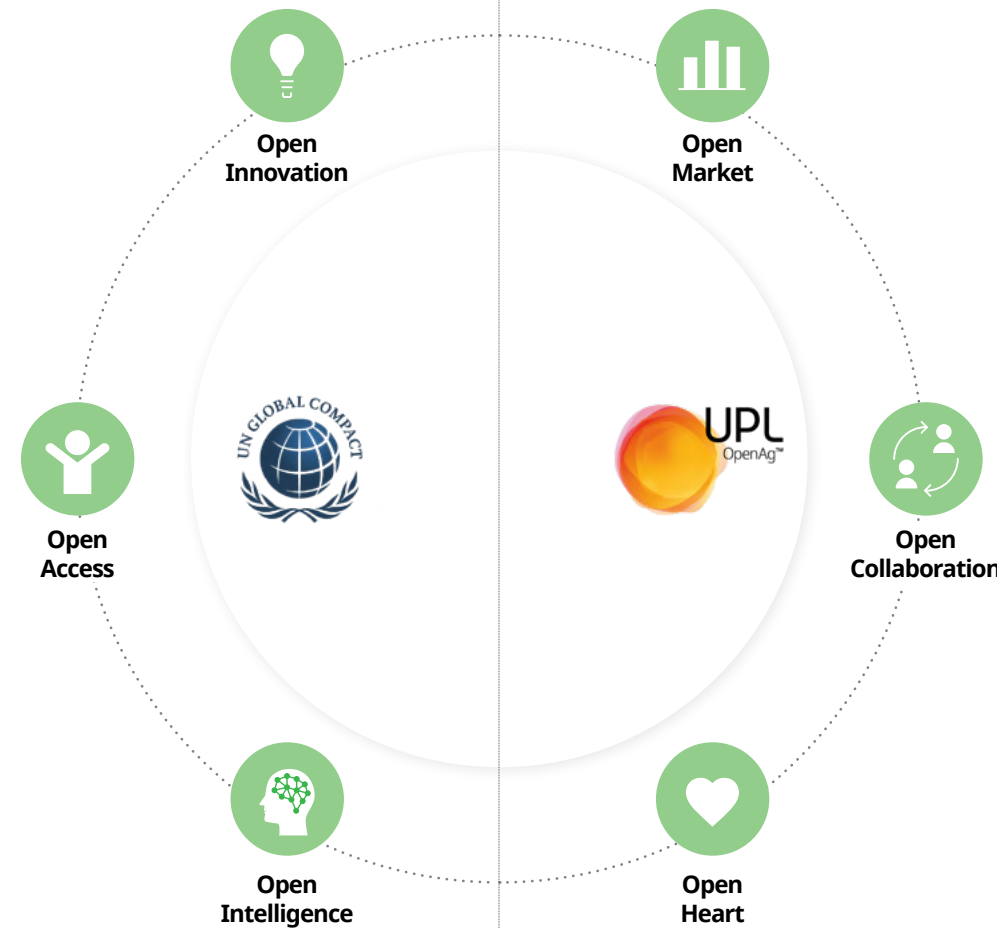
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**Anti-corruption**

  10. Businesses should work against corruption in all its forms, including extortion and bribery

**Together for Food Security**



**Our sustainability achievements in 2020-21**

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UPL is listed in DJSI Sustainability Yearbook 2021 power by S&P Global CSA.

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UPL is a proud logo holder of Responsible Care since 2004 by ICC

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UPL maintained BBB rating in MSCI

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UPL ranked #1 in the agrochemicals sector for ESG risk management, outperforming its peers by getting an overall ESG risk score of 26.2<sup>^</sup>

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UPL is a constituent company in the FTSE4Good Index Series

<sup>^</sup>Based on Sustainalytics Report dated 25th September 2020

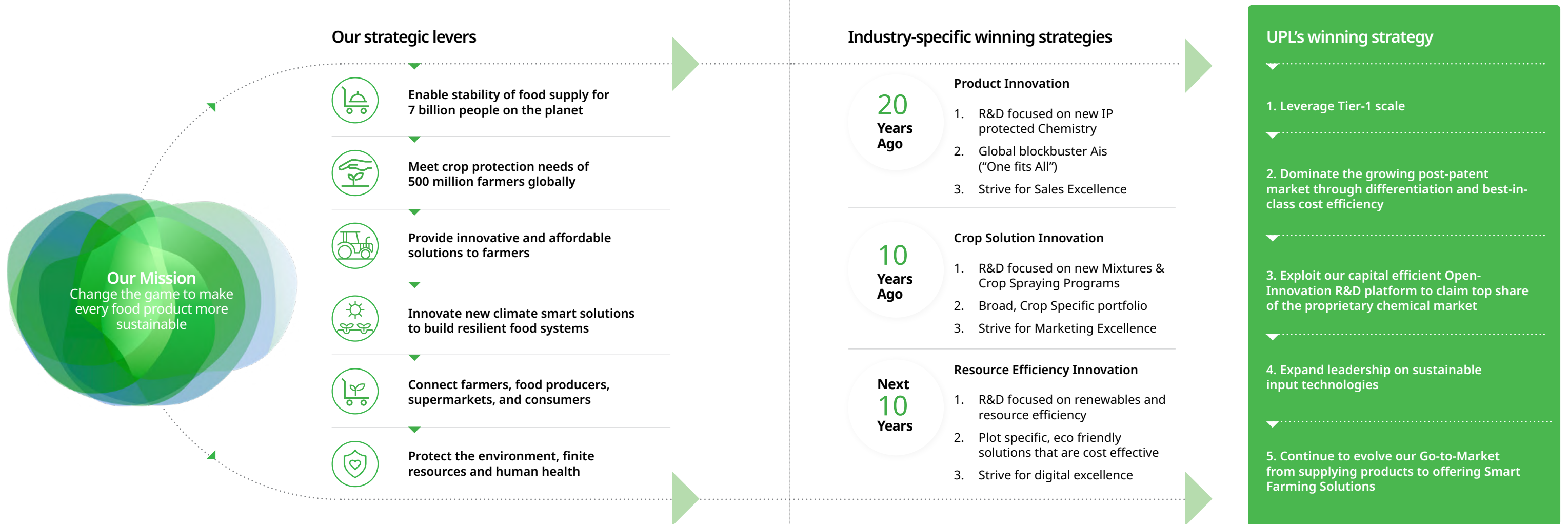
**Performance highlights FY 2020-21**

<p><b>Co-creating sustainable value for all:</b> Economic performance and product stewardship</p> <ul style="list-style-type: none"> <li>₹38,694 crore Revenue from operations, ₹38,952 crore total revenue (refer Annual Report pg.251)</li> <li>₹8,559 crore EBITDA*</li> <li>₹36.42 Earnings Per Share</li> <li>13,932 Registrations</li> <li>~750 R&amp;D professionals</li> </ul>  <p><small>*Consider FY 2020 EBITDA before adjustment of purchase price allocation on acquisition of Arysta. Increase based on reported numbers is 20%</small></p>	<p><b>Progressing towards greater impact:</b> Environmental and social responsibility</p> <ul style="list-style-type: none"> <li>9,37,729 tCO<sub>2</sub> emissions</li> <li>52,728 GJ of energy saved</li> <li>1 million CSR beneficiaries</li> <li>₹100 crore CSR spend**</li> </ul>  <p><small>**Including ₹75 crore contributed to PM CARES Fund</small></p>	<p><b>Building a purpose-driven organisation:</b> Workforce wellbeing and safety</p> <ul style="list-style-type: none"> <li>~50% of Indian operations are covered by Human Rights Assessment</li> <li>Workforce strength of 10,000+ employees</li> <li>14% of our workforce comprise of women</li> </ul> 	<p><b>Pioneering transformational change:</b> Innovation and technology</p> <ul style="list-style-type: none"> <li>20+ R&amp;D facilities</li> <li>&gt;2.5% Revenues for R&amp;D spend</li> <li>1,421 Patents granted</li> <li>3 Patents filed in the area of waste water treatment</li> </ul> 	<p><b>Nurturing a value-driven future:</b> Responsible governance</p> <ul style="list-style-type: none"> <li>50% Independent Directors in UPL Limited</li> <li>60% Independent Directors in UPL Corporation</li> <li>Inclusion in DJSI Sustainability Yearbook 2021</li> </ul> 
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Organisational overview →

**Our strategy to create a sustainable food system<sup>5</sup>**

At UPL, we aim to consistently accelerate our progress towards co-creating an agile and secure food system. We undertake collective actions along with our stakeholders worldwide, to deliver sustainable solutions by translating our mission and values from promise to practice. We lend our strategic levers to analyse industry-specific winning strategies and devise plans to innovate and create a sustainable food system.



**Our values form the foundation of our strategy**

**Nothing Impossible**  
OpenAg is thinking out of the box and going beyond our comfort zone. Never afraid to ask 'Why not?'

**Always Human**  
OpenAg is connecting people-creating new opportunities for all

**Keep it simple, make it fun**  
OpenAg creates simple innovative solutions to complex challenges. And whenever we can, we have fun

**Agile**  
OpenAg is fast. We mix the power of speed with structure from process. The world needs our urgency

**Win Win Win**  
With OpenAg we serve a cause bigger than ourselves-sustainable solutions where everyone wins

**One team, one focus**  
Everyone plays for OpenAg. One team for maximum focus

<sup>5</sup>GRI 102-16

Organisational overview →

**Awards and accolades**

UPL remains committed to sustainable growth as well as resource and energy efficiency. We aim to maximise our efforts to reduce our carbon footprint, contributing to the global sustainable development agenda. UPL is recognised by various platforms for its efforts in sustainability. UPL was ranked no. 1 globally in the agrochemicals sector by Sustainalytics and was the only firm in the crop protection sector to enter in the S&P Global Sustainability Yearbook 2021.



**More Integrity Seal**

Brazil Ministry of Agriculture  
Conferred on UPL Ltd.



**Best Patent Portfolio, Large (Lifesciences/Pharma)**

CII  
Conferred on UPL Ltd.



**Agrow Award for Best Company from an Emerging Region**

IHS Markit  
Conferred on UPL Ltd.



**Frost & Sullivan & TERI Sustainability 4.0 Awards – 2020 Leaders Award – Mega Large Business, Process Sector**

Confederation of Indian Industry (CII)  
Conferred on UPL Unit-1



**National Award for Excellence in Water Management**

Conferred on UPL Unit-10



**ASEAN Award 'TOP 100 Typical Enterprise/Factory' 2020**

Conferred on UPL Vietnam Co. Ltd.



**National Gold Award 'Sustainable Development – 2020'**

Conferred on UPL Vietnam Co. Ltd.



**Padma Bhushan**

Conferred to Mr. Rajnikant D. Shroff, Chairman and Managing Director of UPL Ltd.



**Asian Sustainability Leadership Award 2021**

Conferred on UPL Ltd.



**FICCI Chemicals and Petrochemicals Awards 2021**

Conferred on UPL Ltd.



Dow Jones Sustainability Indexes

**UPL, only agrochemicals company in the world listed in the DJSI Sustainability Yearbook 2021 powered by the S&P Global CSA for demonstrating excellence in sustainability.**

**Partnerships for progress<sup>6</sup>**

We continue to build mutually beneficial and strengthened partnerships to augment our efforts in building a robust food system, one that is guided by the principles of sustainability.

**Key associations, memberships, advocacy and collaborations**

Ankleshwar Industries Association	European Cocoa Association
ASMECHEM Chamber of Commerce & Industry of India	Global Agri-business Alliance
Alkali Manufacturers Association of India	Indian Chemical Council
AGRA	Indian Merchant Chambers
Chemexcil	Jhagadia Industries Association
Centigro Environment of Agriculture	Pesticides Manufacturers & Formulators Association of India
Confederation of Indian Industry	ASSOCHAM India
Crop Care Federation of India	The Energy and Resources Institute
Federation of Indian Chamber of Commerce and Industry	Vapi Industries Association
UN Global Compact	World Business Council for Sustainable Development
	World Economic Forum



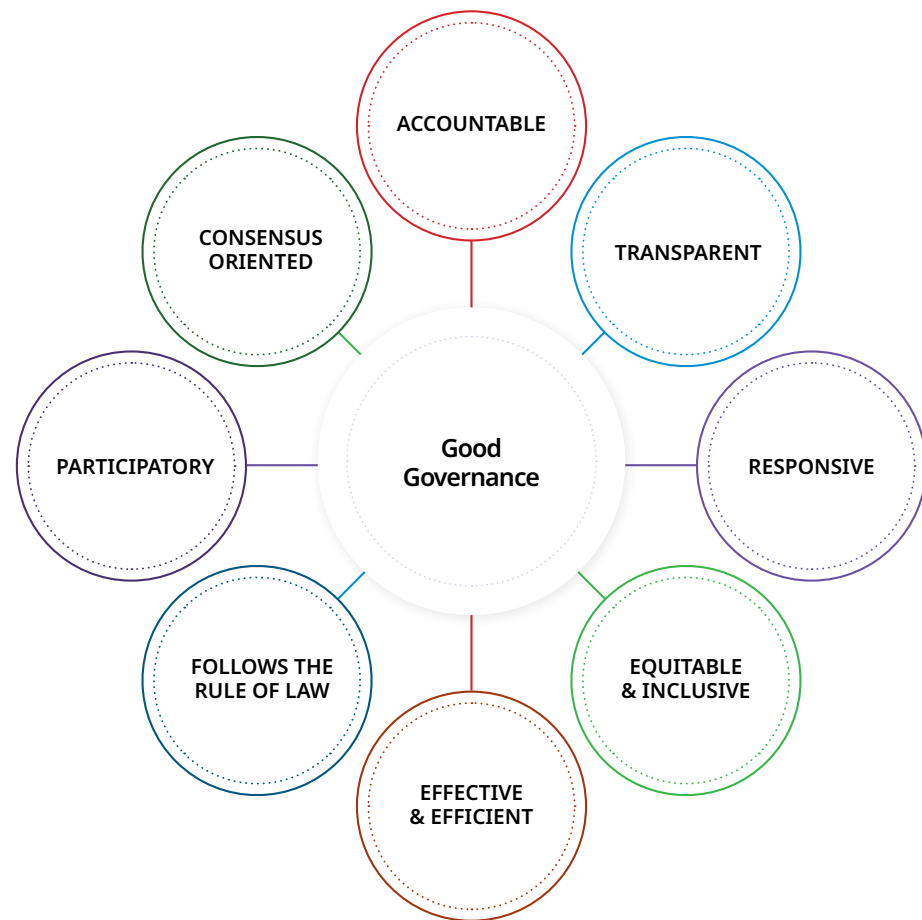
<sup>6</sup>GRI 102-13



# Corporate Governance<sup>7</sup>

At UPL, we aim to consistently enhance our position as pioneers in the agrochemicals industry. Our approach to governance is strengthened with our commitment to enhance long-term stakeholder value and augment ethical business practices.

Our corporate governance mechanism includes a range of parameters such as ethical corporate policies, gender diversity, human rights and social impact, among others. Additionally, we ensure the consistent involvement of all committees of the Board across business and ESG parameters, with strategic checks and controls to consciously augment Board involvement and efficacy.



## Board of Directors<sup>8</sup>

At UPL, we are guided by an exemplary Board of Directors with specialised knowledge and immense industry expertise in their individual domains. The presence of a diverse Board enables us to facilitate enhanced business practices with a long-term strategic horizon that delivers valued outcomes for our stakeholders. The Board represents the highest governance body at UPL, responsible for ensuring compliance to all applicable laws and providing strategic guidance across the economic, social and environmental paradigm. The composition of our Board is in conformity 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'). As on 31st March, 2021 the Board comprises 9 Directors – 2 Executive including Chairman, 2 Non-executive and 5 Independent including 2 women. Mrs. Sandra Shroff ceased to be a director of the Company with effect from 31st August, 2020 due to personal commitments. One of the Independent Directors, Ms. Usha Rao-Monari resigned effective 13th May, 2021 due to conflict of interest arising from her appointment at the United Nations Development Programme (UNDP).

<sup>7</sup>GRI 102-27, GRI102-34, GRI 102-35, GRI 102-36, GRI 102-37



**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



**Dr. Vasant Gandhi**  
Independent Director



- Stakeholders Relationship Committee
- Finance and Operations Committee
- Audit Committee
- Member
- Risk Management Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Chairman

<sup>8</sup>GRI 102-19, GRI 102-22, GRI 102-23, GRI 102-26

Corporate Governance →

**Committees of the Board<sup>9</sup>**

The Board has set up several committees to ensure seamless and efficacious business activities. We have six committees, directly supervised by the Board. The chairman of each committee is responsible for timely communication of operations and any major decisions undertaken by the Board.

**Audit Committee**

The committee consists of three independent directors who assist the Board in maintaining the Company's quality and integrity of accounting, auditing, and reporting practices.

**Nomination & Remuneration Committee**

The committee consists of three independent directors who are responsible for:

- Setting the criteria for determining qualifications, positive attributes and independence of directors
- Policy recommendation for remuneration of directors, key managerial personnel, and other employees
- Evaluation of director's performance

**Stakeholders Relationship Committee**

The committee consists of 2 non-executive directors (including one independent) and one executive director responsible for:

- Reviewing and overseeing matters pertaining to Company's securities
- Overseeing grievance redressal of stakeholders
- Recommending improvement techniques in service standards provided to investors

**Risk Management Committee**

As on 12th May, 2021, the committee consists of 5 members (2 executive directors, 1 independent director, Global CFO and Global Head – Supply Chain) who perform following:

- Frame and review the risk management plans, policies including cyber security risks
- Ensure annual performance review

**Corporate Social Responsibility Committee**

The committee consists of 2 non-executive directors (including 1 independent) and 1 executive director who perform the following:

- Monitor the CSR policies, activities as well as the expenses incurred for it by the company
- Approve the Corporate Social Responsibility Report, Business Responsibility Report and Corporate Sustainability Report

**Finance & Operations Committee**

It is a non-statutory committee consisting of 3 directors responsible for:

- Quick disposal of routine/operational matters including finance matters
- Property related authorisations
- General authority for different statues and issuing power of authority

**Ethics and integrity<sup>10</sup>**

UPL's Board and its Committees provide an ethical and strategic direction for the Company, in line with its vision to be an icon for growth, technology and innovation. We have a robust governance mechanism at UPL, which is based on the foundation of ethics, transparency and integrity. This enables us to strengthen mutual trust and responsibility with our stakeholders. There were no cases of anti-corruption or bribery in FY 2020-21.

We are consciously guided by the principles of good governance. The Company has adopted various codes and policies to establish best-in-class corporate governance practices. We also have a Code of Conduct for the directors and senior management at UPL.

Further details regarding UPL's policies can be viewed on our [website](#).

**Codes/Policies adopted by UPL for best governance practices**



<sup>9</sup>GRI 102-20, GRI 102-30, GRI 102-32, GRI 102-33 | <sup>10</sup>GRI 102-17, GRI 206-1, GRI 102-18

**Board diversity**

The Board members have expertise across a range of sectors including chemistry, social upliftment, agri-inputs, food policy, metallurgy, petroleum and cement. The members are equipped with requisite skillsets pertaining to global business and economics, management and leadership, crop protection products, strategy and growth, finance, risk, compliance and governance. We also ensure that the Board is updated with information pertaining to economic, social and environmental parameters in a timely manner. This enables them to direct the Company forward in line with their visionary approach.

**Board performance evaluation<sup>11</sup>**

In accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, there is an annual evaluation of the Board and its committees. The evaluation process consists of a questionnaire which needs to be filled by the directors who provide feedback on the overall functioning of the Board, its Committees and contribution of individual directors. Critical points such as the structure of the Board/Committees, meeting practices, overall effectiveness and attendance/participation of directors in the meetings, among others, are covered in this questionnaire.

**Nomination and remuneration process<sup>12</sup>**

Our Nomination and Remuneration committee has developed and adopted a remuneration policy for selection and appointment of Directors, senior management, and their remuneration. The factors which are considered for remuneration are individual performance and individual targets, the company's performance, and recent compensation trends in the industry. Performance based incentive of the organisation is carried out by the Stock Option schemes which are subject to Clawback Policy. The ratio of the total annual compensation of Chairman and Managing Director to median employee compensation is 240X. Executive directors are appointed for a period of 5 years while the non-executive directors are appointed on rotation basis every 3 years. Independent directors can serve for a period of maximum 10 years of which re-appointment is done after 5 years of initial service. A notice period of 3 months is applied on either side for executive directors, according to the service agreement. Further details can be accessed through our [Annual Report 2020-21](#).

The Group has also put in place an Executive Compensation Policy (ECP). The ECP aims at remunerating the Executive Leadership Team (ELT) to drive long-term organisational goals. The ELT comprises of collective business and functional leadership manned by the top company executives. While designing global ELT's employment contracts, local pay practices, local labour

and employment compliances hold a key consideration. Their overall remuneration is managed as per market pay practices in line with their professional job responsibilities. Also, remuneration is benchmarked with the help of third-party consultant to ensure market competitiveness. The ECP policy is available on the Company's website at <https://www.upl-ltd.com/investors/corporate-governance/policies>.

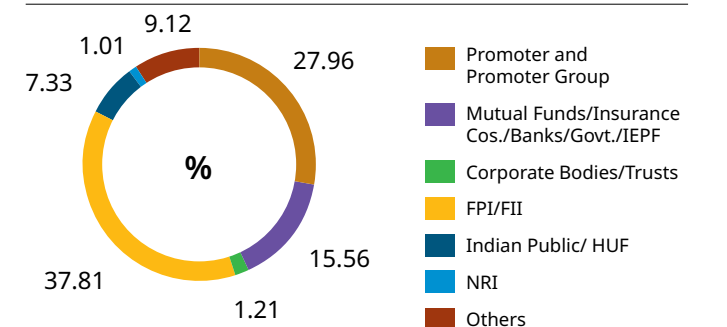
**Grievance redressal mechanisms<sup>13</sup>**

At UPL, we are cognizant of the importance grievance redressal mechanisms hold to strengthen our stakeholder relationships and ensure efficacious business activities. We have established structured grievance redressal mechanisms that aim to safeguard our policies, protect human rights and guide 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.
- On a quarterly basis, details of grievances are updated to the Board, Stock Exchanges and also updated on the company's website.
- On an annual basis, details of grievances are provided in the Annual Report.

Further details regarding corporate governance at UPL including board performance and committee updates among others can be referred from our [Annual Report 2020-21](#)

**Shareholding pattern<sup>14</sup>**



<sup>11</sup>GRI 102-28 | <sup>12</sup>GRI 102-24 | <sup>13</sup>GRI 102-38, GRI 102-39 | <sup>14</sup>GRI 102-10

# Risk management<sup>15</sup>

The pervasiveness of risks in the agrochemicals industry translates into the requirement of efficacious risk management as an integral part of UPL's strategy. As a global company, we have identified a diverse range of risks with appropriate mitigation measures that ensure the smooth functioning of our strategy and augments our ability to create sustainable value for our stakeholders. This approach facilitates our vision to co-create an agile and sustainable global food system.



## Risk management process

At UPL, we have a holistic and integrated risk management system through which we regularly assess, review and monitor significant risks across our business activities. This process is guided by UPL's strategy and objectives, the evolving regulatory and macroeconomic external environment, internal and external stakeholder inputs and industry-specific analysis, among others. Our integrated risk management 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. Furthermore, the Audit Committee provides an independent assurance statement to the Board on the effectiveness of current risk management practices as well as recommendations to enhance the risk management framework.

In order to enhance the resiliency of our business activities, we have developed a robust crisis management plan, further details of which can be accessed in the [Reimagining an agile workforce and a resilient community](#) chapter.

### RISK IDENTIFICATION

We conduct a robust risk identification exercise, aligned to our strategic business plans and emerging risks. Furthermore, we also ensure alignment of our risks to an evolving business landscape. UPL's risk universe is regularly updated and leveraged across our functions and businesses to facilitate any ongoing risk.

### RISK ASSESSMENT

We evaluate identified risks, as applicable, for their potential impact and likelihood of occurrence in line with the standard risk assessment scale. Our risks are then classified into High, Medium and Low, with regard to their overall assessment score.

### RISK PRIORITISATION

We further prioritize identified and assessed risks to ensure efficacious deployment of UPL's resources and amplify effective risk management.

### RISK TREATMENT

We define and establish an appropriate risk response strategy and controls for the identified risks. This is further based on the risk exposure with regard to UPL's overall risk appetite. In addition to risk treatment, UPL's risk strategy and controls would include risk transfer, risk tolerance and risk termination.

### RISK MONITORING AND REPORTING

We establish effective risk response action plans, based on a cost-benefit analysis in order to reduce the impact and likelihood of identified risks. We also ensure regular assessment and updates of our risks and defined response action plans across the organization to ensure effective and ongoing oversight.

## 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 2020-21](#).

- 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

<sup>15</sup>GRI 102-11, GRI 102-15, GRI 102-29, GRI 102-30, GRI 102-31, GRI 102-33, GRI 102-34

# Building a holistic business ecosystem

At UPL, we embrace a stakeholder-inclusive approach to harness the outcomes of our business activities and translate it into shared value creation. We encourage multi-stakeholder collaboration as it is critical to our business and strengthens our progress to achieve our goals and targets. Additionally, engaging with our stakeholders supports us to better align our business activities to evolving regulatory, environmental and social requirements.

In FY 2020-21, we undertook a fresh stakeholder engagement and materiality assessment exercise. This enabled us to understand evolving stakeholder expectations and concerns. Furthermore, insights thus derived enabled us to improve our business strategy while embedding sustainability at the core of what we do.

## Integrated stakeholder management

At UPL, we proactively engage with partners and stakeholders across the countries in which we operate. We follow a 4-step stakeholder engagement strategy focusing on advocacy and transparent communication.

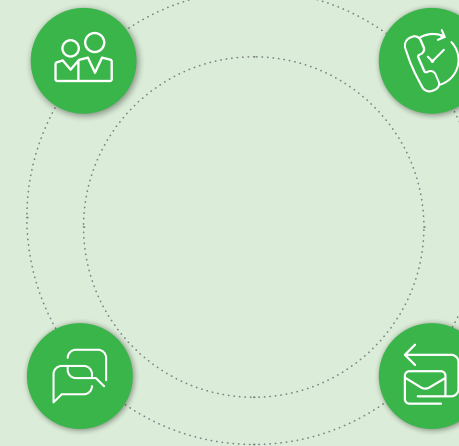


<sup>16</sup>GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-47, GRI 102-21, GRI 102-25

### Strengthened partnerships for a sustainable tomorrow

#### 1. STAKEHOLDER IDENTIFICATION AND PRIORITISATION

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



#### 2. STAKEHOLDER ENGAGEMENT

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

#### 3. 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.

#### 4. STRATEGIC RESPONSE

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

### In FY 2020-21, we engaged with 200+ stakeholders

Highlights of our stakeholder engagement outcomes

76%

of our employees actively participate in UPL's environment and community development initiatives

82%

of our employees are aware of UPL's business value, generated through its sustainability efforts

92%

of our contract workforce are satisfied and are able to raise work-related concerns with managers

92%

of our employees are able to raise work-related issues with senior management

98%

of our employees consider UPL to be a responsible company

71.4%

of our customers cited 'better quality of products at UPL' as one of the reasons for their long-term association with us

79%

of our employees prioritised good exposure and career opportunities as one of the top reasons to work with UPL

83%

of our contract workforce have read our sustainability reports and are influenced to enhance sustainable growth

Building a holistic business ecosystem →

Stakeholder engagement

Top management

<p><b>Stakeholder classification</b> Internal</p> <p><b>Mode of engagement</b></p> <ul style="list-style-type: none"> <li>Board meetings</li> <li>Annual General Meeting (AGM)</li> </ul> <p><b>Frequency of engagement</b> Y N</p>	<p><b>Stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Occupational health &amp; safety</li> <li>Water and hazardous waste management</li> <li>Climate change</li> <li>Demand risk</li> <li>Responsible management of information in the public domain</li> </ul>	<p><b>Response to stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Ensuring periodic and mandatory safety training for UPL's workforce</li> <li>Enhancing progress on our commitment to the Science Based Targets initiative (SBTI)</li> <li>Augmenting progress towards UPL's Sustainability Goals</li> <li>Improving operational efficiency measures</li> <li>Enabling cost-effective and sustainable energy saving solutions</li> <li>Ensuring periodic communication with regulatory authorities</li> </ul>
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Permanent employees

<p><b>Stakeholder classification</b> Internal</p> <p><b>Mode of engagement</b></p> <ul style="list-style-type: none"> <li>Employee satisfaction survey</li> <li>National townhall meetings</li> <li>Telephonic and e-mails</li> <li>Virtual meetings</li> <li>Magazines and newsletters</li> <li>Midyear &amp; annual review</li> </ul> <p><b>Frequency of engagement</b> W M Q Y N</p>	<p><b>Stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Increased awareness of all employees on UPL's policies</li> <li>Strategic skill upgradation programs</li> <li>Lateral deployment</li> <li>Enhanced Standard Operating Procedures (SOP) and system implementation</li> </ul>	<p><b>Response to stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Periodic online policy awareness campaigns</li> <li>Presence of talent management centered interventions, leadership development programs, frontline talent development initiatives, digitised learning IDPs through open intel and supply chain academies</li> <li>Implementing initiatives to enhance talent acquisition strategy and augment multi-skilling at the shop floor level</li> <li>Implementing targeted initiatives to scale up talent through internal movements</li> <li>Ensuring regular SOP audits through third party organisations</li> <li>Participating in awards that audit SOP implementation such as F&amp;S/International Organisation for Standardisation (ISO), among others</li> <li>Ensuring Periodic Hazard and Operability Analysis (HAZOP) study</li> </ul>
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Contractual employees

<p><b>Stakeholder classification</b> External</p> <p><b>Mode of engagement</b></p> <ul style="list-style-type: none"> <li>Townhall meetings Email</li> <li>Virtual webinars</li> <li>Employee Satisfaction Survey</li> <li>Organised training and Information sessions</li> <li>Team building events</li> </ul>	<p><b>Frequency of engagement</b> W M N</p> <p><b>Stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Reward and recognition programs</li> <li>Strategic implementation of IT initiatives</li> <li>Ethical business practices</li> </ul>	<p><b>Response to stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Theme based R&amp;R interventions on various platforms such as TQM awards and safety awards</li> <li>Highest production recognition</li> <li>Contract Safety Management awards</li> <li>Festival Celebrations</li> <li>Spot award for going above and beyond</li> </ul>
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Investors

<p><b>Stakeholder classification</b> External</p> <p><b>Mode of engagement</b></p> <ul style="list-style-type: none"> <li>Telephonic</li> </ul>	<p><b>Frequency of engagement</b> Q</p> <p><b>Stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Enhanced disclosures across UPL's asset base</li> </ul>	<p><b>Response to stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Increased transparency on key milestones and initiatives across the company</li> <li>Regular engagement via annual Reports, capital markets and investor days, conferences and investor roadshows</li> </ul>
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Regulators

<p><b>Stakeholder classification</b> External</p> <p><b>Mode of engagement</b></p> <ul style="list-style-type: none"> <li>One-on-one meetings</li> </ul>	<p><b>Frequency of engagement</b> Q</p> <p><b>Stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Environmental compliance</li> </ul>	<p><b>Response to stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>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</li> <li>Timely submission of regulatory compliances</li> </ul>
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Suppliers and Vendors

<p><b>Stakeholder classification</b> External</p> <p><b>Mode of engagement</b></p> <ul style="list-style-type: none"> <li>Supplier engagement forums</li> <li>Virtual trainings</li> <li>Supplier events</li> </ul>	<p><b>Frequency of engagement</b> Y N</p> <p><b>Stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Delay in payments</li> <li>Cancellation of orders</li> <li>Enhanced sustainable growth</li> </ul>	<p><b>Response to stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Strengthen integration of sustainability within procurement as per ISO 20400 and United Nations Global Compact (UNGC) guidelines</li> <li>Enhance sustainability engagement with suppliers and work cohesively on improvement opportunities and risks to ensure sustainable growth and grievance redressal</li> </ul>
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Customers

<p><b>Stakeholder classification</b> External</p> <p><b>Mode of engagement</b></p> <ul style="list-style-type: none"> <li>Telephonic and e-mails</li> <li>Executive announcements</li> <li>Meetings with clients and managers</li> </ul>	<p><b>Frequency of engagement</b> D W M N</p> <p><b>Stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Delayed delivery of products</li> <li>Increased customer engagement</li> </ul>	<p><b>Response to stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Improvement in operational efficiency measures</li> <li>Annual customer satisfaction survey on 4 major sections- Delivery Performance, Quality of UPL products and services, Overall COT performance, Overall UPL performance</li> </ul>
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Academia

<p><b>Stakeholder classification</b> External</p> <p><b>Mode of engagement</b></p> <ul style="list-style-type: none"> <li>Virtual meetings</li> <li>E-mails</li> </ul> <p><b>Frequency of engagement</b> M Q Y N</p>	<p><b>Stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Sustainable agro-product portfolio of UPL</li> <li>Increased employment of technical experts</li> <li>Enhanced R&amp;D practices in conjunction with learning and development initiatives for students</li> </ul>	<p><b>Response to stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Presence of a robust product life-cycle approach across the domains of manufacturing, packaging, transportation, application and disposal</li> <li>Strict adherence to UPL's Product Stewardship Policy</li> <li>Presence of advanced R&amp;D centres to augment innovative technologies and address the needs and challenges of farmers globally.</li> </ul>
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Local Community

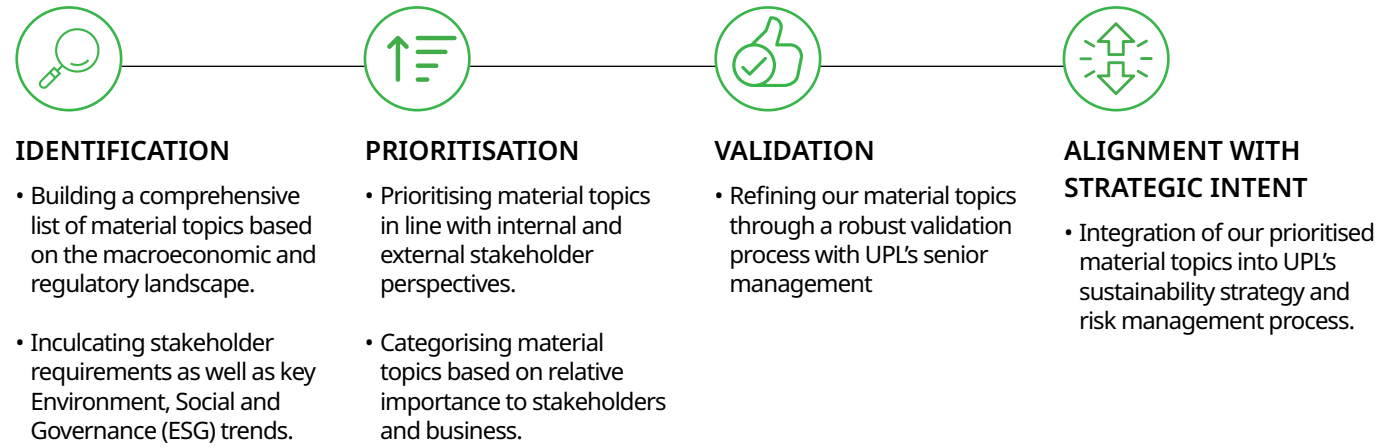
<p><b>Stakeholder classification</b> External</p> <p><b>Mode of engagement</b></p> <ul style="list-style-type: none"> <li>Group Meetings</li> <li>One-on-one meetings</li> <li>Impact assessments</li> </ul> <p><b>Frequency of engagement</b> M Q N</p>	<p><b>Stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Educational infrastructure</li> <li>Health and Sanitation</li> <li>Self-help groups</li> <li>Agricultural techniques</li> </ul>	<p><b>Response to stakeholder focus areas</b></p> <ul style="list-style-type: none"> <li>Presence of a strong CSR policy to support holistic development across communities</li> <li>Implementation of focused sanitation programs and better healthcare facilities</li> <li>Prioritized focus towards agriculture development under livelihood enhancement and rural development projects</li> </ul>
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Building a holistic business ecosystem →

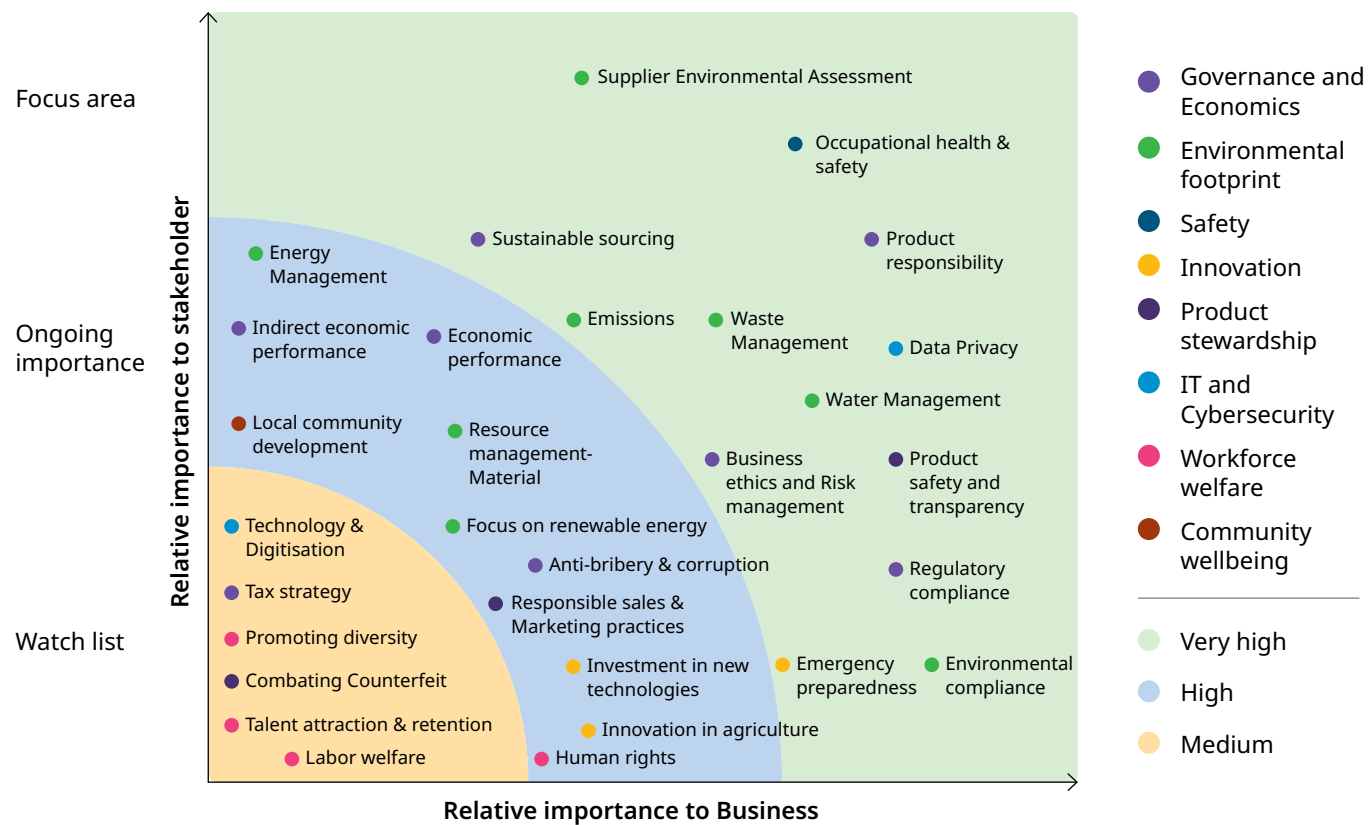
**Identifying material matters**

At UPL, we conduct timely materiality assessments to ensure we focus on the topics that could significantly impact our business activities and stakeholder requirements. The exercise is guided by the GRI standards, encompassing sectoral, regional, national and global

















perspectives. Our prioritised material matters have a profound influence on UPL's business strategy and collectively shape the content of our sustainability report. In FY 2020-21, we undertook a four-step process to determine a fresh list of material topics.
























UPL's materiality matrix based on prioritised material topics in FY 2020-21



Building a holistic business ecosystem →

Material Topic	Global Reporting Initiative (GRI) Standards	Impact boundary	Report linkage	Sustainable Development Goals (SDGs)
<b>Governance and economics</b>				
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, which also extends to our value chain	Corporate Governance and Risk Management	 
Regulatory compliance	103-1, 103-2, 103-3	Internal: We have provided detailed insight into UPL's established processes and systems that ensure timely adherence to regulatory compliances		
<b>Environmental footprint</b>				
Emissions	103-1, 103-2, 103-3, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7	Internal: We have provided comprehensive details on our Scope 1 and Scope 2 emissions, along with our initiatives to reduce our overall GHG emissions.		 
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.		  
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.	Reimagining environmental stewardship	 
Supplier environmental assessment	103-1, 103-2, 103-3, 308-1, 308-2	Internal: 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.		 
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.		 
<b>Innovation</b>				
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.	Reimagining an agile workforce and a resilient community	  

Material Topic	Global Reporting Initiative (GRI) Standards	Impact boundary	Report linkage	Sustainable Development Goals (SDGs)
<b>Safety</b>				
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.	Reimagining an agile workforce	  
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.	Reimagining a Responsible Business	
<b>Product stewardship</b>				
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.	Reimagining a Responsible Business	 
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.		
<b>IT and Cybersecurity</b>				
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.	Reimagining a Responsible Business	 
Data privacy	103-1, 103-2, 103-3, 418-1			
<b>Workforce Welfare</b>				
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	Reimagining an agile workforce and a resilient community	 
Human rights	103-1, 103-2, 103-3, 412-1, 412-2, 412-3	Internal and external: We have a Human Rights policy at UPL and also hold periodic Human Rights Assessments. We ensure regular trainings for our employees across Human Rights parameters. All our contracts also include parameters that encourage Human Rights protection.		  
<b>Community wellbeing</b>				
Local community development	103-1, 103-2, 103-3, 413-1, 413-2	External: We have a dedicated CSR committee at UPL. We have also established key CSR focus areas to drive impactful CSR interventions. We also conduct periodic social and environmental impact assessments.	Reimagining an agile workforce and a resilient community	        

# Reimagining a responsible business

At UPL, we foster 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.



### UPL's material topics

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

>2.5% of annual revenue invested in R&D on an average

1,300+ patents granted

13,000+ product registrations

20+ R&D facilities

### UPL's stakeholders

- Suppliers
- Customers
- Regulatory bodies

In FY 2020-21, spent 39.38% of our procurement budget on local sourcing

Best Patent Portfolio award

in CII-Industrial IP Awards 2020

### UPL's OpenAg strategy

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

1,300+ patents granted

20+ R&D facilities

Collaborated with TeleSense to reduce food wastage and increase profitability for farmers

## Enhancing world food security

As a leading total crop solutions company, we focus on strengthening our commitment to world food security with our extensive portfolio of agricultural inputs, products and solutions. With the support of our advanced R&D centres, we relentlessly work to augment innovative technologies and address the needs and challenges of farmers globally. As a responsible corporate citizen, we take the utmost care in meeting the satisfaction level of our customers with the enhanced quality of our products. Additionally, our OpenAg network seamlessly connects our stakeholders across the world, enabling increased accessibility and availability of our agricultural solutions.

### Responsible business

Product Stewardship

Research & Development

Quality control

Customer services

Responsible supply chain

Sustainable sourcing

Anti-counterfeit awareness

### 2025 Target

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

## Anti-counterfeit awareness

With the support of several awareness programs, we aim to enhance cognizance about adversities and risks associated with illegal pesticides. Our membership with numerous associations and unions of the global pesticide industry reinforces our efforts to disseminate awareness-based programs against illegal and counterfeit pesticides. We take proactive measures to offset the implications of illegal pesticides on soil, water, biodiversity and farmer health by periodically conducting random checks at the marketplace and establishing a set of precautionary principles for the buyers:

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



Reimagining a responsible business →

**Product stewardship<sup>17</sup>**

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 effective outcomes. We are humbled to state that there have been no incidents of non-compliance concerning product and service information and labelling as well as marketing communications. Furthermore, all our products and services are effectively assessed for health and safety impacts. In FY 2020-21, there were no incidences of non-compliance concerning the health and safety impacts of our products and services.

**Our product lifecycle approach towards stewardship**

**1. RESEARCH AND DEVELOPMENT**

We work diligently to develop advanced agricultural solutions and create environment friendly alternatives focused on improved efficacy and safer toxicological, ecotoxicological and environmental aspects. We also ensure compliance of our research and product development with approved regulatory guidelines.

**2. MANUFACTURING**

We adopt manufacturing practices which are compliant with regulations pertaining to environment, health and safety standards. By implementing these practices, we ensure the alignment of product quality with the vision and values at UPL.

**3. PACKAGING, STORAGE, TRANSPORTATION AND DISTRIBUTION**

We take adequate measures to ensure the packaging, storage and distribution of our products is in accordance with relevant rules and regulations. Our recent collaboration with TeleSense, has enabled an efficient supply chain of grain storage and transportation. Driven by sensor technology and Artificial Intelligence (AI), the collaboration aims to reduce food wastage during storage and transportation.

**4. RESPONSIBLE USE**

To ensure responsible management of our products during their entire lifecycle, we execute training programs for all our employees and customers. The programs promote safe handling practices of the products and their proper disposal mechanisms.

**5. INTEGRATED CROP PEST MANAGEMENT**

We include pest management measures such as ProNutiva to supplement our efforts to enhance world food security. Our wide range of organic bio-solutions offers effective crop pest management strategies for our customers.

**6. CONTAINER MANAGEMENT**

We actively implement strategies for safe disposal of used empty containers in accordance with relevant laws and guidelines. Additionally, we apply a triple rinse cleaning approach to all the containers.

**7. DISPOSAL OF OBSOLETE WASTE**

We are the first company in India to install incinerators and landfills for safe disposal of our waste. Additionally, we ensure compliance of norms and regulations while managing our waste disposal.



<sup>17</sup>GRI 103-1, GRI 103-2, GRI 103-3, GRI 417-1, GRI 416-1, GRI 416-2, GRI 417-2, GRI 417-3

Reimagining a responsible business →

### Steering research-based innovation in our product portfolio

Our OpenAg strategy invigorates our commitment to world food security by aligning our research-centric innovation with farmer needs, in a sustainable and environment friendly manner. The robust product pipeline developed by our research and innovation centre has enabled us to emerge as one of the leaders in agricultural solutions with high yield and resource efficiency.

**For its pioneering Intellectual Property (IP) research and innovation, UPL won the Best Patent Portfolio award in CII-Industrial IP Awards 2020**

#### LEVERAGING OUR R&D RESOURCES TO DEVELOP ENVIRONMENT-FRIENDLY FORMULATIONS

750+ R&D professionals	1,300+ patents granted	25 R&D facilities	13,000+ product registrations	15 new molecules in development pipeline	>2.5% Share of annual revenue invested in R&D on an average
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- 1. WATER BASED FORMULATIONS**  
To reduce the impact of aromatic solvents on the environment, we have transitioned to water-based formulations
- 2. WATER DISPENSABLE GRANULE (WDG) FORMULATIONS**  
We have minimised dust formation associated with our manufacturing and packaging practices by incorporating the WDG formulation for 'Mancozeb'
- 3. LOW TOX AND HIGH-LOADING FORMULATIONS**  
Selection of ingredients and processes for formulation preparation is done with the vision of low toxicity impact on the environment. With inclusion of high loading active ingredients in formulations, we reduce the seepage of inert ingredients into the soil

We take a conscious approach to commercialise our product pipeline in accordance with the requisite protocols for environment and product safety. Our responsible product lifecycle approach enables maximum value creation from minimum resources while ensuring ethical compliance and protection of Intellectual Properties of other parties.

#### OUR PRODUCT LIFECYCLE MANAGEMENT

<b>NEW TECH AND DISRUPTIVE TECH</b>  <b>1. Novel Active Substance Project:</b> An active substance not yet commercialised by any company  <b>2. Disruptive:</b> A technology which has the capacity to drastically modify the market	<b>REGULATORY PROJECT</b>  <b>Regulatory defense:</b> Proactive or reactive activities to defend an active substance	<b>LIFE CYCLE MANAGEMENT PROJECT</b>  <b>1. GEX:</b> Expanding the geographical market base of an already existing product or an active substance  <b>2. LEX:</b> Label expansion of an existing product or an active substance within existing geography. New formulation of existing UPL active product
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### Benefits of our product portfolio across the globe



Decco, our post-harvest solutions company facilitates the prevention of food wastage by providing treatment to 8.9 MT of citrus crops annually. The SRC system of Decco enables the recovery of 100% treatment solutions while saving 95% water.



We launched Argos (orange oil extract for anti-sprouting) in Belgium, Netherlands and France, following the ban of CIPC in 2020. The product aims to provide potato farmers a new solution to store and prevent sprouting of harvest.

#### Biocontrol solutions – Iodus and Thiopron

Following the ban of Chlorothalonil (key solution for early stage protection of wheat against Septoria), our two biosolutions – Iodus and Thiopron – showcased their efficacy in wheat protection for 200 kilo hectares of region in France and UK.



Zeba, our climate-smart technology, is a sustainable tool to reduce the requirement of water for irrigation. We partnered with PepsiCo in Saudi Arabia to save water by 11-20% per ton of potatoes grown. Additionally, Zeba is being launched in Iberia for open field tomatoes.



We launched Fawligen at Africa to tackle the pest invasion of Fall Armyworm (FAW) on Maize crops. The FAW is estimated to create a food loss of 17.7 million ton of maize and economic loss of USD 4.8 billion. Providing farmers access to the first organic tool for tackling FAW has enabled us to reduce and avoid the potential loss created by it.



For our Maize Integrated Project (IPM) at Mali, Africa we have incorporated the Aflasafe technology to control the aflatoxin level of the crops. This facilitates in sustainable growth of maize production and ensures food security for most staple crops in the region.

Reimagining a responsible business →

**Ensuring excellence in product quality**

At UPL, our steadfastness to interlink product quality standards with our market and brand reputation has enabled us to develop a robust quality control management system. This system aims to implement a cohesive approach that encompasses numerous initiatives, systems and periodic reviews to maintain the highest quality standard of our products at each stage of its lifecycle.



**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

To enhance our efforts in maintaining product-quality, we ensure periodic upgradation of our products based on feedback from our farmers and technology advancement. Facilitated by a statistical and engineering-concept based tool, we leverage our operational excellence to support our cost leadership strategy while ensuring continuous improvement in process efficiency and resource utilisation.

**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

With the goal of synergising our eco-friendly manufacturing reforms and interventions in line with competitive market pricing, we have developed four key teams labelled as improvement cells. These teams strive to develop responsible, cost-effective and sustainable reforms for our manufacturing operations.

*Details regarding the capabilities and performance of the four teams can be accessed in the 'Reimagining environmental stewardship' section of this report.*

**Key teams monitoring our operational reforms**

**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

**Focus on customer-centric services**

At UPL, we value our strong partnership with farmers and constantly strive to address their needs and aspirations throughout the crop lifecycle. We provide three key services to farmers, increasing their accessibility to our products and solutions as well as providing mechanisms to effectively resolve their queries.

We employ comprehensive feedback mechanisms to provide an exemplary and engaging experience to our customers. The feedback mechanism assists us to integrate the outcomes of our annual customer survey in our core strategy and operating plans, while enhancing customer experience.



-  An annual customer satisfaction survey based on our 4 major sections – delivery performance, quality of UPL products and services, overall COT performance, overall UPL performance
-  Satisfactory index percentage is calculated from the survey using a 5-point ordinal scale
-  The resultant score formed from our Net Promoter Score (NPS) and satisfactory index enables us to identify satisfied and unsatisfied customers
-  We communicate with the unsatisfied customers, identify the gaps and devise corrective action plans in co-ordination with various departments
-  We maintain a constant progress check on the implementation of the suggested corrective actions in our processes and strategies

**Adarsh Kisan Center**

It is a remote advisory service for farmers across India. A toll-free number is available across all our product-packaging and SMS alerts are provided for farmers to resolve their queries and access information on latest agricultural advancements.

**Adarsh Farm Services**

Covering 1.2 million acreage across three states in India, Adarsh Farm Services provides high-tech farm mechanisation technology to more than 1 million farmers. Availing this service ensures time and cost efficacy for farmers.

**Unimart**

With a chain of 13 centres in India and Africa, our Unimart service provides farmers with a one-stop solution for all their agricultural needs and requirements. Since its inception in 2009, Unimart has been successful in increasing the income per acre of crops.

Reimagining a responsible business →

**Embedding sustainability in supply chain<sup>18</sup>**

As a proud signatory of the Responsible Care Initiative, we take conscious efforts to incorporate sustainable practices across our supply chain. We extend the coverage of our Code of Conduct to our suppliers, encouraging compliance with relevant laws and regulations pertaining to the environment, employee health and safety, child labor, sexual harassment, human rights and other business ethics. We are humbled to state that for the reporting period, there were no complaints regarding the rights of indigenous people, child labour, forced labour. In FY 2020-21, guided by our Sustainable Procurement Policy, we strengthened our procurement practices across our supply chain. Furthermore, in line with our commitment to the UNGC principles, we strive to enhance our operations across economic, environment, social and governance parameters – sustainable sourcing being one of them. We aim to reduce plastic from our product packaging at source along with enabling its recycling through innovative design and reverse supply chain.

**2025 Target**

Going forward, we will initiate the implementation of ISO 20400:2017 and International Labour Organisation (ILO) standards and the United Nation Global Compact (UNGC) principles to strengthen our sustainable procurement practices.

**Sustainable sourcing<sup>19</sup>**

To encourage sustainable sourcing, the Company initiated sustainability focused assessment across its key supply chain partners and covered 52 suppliers (i.e. ~20% of spend) with this initial assessment. We conduct such assessment of our key suppliers periodically and encourage adoption of sustainable practices in their operations. During the reporting period, we onboarded 24 critical vendors for direct procurement through this screening process. In FY 2020-21, there were no negative (significant or potential) social and environmental impacts across our supply chain. Additionally, we contribute to the development of local communities in and around our operations by prioritising local suppliers for procurement purposes. In FY 2020-21, we spent 39.38% of our procurement budget on local suppliers. We follow a comprehensive and periodic screening process for our critical suppliers to monitor the implementation of regulatory requirements.

**Pre-onboarding screening process**

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

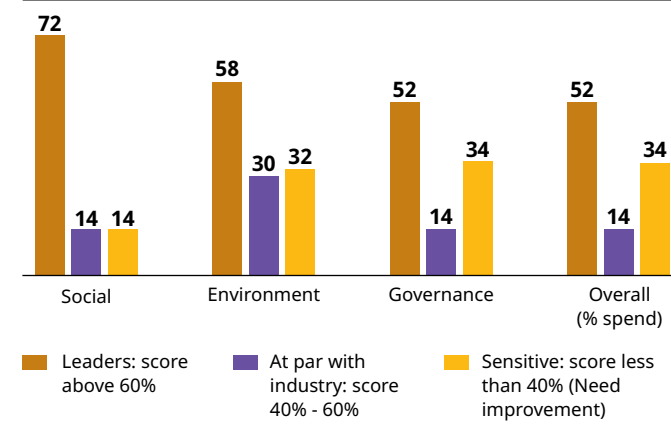
**Post-onboarding process**

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

**Supplier development program**

- Implementation of improvement plan cohesively with supplier.
- Build ecosystem for best practice sharing within our supply chain to improve sustainability performance
- Develop local supply sources, waste reduction processes and environmental sustainability across the supply chain

PERCENTAGE OF SUPPLIERS CATEGORISED UNDER ESG PARAMETERS



**Waste reduction at supplier sites**

In collaboration with our supply partners, our technical and process design team devised changes in the synthesis routes to reduce effluent generation, catalyst consumption and improve yield.

- By incorporating changes in the process design of one of our key herbicides, we enabled the improvement in yield by 1%, equivalent to 700 tons/year of raw materials in addition to reduction of consumption of catalyst by 50% (100 tons/year)
- Our R&D efforts facilitated yield improvement by 5%, equivalent to saving 390 tons/annum of raw materials in one of our fungicide categories.



**Procurement practices empowering safety improvement**

As an initiative for safety improvement, we transitioned from barrels to ISO tankers for handling yellow phosphorous. Yellow phosphorous being a hazardous chemical in terms of reactivity, flammability and exposure to humans, it needs to be handled in submerged water conditions to avoid contact with ambient air and burning thereafter. Replacing the barrels with the tankers has reduced the manual handling of ~4,500 barrels/month in addition to avoiding burn injury risk for employees in case of leakage. Additionally, the initiative enabled us to eliminate the cleaning process of empty barrels and substantially reduced effluent generation and empty barrels.



**Encouraging local sourcing and reducing dependency on imports**

- In one of our fungicide, our consistent efforts to reduce dependency on imported raw materials and intermediaries has enabled us to set up local manufacturing facilities in collaboration with local suppliers and contract manufacturers. With 60% of raw materials being sourced locally, we have considerably reduced freight emissions, lead time and cost.
- With joint collaborative efforts of our procurement, technical and quality team, we were able to secure a local supplier for methyl chloride, reducing freight emissions by ~80% in addition to cost and lead time reduction.

<sup>18</sup>GRI 308-1 | <sup>19</sup>GRI 204-1, GRI 408-1, GRI 409-1, GRI 411-1, GRI 414-1, GRI 414-2, GRI 308-2

Reimagining a responsible business →

**IT and cybersecurity<sup>22</sup>**

At UPL, we consistently strive to protect confidential and personal information. As a trusted partner to all our stakeholders, we understand the importance of data integrity, security and privacy and 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. We have a dedicated approach to ensure continuous data privacy compliance at UPL as well as implement robust systems to strengthen internal capabilities. UPL's global data privacy policy is created by the GRC team and based on the 10 generally accepted privacy principles, common across all regional data privacy laws. We ensure our data privacy commitments are in line with the GAPP and data privacy laws such as GDPR, APPs and LGPD, among others. In FY 2020-21, there were no complaints concerning breaches of customer privacy and losses of customer data.

**Our approach to data integrity, security and privacy**



<sup>22</sup>GRI 103-1, GRI 103-2, GRI 103-3, GRI 418-1

# Reimagining environmental stewardship

At UPL, we create value in a responsible manner, supported by our sustainability strategy. The conservation and responsible use of natural resources is not just one of our sustainability objectives, but also represents an essential business imperative. We consistently strive to align our business activities to global sustainability goals and targets, mitigating environmental risks and enabling positive environmental impact.



Reimagining environmental stewardship →

**Responsible environmental management<sup>1</sup>**

A resilient and healthy planet is critical to the natural resources we rely on to build our product portfolio and enhance our business activities. Climate change increasingly poses a risk across our value chain, impacting our key stakeholders and long-term ability to augment value creation. At UPL, we have a robust environmental policy that guides our sustainability strategy and ensures active monitoring of environmental performance. Our Environmental Policy is applicable to all our stakeholders, enabling clear insight into our vision and mission. Additionally, our commitment to minimising our environmental footprint is reflected through our energy and water conservation policies, enabling us to reduce the over exploitation of natural resources and enhance reuse, recycle and process optimisation.

In order to ensure an efficacious outcome of our initiatives, we have established robust internal monitoring mechanisms. With this approach, we link environmental Key Performance Indicators (KPIs) across departments, further to an individual's annual performance review. The presence of a strong governance system enables each department to ensure we augment progress towards the reduction of our environmental footprint. We have an exemplary Environment, Health and Safety (EHS) team along with a sustainability committee, inclusive of our board members. This facilitates the active involvement of top management, enabling us to go beyond compliance and deliver efficacy in line with global best practices. We have also formulated the 'Energy Cell' and 'Green Cell' to enhance focus on resource conservation and environmental protection. Additionally, we have a dedicated Cell, ensuring zero non-compliance to any environmental regulatory requirements.

**2025 Target**

**Reduce manufacturing environmental footprint from baseline FY 2019-20.**

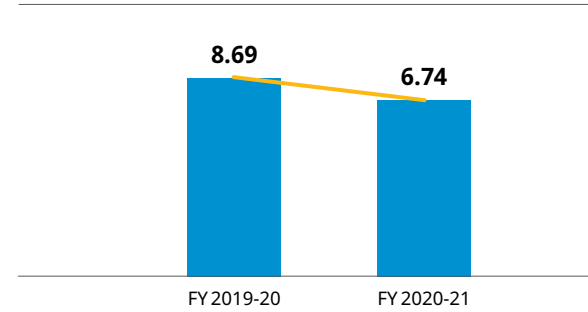
**20%** ↓  
Specific\* water consumption

**25%** ↓  
Specific\* CO<sub>2</sub> emission

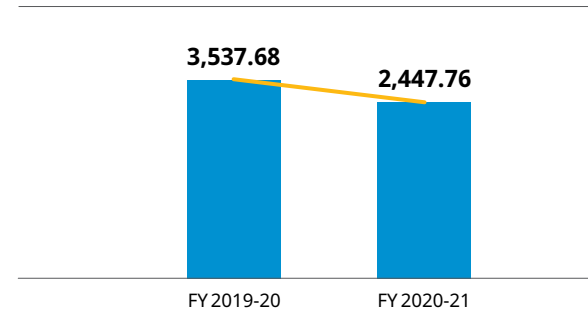
**25%** ↓  
Specific\* waste disposal

**OUR ENVIRONMENT FOOTPRINT FY 2020-21**

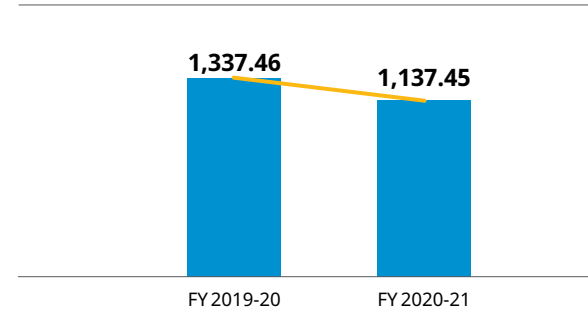
**Specific water footprint m<sup>3</sup>/MT**



**Specific waste footprint kg/MT**



**Specific CO<sub>2</sub> footprint kg/MT\***



The manufacturing plant at Rotterdam was closed in July 2020 and considering this closure the comparable environment footprint numbers for FY 2019-20 and FY 2020-21 are summarised below:

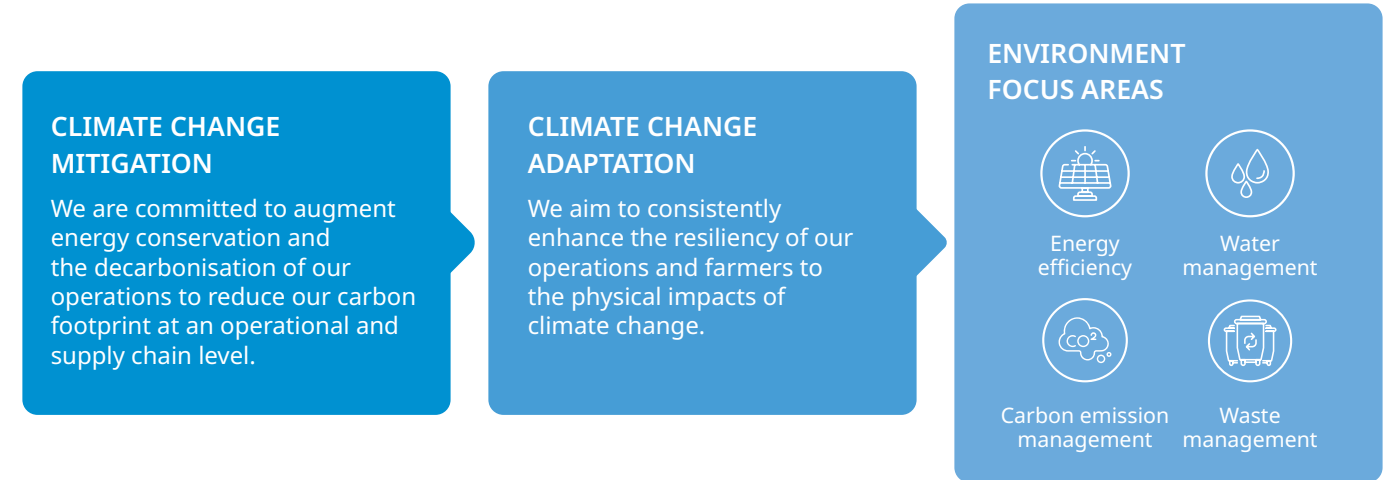
- In FY 2019-20, considering 33 plants without Rotterdam plant, specific water consumption 6.93 m<sup>3</sup>/MT, specific waste disposal 2,300.11 Kg/MT and specific CO<sub>2</sub> emission 1,378.85 Kg/MT.
- In FY 2020-21, considering 33 plants without Rotterdam plant, specific water consumption 6.31 m<sup>3</sup>/MT, specific waste disposal 2,174.36 Kg/MT and specific CO<sub>2</sub> emission 1,167.40 Kg/MT.

\*Specific is a measure per MT of production | # Specific CO<sub>2</sub> footprint currently includes only Scope 1 and Scope 2 emissions

**Our climate strategy**

At UPL, we recognise that climate change, natural resource scarcity and extreme weather pose an inherent risk to our business activities and the wellbeing of all our stakeholders. We remain committed to the preservation of ecosystems and the reduction of adverse impacts on our climate, while encouraging the conservation of natural resources. As the severity of climate

events continues to increase, there is a direct impact on the global food supply chain. This in turn adversely impacts the livelihoods and wellbeing of our farmers. In this regard, we have curated a climate strategy that encompasses climate change adaptation and mitigation, supported by our key environment focus areas.



**Energy efficiency**

As we continue to work with farmers across 130+ countries and support them to feed the world sustainably, we continuously invest in and develop innovative solutions that drive sustainable impact across our product portfolio. In this regard, we also maintain our commitment to recognise the role of energy efficiency across business activities. We consistently monitor our performance with systems installed at every location to capture our consumption on a daily basis. Additionally, we actively implement strategic energy conservation initiatives to augment progress towards our sustainability goals and targets.

Details regarding our energy consumption across our Indian and international operations for FY 2020-21 are provided below.

**ENERGY CONSUMPTION ACROSS INDIA AND INTERNATIONAL OPERATIONS FOR FY 2020-21**

Energy source	Indian operations (GJ)	International operations (GJ)
Coal	66,86,500	0
Natural Gas	9,08,006	2,52,859
Furnace Oil	1,11,570	11,638
HSD	21,272	14,657
LPG	0	16,476
Gasoline	0	1
Grid Electricity	8,52,878	2,45,353
Steam	1,76,601	10,447
Renewable Energy (Solar and Wind)	1,49,933	1,555
Renewable Energy (Briquettes)	10,122	0
<b>Total</b>	<b>89,16,881</b>	<b>5,52,985</b>

**94,69,866 GJ**  
Total Energy Consumption

**11.49 GJ/ton**  
of production in specific Energy Consumption

**52,728 GJ**  
Energy saved through conservation initiatives

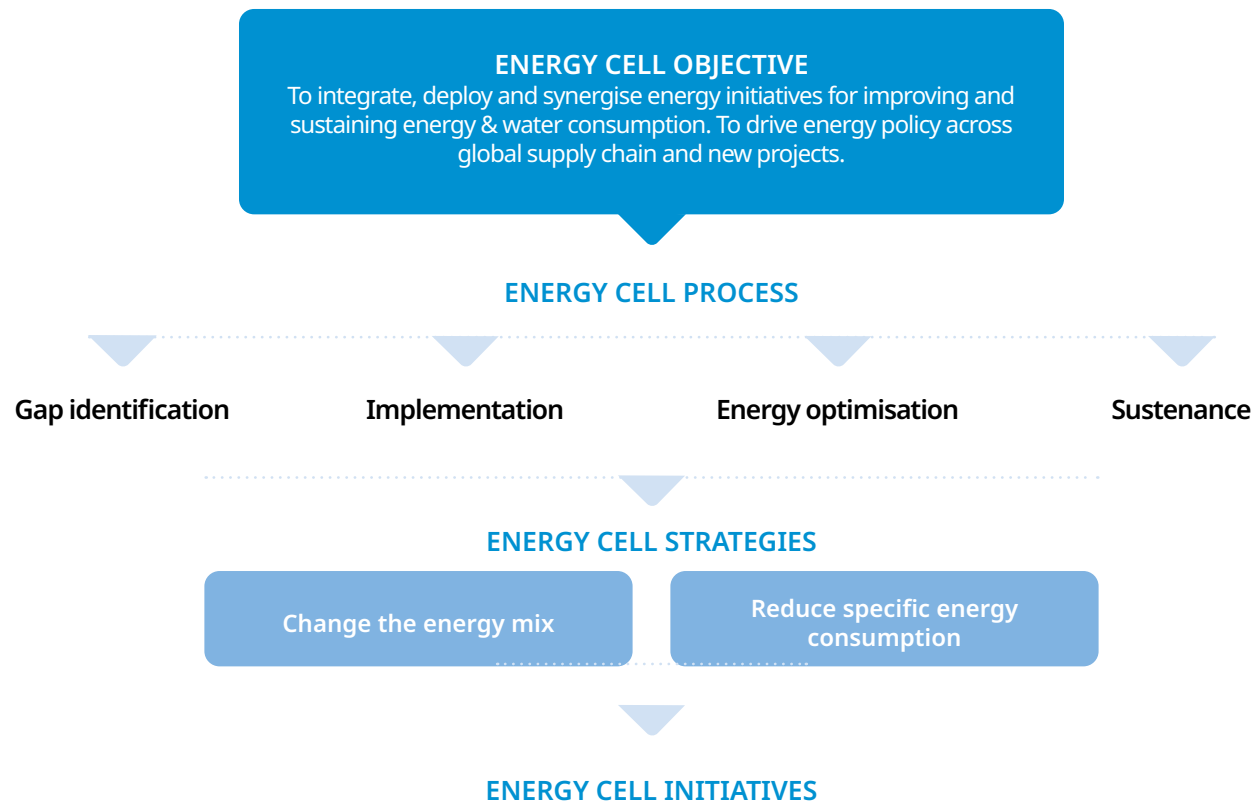
**42,080 MWh**  
Electricity sourced from wind and solar

<sup>1</sup>GRI 103-1, GRI 103-2, GRI 103-3, GRI 302-1, GRI 302-2, GRI 302-3, GRI 302-4, GRI 307-1, Our baseline year was FY 2019-20 and the number of locations were 34. During FY 2020-21, we witnessed an increase of 6 plants at UPL. Thus, in FY 2020-21 we have a strong presence of 40 plants – India (15), Colombia (2), Brazil (2), Argentina (1), Netherlands (1), United Kingdom (1), France (7), Vietnam (2), South Korea (1), Belgium (1), Mexico (1), South Africa- Ivory Coast (4), Costa Rica (1) and USA (1). If we consider 34 plants which were in baseline, our specific water consumption 6.86 m<sup>3</sup>/KL, Specific Waste Disposal 2,501.49 kg/MT, Specific CO<sub>2</sub> Emission 1,159.10 kg/MT.

Reimagining environmental stewardship →

**Energy Cell<sup>42</sup>**

At UPL, we have established an Energy Cell that enables us to implement cutting-edge and innovative technologies to enhance energy efficiency. We identify and implement projects that reduce specific consumption of electrical, thermal and water resources. Additionally, we have established protocols and Standard Operating Procedures (SOPs) which enable us to perform the analysis of theoretical consumption, gap analysis studies, temperature profiling, energy bill analysis, process heat integration, heat recovery and the adoption of best technologies available for the process.



<sup>42</sup> GRI 305-5

Category of initiative	Description	Energy savings (GJ)	Reduction in emissions (tCO <sub>2</sub> )
<b>Process modification</b>	DM water heating in ATFD upto 85 C - Coal	20,868	1,974
	Waste heat recovery to pre heat SPD inlet air	3,930	220
	Stoppage of MeOH Brine Chiller by utility Changeover GF-3	3,356	737
	Stoppage of MeOH Brine Chiller by utility Changeover GF-2	3,948	866
	Operating 120 TR at -8 Deg C instead of -15 Deg C	998	219
	Pump Optimisation	1,018	224
	Reflux reduction in column 101 Power Saving GF-2	434	95
	Reflux reduction in column 101 Power Saving GF-3	314	69
	Pumping Performance Improvement in Ammonia - M205	488	107
	Operating 140 TR at -10 Deg C instead of -15 Deg C	340	75
	DM water heating in ATFD upto 85 C - power	315	69
	Stoppage of Brine Chiller in MNZ by integration with UPH 5000	399	88
	175 TR chilled water plant - Single circuit	349	77
	Eliminating MeCl CT Pumps & CT by Inter-connecting Piping Network - M205	423	93
	Reflux reduction in column 101 steam Saving GF-3	1,290	122
	<b>Technology upgradation</b>	Evaporator feed pre heating by condensate	736
Reflux reduction in column 101 steam Saving GF-2		1,601	151
Evaporator feed preheating by flash steam		1,339	127
CCDS System for IKI Multi Utility Reactors - M205		1,670	94
Ball cleaning system for 175 TR chiller		113	25
KC12 replacement with KC12X along with evaporative cond.		25	6
Energy Efficient Fan for CT at Ammonia		149	33
Variable nozzle thermocompressor installation at GF-3000		5,646	534
Condensate Recovery from IKI Plant - M205		2,977	167

**Carbon emission management**

At UPL, sustainability represents our opportunity to build a resilient and climate positive future for all our stakeholders. As we continue on our journey to achieve our 2025 sustainability goals and targets, we strive to implement resource efficient initiatives that utilise innovative technology to preserve our planet.

per day of steam generation. During FY 2020-21, CO<sub>2</sub> emissions from biomass amounted to 1045 MT. These emissions are excluded from our Scope 1 emissions\*. Furthermore, we aim to augment the use of renewable energy through green power purchase agreements.

We have implemented a myriad of initiatives to enhance energy efficiency and reduce our carbon footprint. In this regard, we also use biomass as a source of energy and are currently working towards the installation of a biomass boiler with 30 MT

**1,137.45 Kg CO<sub>2</sub>/MT**  
GHG emissions intensity

\*As per GHG Protocol

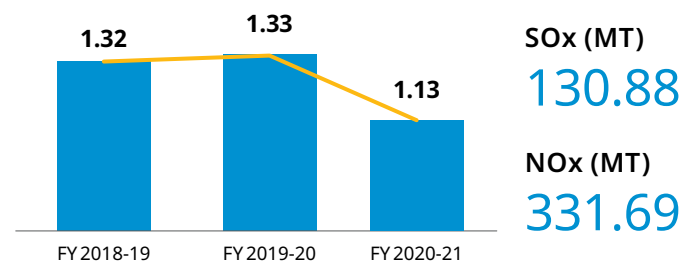


Reimagining environmental stewardship →

**Accelerating progress to reduce our carbon footprint<sup>43</sup>**

Scope of emissions	Indian operations	International operations
Direct emissions (Scope 1)	6,93,694	17,212
Indirect emissions (Scope 2)	2,08,162	18,662
<b>Total</b>	<b>9,01,855</b>	<b>35,874</b>

Specific carbon footprint tCO<sub>2</sub>/ton of production



**Water management<sup>44</sup>**

At UPL, we recognise the importance of clean and safe water as a basic human right. As a responsible corporate citizen, we consistently ensure that our operations do not negatively impact the supply or quality of water resources across communities. Furthermore, our business activities and product portfolio are reliant on this precious resource. We have thus taken active measures to identify and mitigate any future water-related risks, augmenting the resiliency of our business activities. The key sources of water were municipality water, ground water, surface water and rain water. Incorporating a stakeholder-centric approach to our water management strategy, we also work closely with our farmers 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 was as per regulatory requirements. 51% of our plants are in water stress regions.

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

INSIGHTS INTO OUR WATER MANAGEMENT STRATEGY HAS BEEN FURTHER 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, by-product) 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

<sup>43</sup> SOx and NOx 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. GRI 305-1, GRI 305-2, GRI 305-4, GRI 305-7

<sup>44</sup> GRI 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 2020-21

Third-party water	Surface water*	Ground water
50,47,258	4,60,001	60,636

**55,67,895**

Total

Source of wastewater discharge (kL) in FY 2020-21

Third-party (Common Effluent Treatment Plant)	Surface water (River)	Sea
4,04,935	6,09,270	8,55,349

**18,69,533**

Total

**FY 2020-21 highlights**

**34%**

Total water discharge of our fresh water withdrawal

**55,67,895kL**

Total water withdrawal

**7,48,489kL**

Total water recycled, equivalent to 13% of the total water withdrawn

**36,98,342kL**

Total water consumption

**18,69,533kL**

Total water discharge

**Driving innovation across water management**

At UPL, our Green Cell has successfully launched a myriad of tried and tested environmentally friendly technologies. A glimpse into our initiatives has been provided alongside.

\* Includes 14168 KL Harvested Rain Water

**VACUUM DISTILLATION TECHNOLOGY (VDU) PILOTING**

The VDU technology works on the principle of vacuum distillation, combined with vapor compression technology. It also uses a specialised compressor that makes it an energy efficient and economical approach to treat and dispose industrial effluent. Some of the advantages of the technology include a lower CAPEX and OPEX, easy installation and commissioning, no structure support as required in other evaporation systems, no external steam or heat source required for evaporation and reduced requirement of area footprint.

**OZONATION AND ELECTROOXIDATION PILOTING**

The use of Ozone, in the potabilisation of surface or ground water as well as in wastewater treatment to remove microorganisms, inorganic ions and organic pollutants. Some of the advantages of the process include the non-selective degradation of organic pollutants, no addition of chemicals due to the presence of hydroxyl radicals as the main reactant, efficacious treatment of refractory COD, ability to implement the process at room temperature and atmospheric temperature as well as reduced area footprint for implementation.

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

Developed an in-house treatment method for the removal of colour and refractory COD Pendimethalin effluent at our Jhagadia facility. The success of the treatment methodology has been further accelerated into its implementation phase.

**ELIMINATION OF TEMPERATURE RISE IN EFFLUENT TREATMENT PLANT (ETP)**

Developed a process to effectively curb temperature rise across our ETP bioreactors. The pre-treatment of wastewater with the support of chemicals has enabled an exemplary improvement in the reduction of temperature rise across bioreactors and the consumption of chemicals downstream of the ETP for polishing treatment. This process has been implemented at PL-05, Jhagadia 1 MLD ETP facility.

**IN-PROCESS NEUTRALISATION OF EVAPORATION CONDENSATE**

Developed a cost-effective process to neutralise acidic compounds in evaporation condensate during the evaporation process. Apart from cost efficiency, the benefits range from a reduction in the quantity of landfill sludge to improved efficiency in biological treatment. This technology is in the process of being implemented at our Jhagadia facility.



Reimagining environmental stewardship →

**Waste management<sup>45</sup>**

At UPL, we aim to advance a more circular economy by enabling access to low impact practices and innovative resource efficient technology. With enhanced focus towards the reduction of waste generation activities, we employ a holistic approach to waste management and aim to maximise the end life use of our products. Given the nature of our business activities, we generate both hazardous and non-hazardous waste. Furthermore, we have established a 4R waste strategy at UPL, accelerating progress towards our goal of a 25% reduction in specific\* waste disposal by 2025. We have collaborated with the State Pollution Control Board, authorised third party vendors to transport and recycle our hazardous waste. Our dedicated team at each location engages with authorised and reported third parties for managing our waste safely and ensures that we strictly abide by the relevant regulations.

**UPL's waste management strategy**

<p><b>REDUCE</b></p> <ul style="list-style-type: none"> <li>Ensuring the responsible use of raw materials while propagating the ideology of 'waste is wealth' across our business activities</li> <li>Optimising manufacturing operations to achieve waste reduction</li> </ul>	<p><b>RECYCLE</b></p> <ul style="list-style-type: none"> <li>Encouraging the recycling of packaging material</li> <li>Augmenting waste reduction for the packaging process by using appropriate materials</li> <li>Recovering value-added products from waste</li> </ul>
<p><b>REUSE</b></p> <ul style="list-style-type: none"> <li>Prolonging the Lifecycle of equipment and products</li> <li>Utilising incinerable hazardous waste for energy recovery</li> </ul>	<p><b>REPROCESS</b></p> <ul style="list-style-type: none"> <li>Process redevelopment/ optimisation to reduce landfill/ incinerable waste during operations</li> <li>Trading coproducts with neighbours to derive maximum value from by-products/co-products</li> </ul>

**Accelerating progress towards a circular economy**

<p><b>24,521 MT</b> of non-hazardous waste was recycled or sent for co-processing</p>	<p><b>390.52 MT</b> Reduced plastic consumption</p>
<p><b>204.79 MT</b> Reduced paper consumption</p>	<p><b>30,719 MT</b> of hazardous waste was recycled or sent for co-processing</p>

- There were no significant spills during the reporting period
- No water body has been significantly affected by the effluents we produce during the reporting period
- Transported and disposed of 1,66,853 tons of hazardous waste and 36,804 tons of non-hazardous waste with the support of government authorized third party agencies. Of the total waste disposed, 30,719 tons of hazardous and 24,521 tons of non-hazardous waste was recycled or co-processed.

<sup>45</sup> GRI 103-1, GRI 103-2, GRI 103-3, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5 | \*Specific is a measure as per MT of production

 <p><b>Before</b></p>	 <p><b>After</b></p>	 <p><b>Before</b></p>	 <p><b>After</b></p>
<p><b>Packaging optimisation: EROS</b></p> <p><b>Key highlights:</b></p> <ul style="list-style-type: none"> <li>Eliminated the rope and eyelet</li> <li>Reduced the height of the pouch with a subsequent reduction in the weight of the bag by 6.5 g</li> <li>Optimised box dimensions and structure, reducing the weight by 220g/box</li> <li>Achieved savings in total plastic consumption of 11.93 MT</li> <li>Achieved savings in total paper consumption of 67.21 MT</li> </ul>		<p><b>Packaging optimisation: Surfactant</b></p> <p><b>Key highlights:</b></p> <ul style="list-style-type: none"> <li>Replaced 80g of an HDPE bottle with a 10g bi-laminated pre-printed pouch</li> <li>Enabled the reduction of plastic by 222 ton per annum</li> <li>Total plastic consumption savings were 290.12 MT</li> </ul>	



# Reimagining an agile workforce and a resilient community

At UPL, our value 'Always Human' plays a pivotal role in workforce empowerment. We show respect, demonstrate trust and celebrate diversity to create a motivated and agile work environment. Recognising the integral role of our employees in attaining the organisational goals, we consistently strive to align our values and culture with their wellbeing and holistic development.



### UPL's Material Topics

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

16,823

training hours spent on human rights policies and procedures

1,62,077

man-hours of employee safety training imparted in FY 2020-21

### UPL's stakeholders

- Employees
- Regulatory bodies
- Local Community

10,000+ employees\*

₹100 crore

CSR spend<sup>^</sup>

1 million

CSR beneficiaries

### UPL's OpenAg strategy

- Open Hearts
- Open Intelligence
- Open Collaboration

Launched **Open Intel**

an online training platform for employees

Launched **Global Compliance Modules**

an online learning platform on ethics and compliance

\*Includes Crop Protection and Advanta globally | <sup>^</sup>Includes ₹75 crore donated to PM Cares Fund

## Our approach to employee wellbeing and development<sup>23</sup>

Our workforce management strategy forms the cornerstone of our 360-degree approach to employee wellbeing and development. We have established employee learning and development, employee engagement and welfare as well as occupational health and safety as the three main facets of our strategy towards workforce empowerment. The major highlights and interventions under these facets have been discussed in detail in the subsequent sections.

### 2025 Target

**Enhance world food security**  
Achieve 50% revenues from innovative and sustainable solutions to enhance yields and quality



Guided by UPL's employee code of conduct, we 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. Furthermore, all our employees

and business associates are covered under UPL's code of conduct. The HR team, supported by numerous employee engagement exercises and feedback systems, ensures a healthy employee satisfaction level by addressing the challenges and inconveniences encountered by them<sup>24</sup>.

<sup>23</sup>GRI 103-1, GRI 103-2, GRI 103-3 | <sup>24</sup>GRI 103-2, GRI 103-3

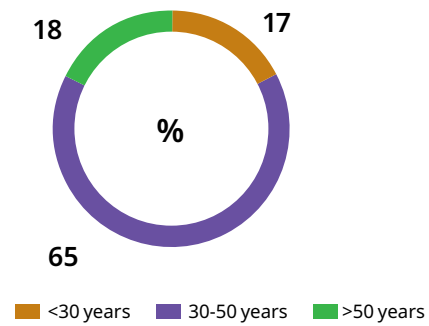
Reimagining an agile workforce and a resilient community →

**Driven by diversity<sup>25</sup>**

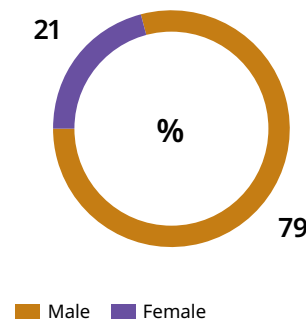
At UPL, we aim to drive an agile workforce by sustaining diversity across the domains of age and gender. In our endeavour to feed the world sustainably, we have seamlessly expanded our skilled workforce globally and consistently aim to maximise value creation for our employees. Additional details regarding our workforce can be referred to in the table below.

UPL's workforce FY 2020-21						
Employee category	Units	<30 years	30-50 years	>50 years	Male	Female
<b>Management - Executives</b>						
Top Management	Nos.	0	1	5	6	0
Senior Management	Nos.	0	13	22	33	2
Middle Management	Nos.	0	432	252	595	89
Junior Management	Nos.	998	3,551	764	4,127	1,186
Executives on Contract	Nos.	0	17	42	49	10
Trainees	Nos.	24	0	0	21	3
<b>Total Employees</b>	<b>Nos.</b>	<b>1,022</b>	<b>4,014</b>	<b>1,085</b>	<b>4,831</b>	<b>1,290</b>
<b>Workmen - Permanent</b>						
Permanent Associates	Nos.	1,364	1,865	502	3,649	82
<b>Workmen - Temporary</b>						
Contract Labor	Nos.	2,513	3,534	337	6,231	153

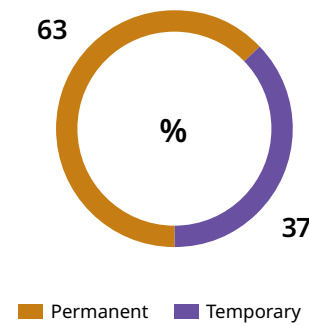
**AGE DIVERSITY**



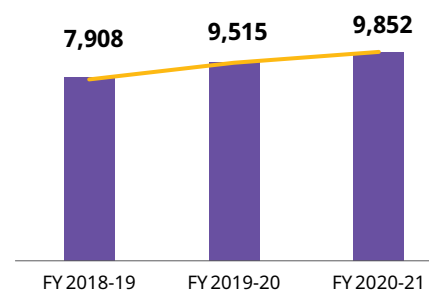
**GENDER DIVERSITY**



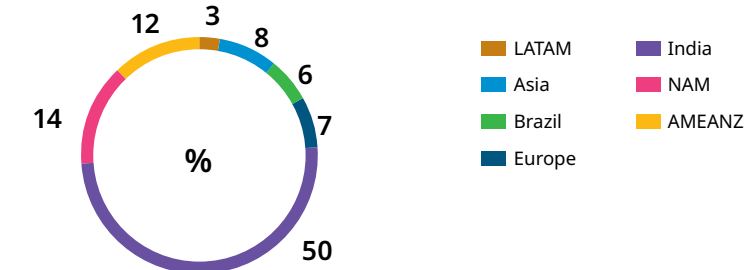
**WORKMEN DISTRIBUTION**



**WORKFORCE TREND**



**GLOBAL DISTRIBUTION OF OUR EMPLOYEES**



<sup>25</sup>GRI 102-7, GRI 102-8

**Employee engagement and welfare**

At UPL, we employ a myriad of tools and platforms to connect with employees of all cadres. We consistently strive to foster an open work environment for the discussion of ideas, opinions and enhanced collaboration among our employees. Additionally, our HR connect and redressal platforms enable us to always be connected with our employees and address their queries and challenges, in a seamless manner.

**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

**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

**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

**Employee welfare initiatives**

We recognise the contribution of our employees in augmenting our capability to enhance value creation for all our stakeholders. We strive to enhance their work satisfaction and productivity through strategic welfare initiatives that support our employees professional and personal aspirations. At UPL, we consciously intend to create a comfortable work environment for our workforce as they continue to provide us with their invaluable contribution in managing and expanding our business operations globally.

Intramural facilities like air-conditioned canteens, bus facilities and food facilities at nominal charges

Support female employees with the provision of crèche facilities at all our locations

Flexible working hours at corporate offices

Interest subsidy for home loans, life insurance, medical coverage for all employees and their dependents

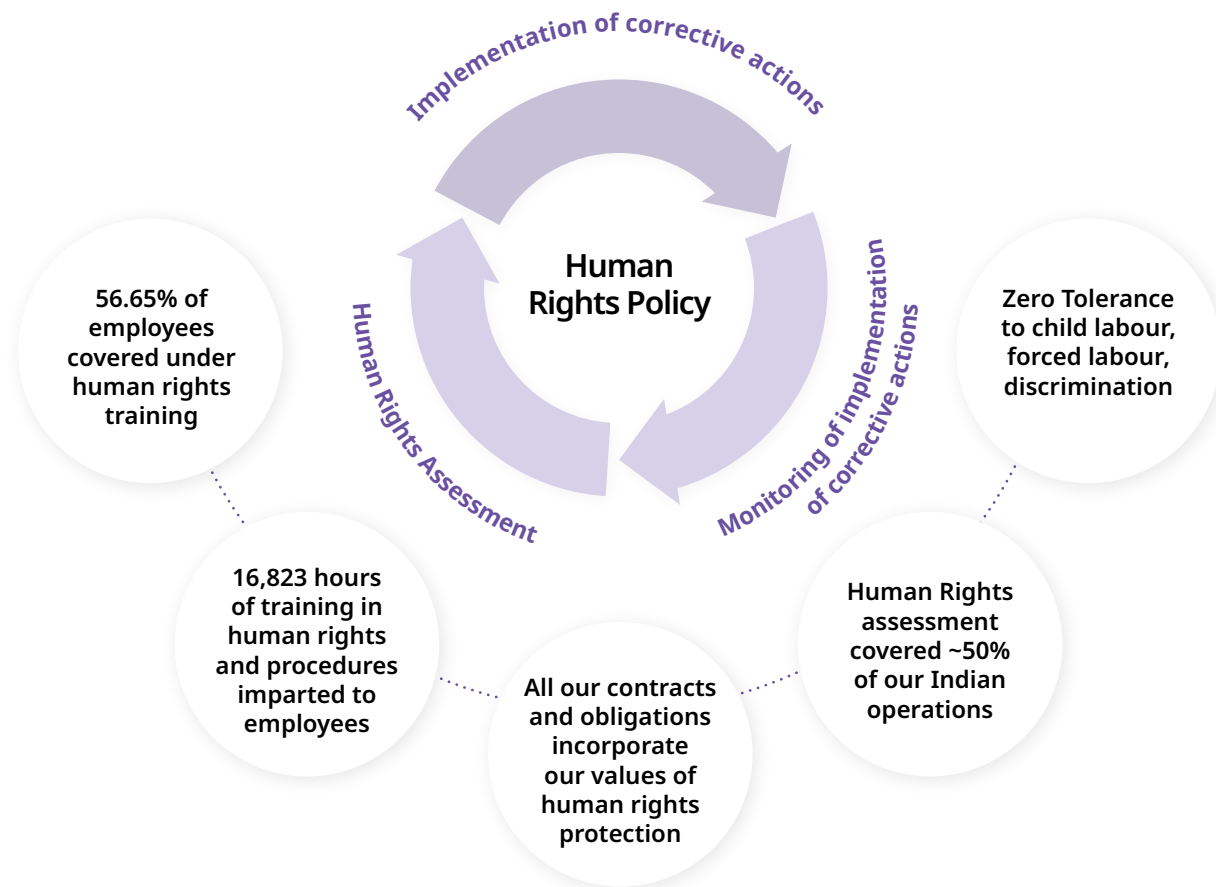
**Protection of Human Rights<sup>26</sup>**

Our commitment to the fundamentals of human rights and its implementation across our operations is supported by our zero-tolerance policy to child labour, forced labour and discrimination. This is further reinforced by our human rights policy which is backed by a systematic monitoring system. We ensure periodic updates to our monitoring mechanisms, ensuring efficacious protection of human rights. Additionally, we implement an all-inclusive cyclical exercise of a human rights risk assessment which is followed by the execution of corrective actions and further monitoring of its implementation<sup>27</sup>. In FY 2019-20, we underwent a human rights' assessment by a third-party expert in human rights policies. The human rights screening was extended to our suppliers with the aim of strengthening our commitment to human rights across the value-chain.

<sup>26</sup>GRI 412-1, 412-2, 412-3 | <sup>27</sup>GRI 103-1, GRI 103-2, GRI 103-3

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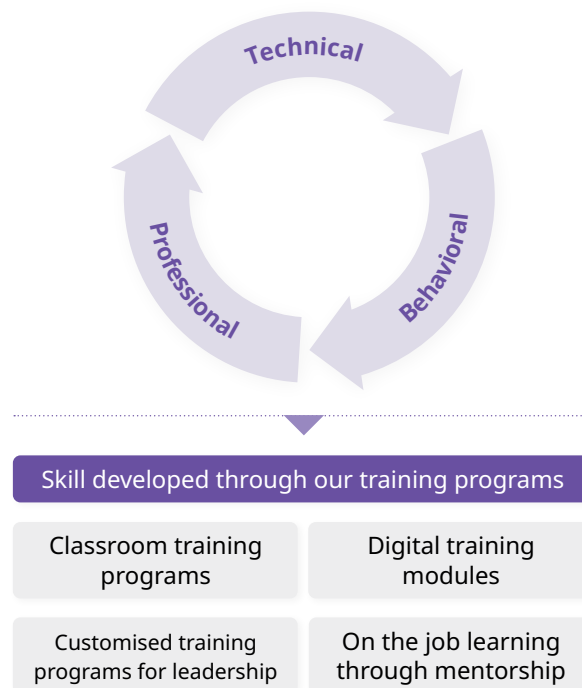
**Highlights of our Human Rights policy and assessment**



**Employee learning & development**

At UPL, we recognise the ever-evolving nature of our business landscape. We encourage the adoption of new technology and innovation across our business activities to enhance the value of our products and services. To derive impactful results across our business activities, it is vital for us to enable access to topic-specific skill sets and resources for all our employees. We also incorporate a myriad of learning tools to train employees with exemplary development interventions that facilitate maximum productivity and augment our capabilities to deliver value creation for all our stakeholders.

Our learning and development program is built to enhance behavioral, technical, and professional skills among our workforce, in addition to nurturing leadership qualities through our customised training modules. Furthermore, we encourage our employees to exhibit their skills by leading projects and delivering innovative solutions.



Training hours by gender <sup>28</sup>		
Category	Total Hours of Training	
	Male	Female
Safety	7,492	15
Skill Upgradation	8,143	68
Others	3,094	10

Training hours by cadre				
Category	Hours of Training for Employees at Management level		Hours of Training for Employees at Non-Management level	
	Male	Female	Male	Female
Safety	2,997	6	4,001	9
Skill Upgradation	3,230	47	1,860	0
Others	1,924	1	46	0

Hours of training for temporary employees: 4,698 | Hours of training for contractual employees: 0



Our online training platform, Open Intel provides access to learning modules for all the employees. In FY 2020-21, we conducted the following trainings, globally:

Training	Hours	Participants
Ardor English	1,500+	225
Microsoft Teams Training	279	290
Microsoft Teams Office Hours	300	400
Compliance	14,000+	6,300+

In FY 2020-21, we launched "Global Compliance Modules" an online training platform on ethics and compliance for all employees across our global operations. At present the module is offered in 6 languages, covering ~85% of our workforce.

<sup>28</sup>With the varied impact of the COVID-19 Pandemic by March 2020, all investments and trainings were kept on hold to ensure social distancing norms and only business critical functions were operational. In December 2020, we launched our own LMS with emphasis towards virtual training to continue our journey of learning and development.

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**Occupational health and safety**

We implement our mantra of 'Doing things Safer is doing things Better' across our business operations to ensure the safety and wellbeing of our employees. Our Occupational Health and Safety (OHS) management system encompasses several interventions to establish concerned policies and regulations for all our employees. We adopt a comprehensive approach to OHS, complying with legislations such as the Factory Act & State Factory Rules, The Manufacture Storage and Import of Hazardous Chemical Rules (MSIHC), Indian Boiler Act and Rules, Petroleum Rules, Environment Protection Act & Rules and Insecticide Rules among others. Our certification of the Occupational Health and Safety Standard ISO 45001:2018 by Bureau Veritas across all our sites, reflects our commitment to providing best-in-class safety practices for our workforce. Additionally, all permanent and contractual employees are covered under our OHS management system. We also ensure our OHS management system is internally and externally audited, in a timely manner.

Our Health, Safety and Environment Management Systems (HSEMS) strengthens our safety plan and regulations, augmenting safety awareness among our employees which further impedes the occurrence of incidents. The functioning of HSEMS is periodically monitored by the Health, Safety and Environment (HSE) committee. This committee was constituted as per the guidelines of Factories Act, 1948 and comprises of a minimum of 50% representation of non-management workforce. Guided by the HSE committee, we have developed our EHS policy in compliance with all requirements pertaining to Occupational Health, Safety and the Environment. Furthermore, all our employees and suppliers across the globe are covered by our EHS policy.

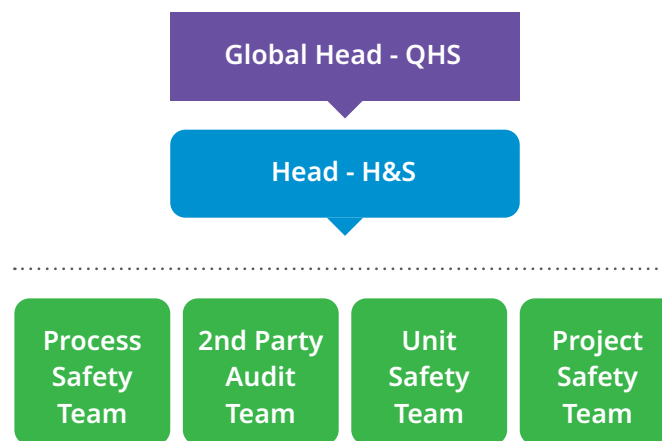
**Safety Vision**

*'To become one of the best & safest Chemical Manufacturing Companies in the world and achieve Best in Class safety by making a way of life'*

**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

**EHS GOVERNANCE AT UPL**



At UPL, our Safety Committees are responsible for the efficacious implementation of requisite laws and regulations across our sites, ensuring the participation of our entire workforce including management, non-management staff and contractual employees<sup>33</sup>. Our comprehensive approach to employee health and safety management is further accentuated by the inclusion of several engagement sessions which are explained in the subsequent sections.

**Hazard Identification<sup>34</sup>**

Our hazard identification process uses an all-inclusive approach to identify risks, utilising several tools to devise appropriate strategy and mitigation plans, along with the verification of implementation plans. The entire hazard identification and mitigation plan is carried out under the supervision of a cross-functional team, showcasing 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 and Operability Studies (HAZOP)
- Job Safety Analysis (JSA)

Analyse and prioritise risks to devise mitigation plans →

**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 building<sup>35</sup>**

We implement a 3-phase training program to foster safety awareness among our employees. Our safety capacity building program is designed to align employee-specific roles with training modules, enhancing the value addition of our programs. Additionally, training programs emphasising specific safety domains such as Process Safety management, Safety Leadership, Hazard Recognition, Construction Safety, Electrical Safety, Emergency Response Management are conducted to bridge identified gaps from our existing programs.

**33,592**  
employees given safety training in FY 2020-21

**1,62,077**  
man-hours of safety training imparted in FY 2020-21

**OUR SAFETY CAPACITY BUILDING STRATEGY**



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**Safety Audit**

As part of our safety management system, we periodically conduct internal and external safety audits to monitor the implementation of our safety-linked practices and interventions across all our operating sites. Biannual internal safety audits and annual external safety audits enable us to determine gaps in our system and adopt corresponding corrective action plans. We ensure efficient redressal of safety findings with regular monitoring of corrective action plan implementation.

**Enhancing our safety management system<sup>36</sup>**

We have adopted a strategic approach to enhance our safety management system, linking it with our IT based abnormality reporting system, maintaining transparency and seamless functioning. Our digital interventions in addition to yearly assessments by third party experts cater to a systematic review of incident corrective action plans. We ensure a detailed incident investigation approach with implementation of action plans for identified root causes. The investigation process is explained in detail below.

**INVESTIGATION**

A team of plant supervisors and senior management use FISH BONE analysis and WHY method to investigate the incident

**POST IDENTIFICATION OF ROOT CAUSE**

Once the root cause of the incident is identified, Corrective Action and Preventive Actions (CAPA) are circulated across the facility for its effective deployment

**POST CAPA, DIGITISATION AND YEARLY ASSESSMENT**

- Periodic tracking of the CAPA using our digital medium for effective and timely management of any escalations if required.
- Storing the CAPA in our IT based abnormality reporting system for applying it in design stage of similar projects in future
- Yearly analysis of incidents. Wherever applicable, we hire third party experts for further analysis.
- Activity-based risk assessment is applied for any change in system technology, people, or facility in addition to Management of Change protocol for smooth transitioning

**Emergency Preparedness**

With the robust presence of global manufacturing sites, we take adequate measures to effectively respond to any case of exigency which may impact our operations directly or indirectly. In addition to training our employees to deal with emergencies and unforeseen situations, we have a dedicated team of experts skilled with emergency coping techniques. Our EHS policy also encourages capacity building workshops for our workforce on safety, emergency preparedness and response. At present 800+ of our ERT members across UPL's Indian operations are trained to deal with emergency situations.

We had an unfortunate incident on 23rd February 2021 at the CM 257 Plant at our Jhagadia Unit, where an explosion took place in which we lost 7 people and several others sustained injuries. The plant was under shutdown for an Annual Boiler Inspection by IBR authorities. At the time of the incident, all the plants in the Jhagadia unit were shut down in safe manner. We also followed all standard practices such as a 3 stage PHA including HAZOP with external experts, stability tests, trainings for operating staff and a pre-start up safety review, among others. As part of the incident investigation findings, we discovered that one of the utilities had a compatibility issue with a work in process chemical which could have possibly triggered this incident. At UPL, we have always believed in sustainable growth wherein human life, safety and environmental sustainability are prioritised as key focus areas. We have consistently adopted the right processes and industry best practices to ensure the safety of our workforce and the preservation of our environment. We undertook a comprehensive list of actions to prevent the recurrence of similar incidents in the future.



<sup>36</sup> GRI 403-2

**Health and Wellbeing<sup>37</sup>**

We proactively commit to investing in the good health and wellbeing of our workforce. Our first approach to workforce wellbeing involves pre-employment medical checkups for all new employees. Blood Cholinesterase Activity (BCA) and vertigo tests are conducted during the onboarding process, subsequently these tests are periodically carried out during annual medical health checkups. We conduct health checkups specific to employee functional roles, facilitating the right treatment based on the nature of exposure. Our Occupational Health Center (OHC) is fully equipped with medicines and antidotes to provide medical facilities onsite and carry out annual medical checkups under the supervision of a well-qualified team of nurse and compounders.

We have further identified hazardous chemical exposure and chemical flammability as major hazards causing high consequence risk of ill health. We are humbled to state in FY 2020-21, there were no cases of work related ill-health across our permanent and contractual employees.



**INSIGHTS INTO INITIATIVES UNDERTAKEN BY UPL**

- Partnered with Gexcon AS, Norway to critically evaluate our existing Process Safety Protocols with sectoral best practices.
- Developing process safety capabilities and a cross functional niche group of Process Safety Specialists in consultation with Gexcon AS.
- Embarked upon a "Safety Cultural Transformation Journey", supported by SWASYA to assess UPL's safety culture, safety systems and processes across our sites in India through a deep dive diagnostic survey. The study will in turn help us benchmark safety practices amongst our peers in India and global markets, enhance employee perception on safety, augment leadership pulse and key action areas. We have already begun Phase 1 of the journey of "Safety Cultural Transformation" for the deep dive diagnostic.
- Re-HAZOP of all the plants at Jhagadia with external expert agencies to ensure external perspective on the adequacy of existing controls as well as addressing identified gaps, to ensure processes continue to operate safely.
- Re-HAZOP of all plants across AI-India with special emphasis on identified critical safety processes.
- Completed various studies to establish the stability of storage and reactions.
- Installing fool proof solutions to address chemical compatibility aspects.
- Instituted work in process management SOPs for various processes.
- Completed the Safety Audit of plants through the National Safety Council, along with the timely implementation of recommendations provided.
- Institutionalising a Crisis Management Plan across UPL global sites, supported by E&Y.
- Enhancing the importance of Process Safety in chemical manufacturing by building a Center of Excellence at UPL University of Sustainable Technology. This will further augment focus towards building safety capabilities within small and medium scale Chemical Industries in India. This initiative is the first of its kind in India where process safety is a key focus area.

<sup>37</sup> GRI 403-3, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9, GRI 403-10

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**Our safety performance in FY 2020-21**

Safety-linked metrics (Permanent employees)		
Description	Male	Female
Fatalities (as a result of work-related injury)	4	0
High-consequence work-related injuries (excluding fatalities)	19	0
Recordable work-related injuries	21	0
Manhours worked	1,68,33,813	

Safety-linked metrics (Contract employees)		
Description	Male	Female
Fatalities (as a result of work-related injury)	3	0
High-consequence work-related injuries (excluding fatalities)	20	0
Recordable work-related injuries	37	0
Manhours worked	2,85,26,847	

Safety-linked metrics (Permanent employees)		
Description	Male	Female
*Rate of fatalities	0.24	0
*Rate of high-consequence work-related injuries	1.13	0
**Rate of recordable work-related injuries	0.25	0

Safety-linked metrics (Contract employees)		
Description	Male	Female
*Rate of fatalities	0.11	0
*Rate of high-consequence work-related injuries	0.70	0
**Rate of recordable work-related injuries	0.26	0

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

\*\*Rates have been calculated as per 200,000 manhours worked

**Employee engagement in safety culture<sup>38</sup>**

At UPL, we believe in achieving our Unit Safety Goal of zero incidents, with collaborative efforts from all our stakeholders. Our employees are encouraged to recognise potential hazards, risks and prevent any incident by utilising their authority to stall operations. Each employee is authorised to stall operations on the identification of a possible hazard, in accordance with the Health and Safety accountability standard. To enable responsible execution of our safety standards and interventions across facilities, we nominate a Plant Safety Representative (PSR). Furthermore, our safety programs are designed to enhance employee engagement through creative mediums, encouraging them to proactively align their work ethic with our safety principles and culture.

**KEY SAFETY ENGAGEMENT PROGRAMS**



**Self-Safety Recognition Program (SSRP)**

- The SSRP program aims to stimulate the workforce to adapt safety norms and regulations in their plant operation practices
- Utilising a reward-based program as an incentive to reduce safety incidents encourages our employees to approach safety proactively



**Kaun Banega Suraksha Gyani (KBG)**

- Our Safety quizzes based on various themes facilitate employee safety engagement in a creative way
- The program is based on the application of the safety training imparted to our employees. Thus, enabling us to gauge their awareness levels post training sessions



**War Against Hazards (WAH)**

- The program motivates employees across cadres to identify hazards in their workplace and immediately prompt the concerned authority for timely action, preventing it from translating into incident
- This incentive-based program encourages our employees to contribute towards the Unit Safety Goal of zero-incident



- National Safety Week Celebration
- ERT Competition
- Road Safety Week Celebration
- Surakshamahotsav Celebration
- Fire Service day

<sup>38</sup> GRI 403-4

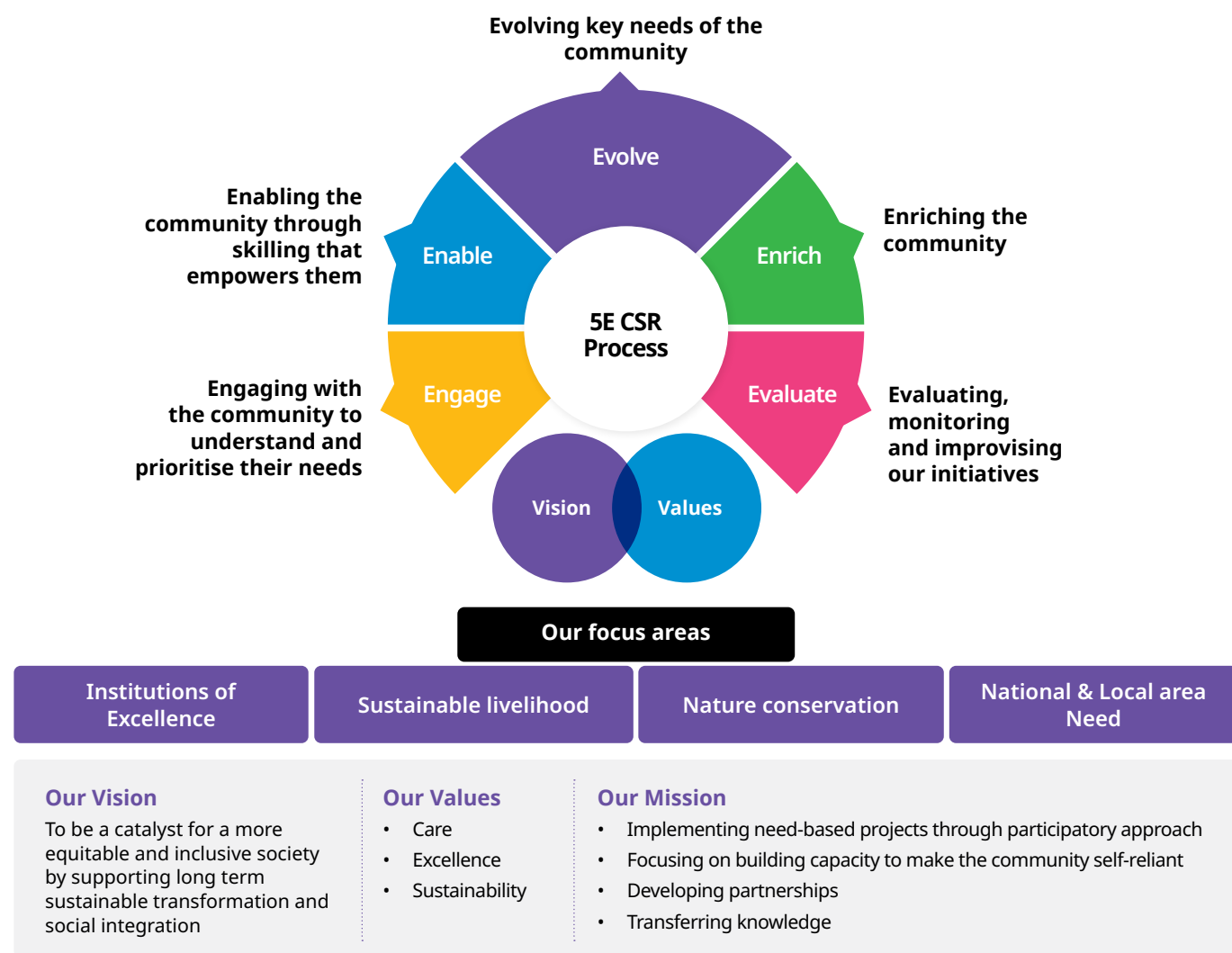
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**Our commitment to uplift communities<sup>39</sup>**

At UPL, contributing towards the upliftment of communities across the world has always been an integral part of our business strategy. We realise the importance of co-creating a holistic society along with propelling the company's financial performance to ensure sustainable growth. We continued to enhance efforts towards our key CSR focus areas during the pandemic as well as established a structured course of action for the post-pandemic period. Our community initiatives have an outreach of 30+ countries and 70+ communities, supported by 80+ development programs.

**UPL won the Platinum Award under the 'Best Community Programme Award (for Sustainable Livelihood)' during the 13th Annual Global CSR Summit and Awards, 2021.**

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



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. Additionally, our 4 identified CSR focus areas and initiatives have been anchored on our CSR policy. Any stakeholder grievances related to the policy are reviewed by established grievance mechanisms at UPL. We continue to strengthen partnerships with NGOs and other

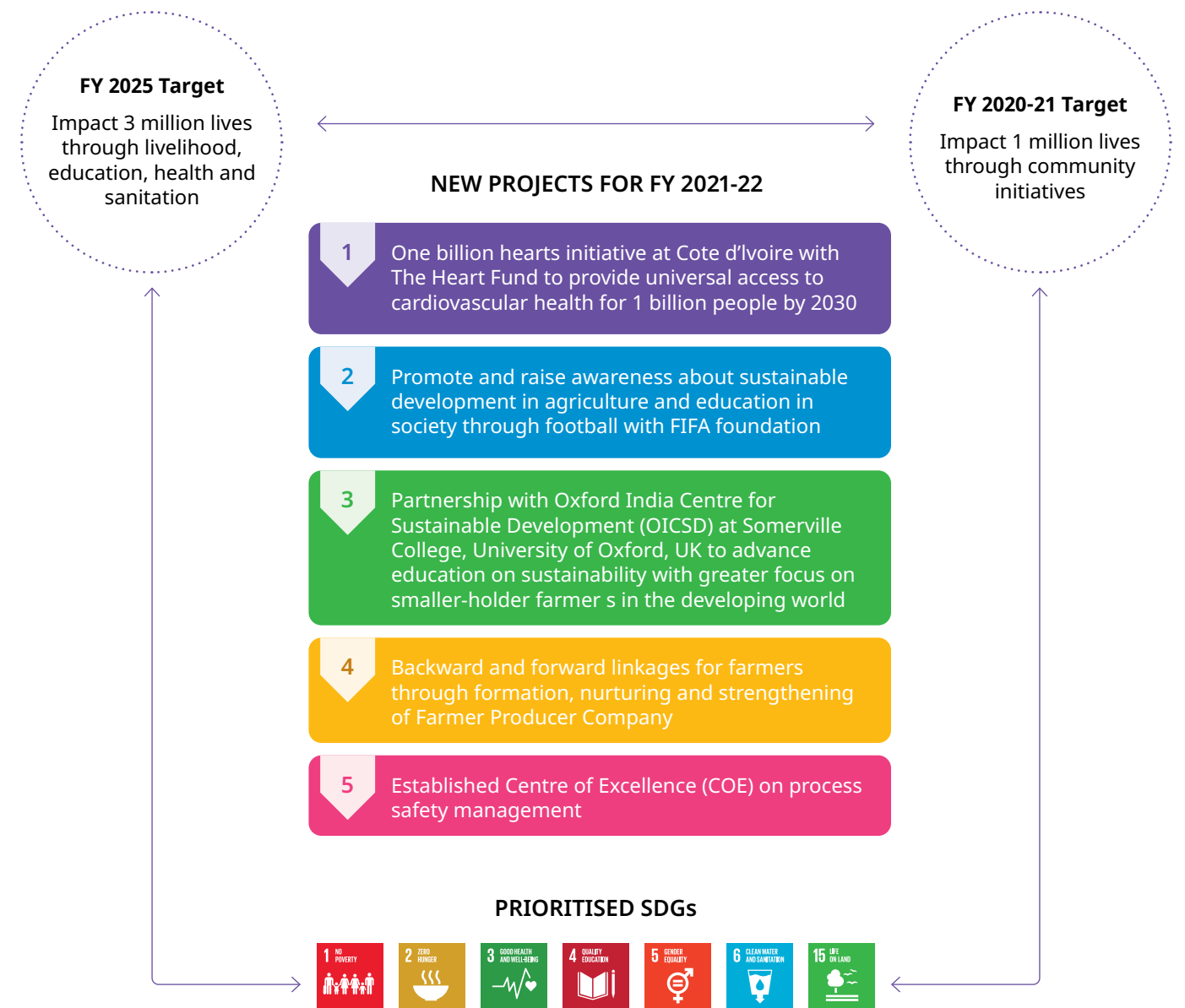
associations to maximise our outreach and ensure positive impact for all our stakeholders. In our effort to augment value creation and enhance our CSR activities, we conduct third party, social and environmental impact assessments. Furthermore, since most of our operational facilities are in the industrial zone, we are humbled to state that there is no negative impact on our local communities<sup>40</sup>.

<sup>39</sup> GRI 103-1, GRI 413-1 | <sup>40</sup> GRI 103-2, GRI 103-3, GRI 413-2

**Co-creating a resilient community**

At UPL, we strive to have a meaningful impact on the lives of our stakeholders. We continue to enhance our engagement with the local community in order to achieve our long-term value creation goals. During the reporting period, we launched several new initiatives and targets to be met in FY 2021-22. These are further aligned to our CSR objectives and prioritised SDGs. Our commitment to the United Nations Global Compact (UNGC) initiative in FY 2020-21 has further strengthened our CSR vision and mission, as we strive to ensure sustainable growth for all.

We have provided a glimpse into our initiatives and case studies across UPL's CSR focus areas below. Further details regarding our CSR programmes can be accessed from our Annual CSR Report available on website.



GRI 103-2, GRI 103-3, GRI 413-2



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## National CSR initiatives across our focus areas



### Institution of excellence

At UPL, drawing on the synergies of education, economic and social growth we propagate and elevate the quality of education across communities. Our robust educational institutions provide an edifying platform for students from different demographics, augmenting access to skill development initiatives beyond the scope of school-level curriculum. To enhance access to different levels of education we have established the following institutions:



#### THE SANDRA SHROFF GNYAN DHAM SCHOOL

Well-renowned for its outstanding academic performance over the years, the school offers CBSE curriculum to students from nursery to class 12. It is known for its holistic curriculum focusing on academics as well as co-curricular activities.



#### THE SHROFF S. ROTARY INSTITUTE OF CHEMICAL TECHNOLOGY

The institute was set up with the vision of creating quality engineers required by chemical and allied industries. It imparts technical training to students. In addition to R&D contribution, the institute offers consultancy services to industries.



#### THE SANDRA SHROFF ROFEL COLLEGE OF NURSING, VAPI (SSRCN)

It is the first self-financed nursing college set up in Gujarat with the vision of healing and comforting the suffering, while becoming a Global leader in Nursing education and research. In the recent outbreak of the COVID-19 pandemic (second wave), students volunteered at the frontline as COVID-19 assistants.



#### THE GNYAN DHAM EKLAVYA MODEL RESIDENTIAL SCHOOL, AHWA

The school managed by our Gyandham Vapi Charitable Trust aims to create 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 UPL CENTER FOR AGRICULTURE EXCELLENCE

It is a residential farmer training school, benefitting over 18,000+ farmers up until March 2021. The school trains farmers with the latest skills and training modules required to augment their efforts across farming practices.



### Sustainable Livelihood (UPL Pragati)

Under this focus area, UPL aims to elevate the growth of rural women, unemployed youth, and marginalised small-scale farmers by enhancing their employability value and augmenting their value-creation capabilities. The interventions undertaken by UPL for sustainable livelihoods in FY 2020-21 are provided below.

#### AGRICULTURE DEVELOPMENT

##### UPL Khedut Pragati

- Improving agricultural productivity of 3,880 farmers and 87 farmer groups across 6 different clusters
- Working with 4,026 farmers of Boribagicha / Kitchen Garden in 58 villages
- 6 Farmer Producer Company (FPC) of 1,500 plus farmers in 5 locations with ₹13,65,000 equity generated
- 18,412 farmers trained at UPL Center for Agriculture Science-Vapi
- 3,926 Artificial Insemination performed in animal husbandry with 60-65% success rate
- The System of Rice Intensification (SRI) technology was adopted by 375 small and marginal farmers at Ahwa. 35-40% of yield improvement was observed
- “Fresh-Veg” initiative was launched to support Agri-entrepreneurs, directly interlinking farmers with customers through the medium of a mobile van for fresh vegetables



#### SKILL DEVELOPMENT

##### UPL Niyojaniy

- Trained 1,800+ youth dropouts under the UPL Niyojaniy initiative
- Placed 1,200+ youth across different industries with an average package of ₹9,125
- Considering the situation of COVID-19 Pandemic, we have conducted online skill training under the supervision of CED, Government of Gujarat, this year, we trained 261 youth, out of which 203 have placed and taken up responsible positions in various industries



#### SELF-HELP GROUPS (SHG) AND ENTREPRENEURSHIP DEVELOPMENT

##### UPL Udyamita

- Formed 152 women SHGs with 1,851 members
- Provision of Skill Based Entrepreneurial training to enhance employability of women
- ₹98,54,707 cumulative savings amount of SHG
- Launched first credit saving cooperative named “Sakhi Credit Saving Cooperative” –Community based organisation to provide financial services to women
- Launched a Cashew Processing unit at Kaprada, providing employment to 25-35 women on a recurring basis



#### Enhanced crop production and productivity through new Advanta Seeds okra hybrid varieties

A recent loss of 50-90% yield of Okra crops due to exposure of Enation Leaf Curl Virus (ELCV) encouraged Advanta Seeds to develop a combo high tolerance okra variety. The launch of the new hybrids ADV216, Raadhika, Navya and Jaani were met with great enthusiasm by farmers. Smallholder farmers observed enhanced crop health and longevity of crop duration of upto 120 days. Additionally, the increased quality and crop productivity have attracted farmers' attention to improve their yield value.

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**Enhancing livelihoods through integrated farming**

Bhadreshbhai Prabhubhai Patel, at Fulwadi Village, Jhagadia is a 49-year-old low paid worker in the Jhagadia industry. He has a monthly income which is less than ₹10,000. The income from this occupation was not sufficient for him to fulfill the needs of his 5-member family. Encouraged by the promising benefits of new farming techniques introduced by the UPL team at Vikram Farm and Krishi Vignan Kendra, he decided to supplement his income by introducing the creeper vegetable as a Mix Crop with Tomato. Under UPL guidance and subsidy, he started earning an additional profit of ₹10,000-12,000 per month. He is grateful for the additional source of income, which will help him support his childrens' higher education and fulfil their dreams.



**Steering skills**

Hemant Sonrajbhai Chauhan is a 23-year-old candidate at the skill training programme offered by UPL Skill Development Centre. He deeply desired to improve his family household condition. When presented with the opportunity to be trained for the AOCP course under the UPL Niyojani initiative, he immediately registered himself and worked relentlessly to acquire knowledge and the skillset required to enhance his employability value. His consistent efforts coupled with interview trainings offered to him at the centre supported him to be selected as an officer at Sanofi Chemical, Ankleshwar. Presently, he is employed at Sun Pharma earning a CTC of ₹1.95 lakh. He remains forever grateful to UPL for presenting him with the opportunity of training at the Skill Development Center.



**Nature Conservation**

The interdependency between natural resources and our business has led us to develop a symbiotic relationship with the environment. This has enabled us to implement sustainable growth strategies while preserving natural resources. With climate change becoming a critical challenge to be addressed, we at UPL continue to take up the initiative of conserving nature.

**SPECIES CONSERVATION INITIATIVES**



- **Sarus Conservation Project:** Scientific data monitoring of the Sarus is carried out monthly by UPL in collaboration with local community members and Rural Sarus Protection Groups (RSPG) volunteers at Kheda district, Gujarat. In FY 2020-21, 829 Sarus were officially documented against 500 since the beginning of project in FY 2015-16, marking an increment of 65%.



- **Deer and Antelope Breeding Project:** 62 Spotted Deer and 12 Four-horned Antelope were bred under the care and observation of experts and veterinary doctor. 19 Spotted Deer were released into the wild forest from the breeding centre



**UPL Social Forestry:** Under Social Forestry as of March 2021, we planted more than 52,900 trees across 110 acres of community land. Under the UPL Vasudha initiative regular plantation drives were arranged across the villages in which 82,829 trees were planted in last 4 years. At the Dahej coastal belt, a mangrove nursery of 3,00,000 Mangroves have been planted across 150 acres.



**UPL EcoClub:** In FY 2020-21, we formed and activated 117 Eco-Clubs in community schools, with 4,439 Eco-Club members and 15,829 students. 15,000+ plants were planted. 1,000+ students were sensitised with 100% students receiving participation certificates and 50+ students receiving awards.

**Water Conservation:** As part of our efforts to provide safe drinking water to community members, we have built 2 check dams, 8 group wells, 6 ponds and 4 borewell recharge structures. Cumulatively 72,947 cubic meters of water was conserved through these facilities. An overhead tank built at Bharuch with a capacity of 30,000 liters befitted 131 households in the village.

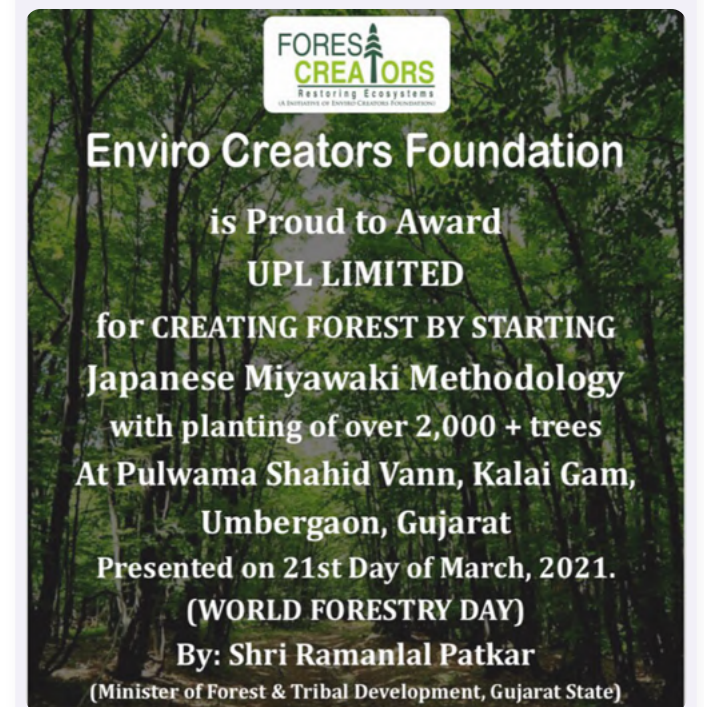


**Poshan Vatika**


Poshan Vatika, is a community-led nutrition garden initiative developed to highlight the importance of nutrition as a prerequisite for a healthy lifestyle. The project was inceptioned on a pilot scale with 5 kitchen gardens focusing on the cultivation of 10 vegetables, benefitting 75 community members. Noteworthy results of this pilot project plan drew the attention of neighbouring villages to replicate similar initiatives.

**Recognition for Social Forestry**

On "International Day of Forest 2021", the Minister of Forest and Tribal Development Shri Ramanlal Patkar presented an award to UPL for creating a Social Forestry named "Pulwama Sahid Vann - a living memorial for the Martyrs of Pulwama." The SF was planted with 2,000+ trees, adopting the Miyawaki methodology at Kalia Gam, Umbergaon, Gujarat.



Reimagining an agile workforce and a resilient community →

 **National and local area needs**

We at UPL, stay true to our value of “Always Human” by veering our resources and energy towards the betterment of our communities at a local and national level. While the COVID-19 pandemic has amplified adverse situations, it has also positively opened doors for organisations to build a resilient society. We have initiated several projects individually as well as by partnering with organisations to co-create a positive impact across communities. For FY 2020-21 we have the following highlights:

- “Save the Children India- Special Care Unit” focuses on educating special-needs children along with extra-curricular activities. In the past year, 10 students successfully passed the SSC board examination with a first class.
- We support the investigation process for the police across hit-and-run cases of road accidents by installing a high definition, Night Vision CCTV Camera with high-mast LED light at Jhagadia Cross Road, Jhagadia.
- UPL supports Apne Aap Women’s Collective (AAWC), a program for the upliftment and rehabilitation of children and women from the red-light areas of Kamathipura, Mumbai.
- Through United Against Child Labour (Project UAACL), we aim to eliminate all forms of child labour across seed supplier farms and to propagate quality education for all children.
- Along with our stakeholders, we remain committed to the development of the Vandri Cluster in Narmada district.
- Total of 42,000 participants have been trained on women, highway and industrial safety under our initiative of Suraksha Abhiyan
- Under our employee volunteering programme We Are United (WAU), 1,050 volunteers have spent 33,049 volunteer hours in the last 6 years.
- We support “Project Ekal Vidyalaya” in partnership with Friends of Tribal Society to create one teacher schools across the remotest parts of the country.



**UPL SCHOOL SANITATION**

Our school sanitation project was initiated to inculcate the values of cleanliness and hygiene among school children. Since the commencement of the project, 57 sanitation blocks have been constructed in community schools, **benefiting 14,500+ students.**



**MY SUPER WARD: A CITIZEN CENTRIC APPLICATION FOR MUMBAI**

This unique non-profit application creates an interface between citizens of urban areas and the government of their locality. During the COVID-19 pandemic, the app facilitated the co-ordination of medical social workers from hospitals across Mumbai to arrange blood donation drives. Additionally, awareness drives were arranged digitally, providing citizens daily updates pertaining to the COVID-19 pandemic.



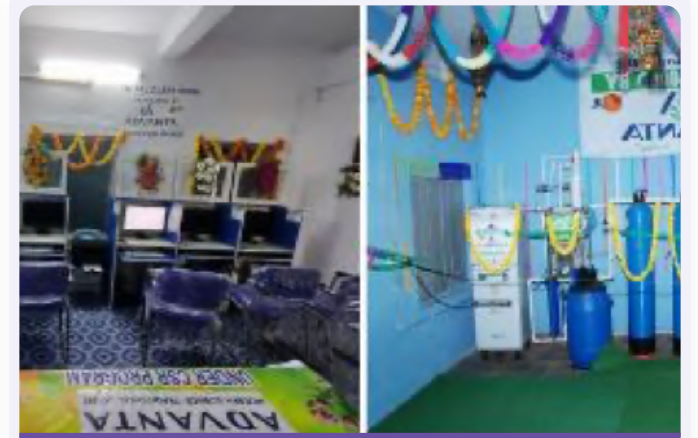
**Transforming Parli landscape through horticulture plantation**

The drought prone areas of Parli tehsil underwent a 360-degree transformation with the successful implementation of horticulture plantation patterns by farmers. They have also multiplied their incomes by shifting to the horticulture cropping pattern. The project was successful in achieving its FY 2020 target by planting 20,00,000 fruit trees, covering 4 districts in Marathwada, Maharashtra and 3 districts in Madhya Pradesh.



**UPL partnered with Ekatrika Bhavishya NGO to support farm widows in the Yavatmal district, Maharashtra**

This program was launched to support the widows of farmers in Vidarbha region by providing training programmes on stitching and tailoring, in addition to educating them about financial saving habits. With this collaboration, UPL established a SHG initially, with further intervention programmes focused on making women self-reliant. Additionally, UPL provided the SHG with tailoring machines to support women translate the newly acquired skillset into their profession.



**Advanta Seeds**

Advanta Seeds supported smart education across government schools by providing six computers to the Upper Primary School of Pangdigudem village and Secondary School of Koti village. Along with the computers, the trainer was appointed to teach the children how to use the computers. In addition, an RO water purification unit was set up by Advanta at the Upper Primary School of Gommuluru village, enabling the provision of safe and clean drinking water to students.

 **COVID-19 pandemic response**

While the country has been grappling with the pandemic for over a year now, we have been meticulously organising various projects and providing support to administrative authorities when they fall short of resources. Being inextricably linked to society, UPL has consistently supported communities through volunteering initiatives, provision of sanitisers, PPE kits, monetary donations, meal-kits, medicine supply and MMUs, among others. Some of the highlights of our response to the COVID-19 pandemic are provided below.



Reimagining an agile workforce and a resilient community →



COVID-19 first wave:

₹75 crore

Donated to PM Cares Fund

53,60,000

Liters of Sodium Hypochlorite (1% solution) provided to sanitise Government offices, municipalities, and villages.

31,100

Donated masks made by UPL's women Self Help Groups to communities

₹1 crore

Donated to Mumbai Police Foundation

100,000

Masks imported for the Government of Maharashtra

5,000+

Food packets donated to frontline workers and 10,000+ ration kits to poor families

- Provision of 80,000 masks, eyeglasses, and PPE suits to government medical staff
- Utilisation of UPL Falcon Spraying machines across India for sanitisation purposes.
- Launched Project Aspatal-Sansad Mobile Swastha Seva (SMS) to facilitate the containment of COVID-19 in Himachal Pradesh. The teams took up the responsibility of screening 10,000+ people and segregating them into symptomatic and asymptomatic categories. Additionally, the team assisted the administration in ferrying samples, patients, and medical equipment across designated areas through Mobile Medication Units (MMUs)



COVID-19 second wave:

- 70+ nitrogen PSA plants were converted for oxygen generation based on our pioneering work and initiative to train and educate others. UPL was the first company in India to adopt this technology.
- 100+ industry players, government & private institutions trained through various forums and webinars on the conversion of nitrogen PSA plants to oxygen plants in the 3rd & 4th week of April 2021.
- Pioneered the conversion of nitrogen plants to oxygen plants with the support of our team of engineers and scientists within 72 hours of the second wave on 23rd April 2021.
- COVID-19 medication kits were distributed to asymptomatic and mild-symptomatic patients in UP.
- 1,200 Jumbo Oxygen Cylinders provided at COVID-19 isolation centers in Bharuch.
- Refilled 500+ oxygen cylinders across hospitals in Gujarat in the third week of April 2021.
- Provided sanitisation services in the states of Haryana, Telangana, Andhra Pradesh, and Rajasthan by availing the spraying machines from UPL's Adarsh Farm Services wing.



Our global initiatives

In line with our commitment to 'Do things better', we aim to transform agricultural and business practices across the globe. We continue to empower communities with innovative technology, capitalising on opportunities and solutions to enrich our environment and safeguard natural resources. A glimpse into our global initiatives have been provided below. Further details regarding our CSR activities at large can be accessed through our Annual CSR Report available on website.

Our Global Outreach



COLOMBIA

UPL Colombia, through its association with "Saving the Amazon" foundation contributes towards the upliftment of the indigenous people of the Amazon. By donating 270 trees to the stakeholders in Ecuador and Colombia, UPL helped improve the deteriorating ecosystem of the Amazon. This also led to the improvement in food security and socio-economic conditions of the community inhabiting the forest.



WEST AFRICA

UPL continues to train farmers and producers of Cocoa plantations across West Africa to adopt Good Agricultural Practices (GAPs). Under this initiative, farmers are introduced to innovative technologies in farming and provided with sustainable agricultural solutions and practices. Till date, 12,229 farmers are trained under our Cocoa Sustainability Project.



BRAZIL

UPL Brazil, in collaboration with Cane Planters Cooperative of the State of São Paulo (Coplacana) initiated the project "2 Rs- Recycle and Reforest". Under this project farmers were encouraged to transport their agricultural waste and solutions packaging to recycling centres. On each delivery of an empty package, a seedling of a native tree was gifted to the farmer. Over the years 16,000 trees were delivered.



CAMBODIA

UPL Cambodia was one of the few companies to support rice farmers affected by floods in the Borvel and Mankul Borei district. With the support of local community volunteers, we ensured the availability of food and water supply for 100 rice farmers.

Global Reporting Initiative (GRI) Index<sup>1</sup>

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

GRI Standard	Disclosure	Page No.	Comments/Reason for emission
<b>GRI 102: General Disclosures 2016</b>			
<b>Organisational Profile</b>			
102-1	Name of the organization	11	
102-2	Activities, brands, products, and services	20	
102-3	Location of headquarters	11	
102-4	Location of operations	19	
102-5	Ownership and legal form		UPL is a publicly listed private company
102-6	Markets served	19	
102-7	Scale of the organization	19	
102-8	Information on employees and other workers	66	
102-9	Supply chain	19	
102-10	Significant changes to the organization and its supply chain	33	
102-11	Precautionary Principle or approach	35	
102-12	External initiatives	11	
102-13	Membership of associations	29	
<b>Strategy</b>			
102-14	Statement from senior decision maker	13	
102-15	Key impacts, risks and opportunities	35	
<b>Ethics &amp; Integrity</b>			
102-16	Values, principles, standards and norms of behavior	27	
102-17	Mechanisms for advice and concerns about ethics	32	
<b>Governance</b>			
102-18	Governance structure	32	
102-19	Delegating authority	31	
102-20	Executive-level responsibility for economic, environmental, and social topics	32	
102-21	Consulting stakeholders on economic, environmental, and social topics	36	
102-22	Composition of the highest governance body and its committees	31	
102-23	Chair of the highest governance body	31	
102-24	Nominating and selecting the highest governance body	33	
102-25	Conflicts of interest	36	
102-26	Role of highest governance body in setting purpose, values, and strategy	31	
102-27	Collective knowledge of highest governance body	30	
102-28	Evaluating the highest governance body's performance	33	

<sup>1</sup> GRI 102-55













GRI Standard	Disclosure	Page No.	Comments/Reason for emission
102-29	Identifying and managing economic, environmental, and social impacts	35	
102-30	Effectiveness of risk management processes	35	
102-31	Review of economic, environmental, and social topics	35	
102-32	Highest governance body's role in sustainability reporting	32	
102-33	Communicating critical concerns	32 & 35	
102-34	Nature and total number of critical concerns	35	
102-35	Remuneration policies	30	
102-36	Process for determining remuneration	30	
102-37	Stakeholders' involvement in remuneration	30	
102-38	Annual total compensation ratio	33	
102-39	Percentage increase in annual total compensation ratio	33	
<b>Stakeholder engagement</b>			
102-40	List of stakeholder groups	36	
102-41	Collective bargaining agreements		Please refer to Annual Report 2020-21, page no. 140
102-42	Identifying and selecting stakeholders	36	
102-43	Approach to stakeholder engagement	36	
102-44	Key topics and concerns raised	36	
<b>Reporting practices</b>			
102-45	Entities included in consolidation of financial statements	11	
102-46	Defining report content and topic boundaries	11	
102-47	List of material topics	36	
102-48	Restatements of information	11	
102-49	Changes in reporting	11	
102-50	Reporting period	11	
102-51	Date of most recent report	11	
102-52	Reporting cycle	11	
102-53	Contact point for questions regarding the report	11	
102-54	Claims of reporting in accordance with GRI standards	11	
102-55	GRI content index	86	
102-56	External assurance	4	
<b>Material Topics</b>			
<b>Governance and economics</b>			
103-1 (2016)	Explanation of the material topic and its boundary	32 & 52	
103-2 (2016)	The management approach and its components	32 & 52	
103-3 (2016)	Evaluation of the management approach	32 & 52	
204 - 1 (2016)	Proportion of spending on local suppliers	52	
206 - 1 (2016)	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	32	
<b>Innovation</b>			
103-1 (2016)	Explanation of the material topic and its boundary	72	
103-2 (2016)	The management approach and its components	72	
103-3 (2016)	Evaluation of the management approach	72	
Non-GRI	Emergency Preparedness	72	






GRI Standard	Disclosure	Page No.	Comments/Reason for emission
<b>Product responsibility</b>			
103-1 (2016)	Explanation of the material topic and its boundary	46	
103-2 (2016)	The management approach and its components	46	
103-3 (2016)	Evaluation of the management approach	46	
417-1 (2016)	Requirements for product and service information and labelling	46	
417-2 (2016)	Incidents of non-compliance concerning product and service information and labelling	46	
417-3 (2016)	Incidents of non-compliance concerning		
<b>Sustainable sourcing</b>			
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	
408-1 (2016)	Operations and suppliers at significant risk for incidents of child labor	52	
409-1 (2016)	Operations and suppliers at significant risk for incidents of forced or compulsory labor	52	
411-1 (2016)	Incidents of violations involving rights of indigenous peoples	52	
414-1 (2016)	New suppliers that were screened using social criteria	52	
<b>Data integrity and security</b>			
103-1 (2016)	Explanation of the material topic and its Boundary	54	
103-2 (2016)	The management approach and its components	54	
103-3 (2016)	Evaluation of the management approach	54	
Non-GRI	Data integrity and security	54	
<b>Data privacy</b>			
103-1 (2016)	Explanation of the material topic and its Boundary	54	
103-2 (2016)	The management approach and its components	54	
103-3 (2016)	Evaluation of the management approach	54	
418-1 (2016)	Substantiated complaints concerning breaches of customer privacy and losses of customer data	54	
<b>Environmental Management</b>			
<b>Energy</b>			
103-1 (2016)	Explanation of the material topic and its boundary	57	
103-2 (2016)	The management approach and its components	57	
103-3 (2016)	Evaluation of the management approach	57	
302 -1 (2016)	Energy consumption within the organization	57	
302-2 (2016)	Energy consumption outside of the organization		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	57	
302-4 (2016)	Reduction of energy consumption	57	
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.)

GRI Standard	Disclosure	Page No.	Comments/Reason for emission
<b>Water management</b>			
103-1 (2016)	Explanation of the material topic and its boundary	60	
103-2 (2016)	The management approach and its components	60	
103-3 (2016)	Evaluation of the management approach	60	
303-1 (2018)	Interactions with water as a shared resource	60	
303-2 (2018)	Management of water discharge-related impacts	60	
303 - 3 (2018)	Water withdrawal	60	
303 - 4 (2018)	Water discharge	60	
303 - 5 (2018)	Water consumption	60	
<b>Emissions</b>			
103-1 (2016)	Explanation of the material topic and its Boundary	60	
103-2 (2016)	The management approach and its components	60	
103-3 (2016)	Evaluation of the management approach	60	
305 - 1 (2016)	Direct (Scope 1) GHG emissions	60	
305 - 2 (2016)	Energy indirect (Scope 2) GHG emissions	60	
305 - 3 (2016)	Other indirect (Scope 3) GHG emissions		Information unavailable (Currently we do not monitor other indirect GHG emissions. We intend to incorporate systems in place for Scope 3 emissions for future reporting)
305 - 4 (2016)	GHG emissions intensity	60	
305 - 5 (2016)	Reduction of GHG emissions	58	
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	60	
<b>Waste management</b>			
103-1 (2016)	Explanation of the material topic and its boundary	62	
103-2 (2016)	The management approach and its components	62	
103-3 (2016)	Evaluation of the management approach	62	
306 - 1 (2016)	Water discharge by quality and destination	60	
306 - 2 (2016)	Waste by type and disposal method	62	
306 - 3 (2016)	Significant spills	62	
306 - 4 (2016)	Transport of hazardous waste	62	
306 - 5 (2016)	Water bodies affected by water discharges and/or runoff	62	
<b>Environmental compliance</b>			
103-1 (2016)	Explanation of the material topic and its boundary	57	
103-2 (2016)	The management approach and its components	57	
103-3 (2016)	Evaluation of the management approach	57	
307 - 1 (2016)	Non-compliance with environmental laws and regulations	57	
<b>Supplier environmental assessment</b>			
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	
308 - 1 (2016)	New suppliers that were screened using environmental criteria	52	
308 - 2 (2016)	Negative environmental impacts in the supply chain and actions taken	52	

GRI Standard	Disclosure	Page No.	Comments/Reason for emission
<b>Social</b>			
<b>Occupational health and safety</b>			
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	
403 - 1 (2018)	Occupational health and safety management system	70	
403 - 2 (2018)	Hazard identification, risk assessment, and incident investigation	71 & 72	
403 - 3 (2018)	Occupational health services	73	
403 - 4 (2018)	Worker participation, consultation, and communication on occupational health and safety	75	
403 - 5 (2018)	Worker training on occupational health and safety	71	
403 - 6 (2018)	Promotion of worker health	73	
403 - 7 (2018)	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	73	
403 - 8 (2018)	Workers covered by an occupational health and safety management system	70 & 73	
403 - 9 (2018)	Work-related injuries	73	
403 - 10 (2018)	Work-related ill health	73	
<b>Product safety and transparency</b>			
103-1 (2016)	Explanation of the material topic and its boundary	46	
103-2 (2016)	The management approach and its components	46	
103-3 (2016)	Evaluation of the management approach	46	
416-1 (2016)	Assessment of the health and safety impacts of product and service categories	46	
416-2 (2016)	Incidents of non-compliance concerning the health and safety impacts of products and services	46	
<b>Human rights assessment</b>			
103-1 (2016)	Explanation of the material topic and its boundary	67	
103-2 (2016)	The management approach and its components	67	
103-3 (2016)	Evaluation of the management approach	67	
412 - 1 (2016)	Operations that have been subject to human rights reviews or impact assessments	67	
412 - 2 (2016)	Employee training on human rights policies or procedures	67	
412 - 3 (2016)	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	67	
<b>Local communities</b>			
103-1 (2016)	Explanation of the material topic and its boundary	76	
103-2 (2016)	The management approach and its components	76	
103-3 (2016)	Evaluation of the management approach	76	
413 - 1 (2016)	Operations with local community engagement, impact assessments, and development programs	76	
413 - 2 (2016)	Operations with significant actual and potential negative impacts on local communities	76 & 77	

### United Nations Sustainable Development Goals (UN SDG) Index

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 <b>Goal 1: No Poverty</b>	64
 <b>Goal 2: Zero Hungry</b>	64
 <b>Goal 3: Good Health And Well-Being</b>	64
 <b>Goal 4: Quality Education</b>	64
 <b>Goal 5: Gender Equality</b>	64
 <b>Goal 6: Clean Water And Sanitation</b>	64
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 <b>Goal 8: Decent Work and Economic Growth</b>	64
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 <b>Goal 12: Responsible Consumption And Production</b>	44, 55

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	<b>Goal 15: Life On Land</b>	64, 80
	<b>Goal 16: Peace, Justice And Strong Institutions</b>	30
	<b>Goal 17: Partnerships For The Goals</b>	10, 64

## United Nations Global Compact Principles Index

The Ten Principles of the UN Global Compact	UPL's Contribution to the United Nations Global Compact Principles
<b>Human Rights</b>	
<b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights	33, 67, 68
<b>Principle 2:</b> make sure that they are not complicit in human rights abuses	33, 67, 68
<b>Labour</b>	
<b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	32, 73, Please refer to Annual Report 2020-21, page no. 140
<b>Principle 4:</b> the elimination of all forms of forced and compulsory labour	52
<b>Principle 5:</b> the effective abolition of child labour	52
<b>Principle 6:</b> the elimination of discrimination in respect of employment and occupation	32, 33, 67
<b>Environment</b>	
<b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges	56, 57, 58, 59, 61, 62, 63
<b>Principle 8:</b> undertake initiatives to promote greater environmental responsibility	56, 57, 58, 59, 61, 62, 63
<b>Principle 9:</b> encourage the development and diffusion of environmentally friendly technologies	50, 58, 61
<b>Anti-Corruption</b>	
<b>Principle 10:</b> Businesses should work against corruption in all its forms, including extortion and bribery	32





## **UPL Limited | Sustainability Report 2020-21**

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