



Supplier Management.

Our approach to our suppliers is that of progressive partnership. This is based on core business requirements of quality, price, and speed combined with our non-negotiable principles of ethical and sustainable actions, e.g. zero tolerance for child labor. Suppliers are key partners in creating value for our stakeholders.

MANAGEMENT APPROACH

We have built systems and processes to ensure adherence to leading procurement practices including assurance of human rights, corruption-free business practices, transparent processes while encouraging environmentally sustainable business operations.

During the supplier onboarding process, we thoroughly examine regulatory and financial information before including the vendor in Wipro's vendor base. We utilize a third-party screening tool to check for adverse media reports, Office of Foreign Assets Control (OFAC) sanctions, Foreign Corrupt Practices Act (FCPA) violations and Politically Exposed Personnel. All vendors registering online must provide declarations regarding Wipro's Anti-bribery & Anti-corruption policy, Supplier Code of Conduct, and Modern Slavery policy. Vendors with adverse media reports undergo an internal review before determining the potential engagement. For vendors providing services in identified sensitive sectors and geographies, we conduct an enhanced due diligence process.

PILLARS OF SUPPLIER SUSTAINABILITY PROGRAM

Ethical

Wipro expects its partners to follow ethical procurement practices in line with core values of Wipro, the Code of Business Conduct (COBC), Spirit of Wipro Values and Supplier Code of Conduct (SCOC). We have system enabled database checks for vendors across geographies, third-party tools to track labor compliance in certain geos every month and credit scoring of suppliers customized for each category. We conduct annual sessions on anti-bribery and anti-corruption to identify high-risk geographies and social compliance programs for manpower services providers.

Wipro follows a Vendor Risk Assessment policy to ensure Information security assessments of critical suppliers/vendors align with applicable policies, procedures, standards, and baselines. We utilize a security questionnaire based on industry frameworks like ISO 27001 and NIST 800-53 to evaluate vendor security controls. Assessment reports, approved by relevant stakeholders, highlight non-conformances and observations. We track and address these observations to achieve closure effectively. We conduct comprehensive audits to assess labor practices, including working hours, child labor, and workplace safety.

Social audit program

Vendor compliance audit is carried out monthly, to monitor compliance with labor practices. The audit process plays a crucial role in identifying gaps and assessing the readiness of compliance requirements, as per the State specific regulatory requirements. Third-party audit tools are used for the monthly compliance check. Out of 367 vendor locations identified for the audit, 278 vendor audit locations have been completed.

Wipro has partnered with DASRA, a strategic philanthropy foundation, to build better social and well-being practices within our suppliers through the Social Compact platform. Social Compact focuses on six key outcomes of informal worker practices: wages, health, access to entitlements, gender safety and future of work. This engagement will assist us in reflecting on our current worker practices, introducing remedial actions wherever necessary and monitoring through a social-compliance assessment customized for Wipro and our supply chain.

Way forward

The key challenges we face include vendors' lack of awareness regarding labor compliance, the need to reassign tasks frequently due to changes in the vendor's Single Point of Contacts (SPOCs), and the delayed resolution of non-compliance issues. The way forward is to streamline communication and enhance compliance awareness among vendors to expedite the resolution of non-compliance issues.

Equitable

Wipro being an Equal Opportunity employer is committed to procuring products and services which are developed based on universal design principles and accessibility standards such as Harmonized Guidelines (HG), 2016 Government of India for physical infrastructure and the WCAG (Web Content Access Guidelines) 2.1 AA meant for ICT products. We consider this is critical towards creating

equitable opportunity for all users, especially for persons with disability. At present, we have voluntary declaration provision for suppliers to illustrate how their products or services are accessible to all users with different abilities.

Wipro has instituted two flagship programs for new as well as existing suppliers meeting certified norms of diversity: the 'Wipro Inclusion & Diversity Opportunity for Vendors (WINDOV)' series of virtual conclaves that enable direct access for small suppliers to present their capabilities to the global procurement team and the 'Wipro Inclusive Supplier Development and Mentorship (WISDOM)' program to strengthen these businesses by providing management as well as technical support to participating diverse suppliers. WINDOV Conclaves have enabled us to source goods from remotely located Indian tribal women and American businesses located in Historically Underutilized Businesses (HUB) zones; WISDOM interactions have enabled us to identify addressable barriers to increase our spend with existing Wipro diverse suppliers.

On account of our supplier diversity initiatives, we were able to register 13.6% of our global spend with certified diverse suppliers and 3.8% of our global spend with MSME suppliers during FY23. Our target is to achieve global diverse spend of over 15% by 2024.



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Ecological

Wipro has been consistently recognized as an EPEAT Purchaser Award winner - since the past 5 years, which celebrates leaders in sustainable electronics procurement. We have also been recognized with the EPEAT (Electronic Product Environmental Assessment Tool) 5 STAR rating in both 2022 and 2023. This is awarded by the Global Electronics Council (GEC), the non-profit organization that manages the EPEAT ecolabel. EPEAT allows our organization to efficiently address the lifecycle impacts of the electronics we purchase. The categories covered in the 5 STAR Rating are Computers and Displays, Imaging Equipment, Television, Mobile Phones, Servers (Television being the new category added). Procurement of EPEAT certified products in calendar year 2021 was estimated to lead to a GHG reduction of 3873 tons CO2 equivalent, 171,788 MWh of energy savings and 39.8 million liters of water over the lifetime of products. We shall receive the assessment report for 2022 in July 2023.

Our green building program follows an integrated approach spanning design, engineering services, materials and equipment procurement that meet stringent environmental criteria – both, at the construction and at the operational stages. In addition, we continue to procure renewable energy through Power Purchase Agreements (PPAs) from RE generators across three states in India. In the reporting year, we also completed an assessment of RE generators

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in two states based on the principles of the 'Responsible Energy Initiative' set up by 'Forum for the Future'. These cover various social and environmental aspects in the setup and maintenance of power plants including impacts on local communities. Over the next few months, we plan to incorporate the learnings from the assessments in our present and future RE procurement engagements. We also annually assess our electronic waste recyclers on meeting recycling standards.

Wipro is also committed to promoting environment-friendly practices in all aspects of its operations, including the procurement of materials and services for cleaning, cooling, landscaping, and safety practices. Here are some of aspects that Wipro takes into account while procuring the same:

- **Cleaning**

Wipro prioritizes eco-friendly cleaning by utilizing biodegradable products that are free from harmful chemicals. These products effectively clean and sanitize surfaces while minimizing environmental impact.



- **Cooling**

Wipro employs energy-efficient cooling systems that consume less power and have a reduced carbon footprint. These systems use eco-friendly refrigerants that do not harm the ozone layer.

- **Landscaping**

Wipro maintains its gardens and landscapes using organic and natural fertilizers that are chemical-free and derived from renewable resources. Rainwater harvesting and drip irrigation systems are promoted to conserve water.

- **Safety practices**

Wipro complies with environmental regulations and standards, ensuring safety practices align with sustainability goals. Non-toxic and biodegradable materials are used for safety gear, while promoting energy-efficient lighting systems. Employees are also encouraged to conserve energy and reduce waste.

By adopting such practices, the Company not only reduces its impact on the environment but also ensures a healthier and safer workplace for its employees.

CDP supply chain program

We have joined the CDP supply chain program – the first India-based Company to join the platform. Through the platform we engaged with 60 of our top carbon intensive suppliers and encouraged measurement and disclosure of their environmental data on the CDP platform. Based on the disclosed emission allocations to Wipro, we carried out one on one discussions with few of the suppliers to broadly understand their methodology and approach towards the reporting of emissions data on the platform.

For the current year engagement, we have refined our selection and shortlisted around 20 suppliers across each of the top categories based on spend values and sectoral emission intensity.



Wipro has audited 42 out of 87 engineering service & facility supporting vendor partners for their services based on stringent environmental criteria. Some of the actual and potential negative environmental impacts identified in the extended supply chain include:

- **Supply chain transparency**

We rely on complex global supply chains, which can make it challenging to monitor and ensure responsible sourcing practices. The extraction of raw materials for electronics, such as rare earth metals, can have significant environmental impacts, including habitat destruction and water pollution.

- **Packaging waste**

The packaging used for shipping IT equipment and components can generate substantial amounts of waste. Excessive packaging materials, such as plastic and foam, contribute to pollution and waste management challenges.

- **Carbon footprint**

Transportation of goods and services within the supply chain contributes to the carbon footprint of IT services companies. This includes the transportation of raw materials, components, and finished products. Long-distance shipping and air freight can have particularly high carbon emissions.