



UPHOLDING OUR GREEN SUPPLY CHAIN

At Galaxy Surfactants, we take immense pride in the robust and purpose-driven green supply chain we have built over the years. As a key player in the speciality chemicals industry, we understand that our responsibility extends far beyond product performance; it extends to how we source our raw materials, engage with our partners and protect ecosystems. Our green supply chain reflects a well-integrated approach that aligns business continuity with Environment, Social and Governance (ESG) stewardship.

Key Linkages

Material Topics

- 14 Circular Economy
- 13 Sustainable Palm Oil
- 15 Product Sustainability — Lifecycle Assessment Approach

Stakeholders Impacted

-  Suppliers

SDGs



Upholding Our Green Supply Chain

Building Trust through RSPO-certified Palm Sourcing

Galaxy is a member of the Roundtable on Sustainable Palm Oil (RSPO) since 2012. Our commitment began with a clear aim: to embed responsible sourcing across our operations. As a maker of speciality surfactants, we rely on palm-based raw materials. That is why sourcing them sustainably is a key part of reaching our sustainability goals.

By 2014, we secured RSPO Mass Balance (MB) and Segregation (SG) certification for our Indian sites, later expanding to Mass Balance (MB) certification at our Egypt facility.

RSPO certifications are backed by robust quarterly reconciliations of certified raw materials and finished goods and regular audits both internal and third-party. Our progress is consistently documented through RSPO's Annual Communications of Progress (ACOP), reinforcing transparency in our sourcing efforts.

Collaborating with customers who share our sustainability vision has supported a steady rise in the sale of RSPO MB-certified finished goods. This has been a key contributor to reducing environmental impacts and

building traceability across our palm value chain.

All our relevant sites are RSPO certified since a decade. We continue to strengthen our sourcing model through supplier partnerships, risk assessment tools and the integration of NDPE (No Deforestation, No Peat, No Exploitation) principles into broader compliance systems. These steps ensure that our supply chain remains certified, resilient and forward-looking.

81.3

Sustainable Palm Index

3,38,933 tCO₂e

Total emissions avoided from CY 2015 to CY 2024 from procurement of RSPO MB raw material

2,300 hectares

Land saved through certified sourcing in FY 2024-25

All relevant sites are RSPO-certified

Certifications and Compliance

- RSPO certification since 2014, with membership since 2012
- Compliance with Unilever's Verification of Deforestation-free (VDF) standards
- We are ISCC+ certified for petrochemical derivatives
- Annual supplier sustainability survey to ensure compliance with ESG criteria
- Engaging with suppliers to ensure adherence to sustainability commitments
- Implementing No Deforestation, No Peat, No Exploitation (NDPE) policies across derivatives of oleo chemicals supply chain



Sustainable Palm Oil Policy

We have adopted a comprehensive Sustainable Palm Oil Policy that clearly communicates our approach to responsible sourcing and supplier engagement. This policy applies to all oleochemical derivatives procured by the Galaxy group, including Galaxy Surfactants

Limited, Galaxy Chemicals Egypt and TRI-K Industries. It is publicly accessible and shared with suppliers and customers alike, serving as a transparent commitment to traceability, NDPE (No Deforestation, No Peat, No Exploitation), grievance handling and certification standards

such as RSPO. It also aligns with emerging regulations such as the EU Deforestation Regulation (EUDR) and supports our participation in global disclosure platforms, including CDP and RSPO ACOP.

Guiding Principles

NDPE Compliance

We ensure our supply chain does not cause deforestation, peatland conversion, or exploitation and protect HCV and HCS forests.

Human Rights

We uphold international labour rights, including no child labour, no forced labour, safe work environments and fair wages.

Transparency and Traceability

We track the origin and compliance of raw materials across our supply chain, enabling full traceability.

Supplier Code of Conduct

We expect all suppliers to follow ethical, legal, social and environmental practices aligned with our values.

Supplier Evaluation and Engagement

We assess suppliers periodically and work with them to enhance sustainability via programmes like GALSUSTAIN. We had a 7th GALSUSTAIN programme on February 4, 2025 and was attended by more than 70 representatives from various organisations.



Grievance Mechanism

We operate an open and transparent grievance process, ensuring all issues are logged, investigated and resolved.

Certification

We maintain RSPO and VDF compliance and prepare proactively for new sustainability certification requirements.

Smallholder Engagement

We support inclusive sourcing by helping smallholders improve productivity and meet ethical sourcing standards.

Goals and Reporting

We aim for 100% traceability to mills and 60% traceability to plantations and three smallholder projects to be implemented by FY 2029-30, maintaining transparent disclosures through multiple frameworks.

Biodiversity, GHG and Water

We invest in biodiversity, promote clean energy and water stewardship and minimise emissions across our value chain.

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Oil Palm Traceability

Traceability is a cornerstone of our responsible sourcing strategy at Galaxy. We have implemented a structured system to collect both Traceability to Mill (TTM) and Traceability to Plantation (TTP) data from our suppliers, allowing us to maintain clear visibility into the origins of palm oil derivatives.

Geographic mapping of supplier mills further enables us to assess their proximity to High Conservation Value (HCV) and High Carbon Stock (HCS) forests. In addition, we use traceability dashboards and risk screening tools to identify potential non-compliance, enabling us to either engage suppliers for improvements or transition away where necessary.

56%
Traceability to Plantation

99.6%
Traceability to Mill

Supplier Sustainability Questionnaire

Recognising that our suppliers play a key role in driving sustainability across the value chain, we conduct an annual Supplier Sustainability Survey.

Annual Supplier Sustainability Survey is carried out by circulating a questionnaire on Environment, Social and Governance aspects. Suppliers are requested to respond to the questionnaire. Assessment is carried out based on the submission of questionnaire. Post evaluation, training programmes are conducted on relevant topics to help suppliers progress.

The questionnaire evaluates their performance, practices and alignment with our expectations. This structured assessment helps us understand the maturity of our partners in areas such as certification, environmental responsibility and human rights. The insights gathered are internally scored to segment suppliers by risk and performance levels. Those requiring support are offered improvement plans and access to our capacity-building initiatives.

Key Areas Covered in the Questionnaire

- Certification status
- NDPE policy implementation
- Deforestation monitoring mechanisms
- Availability of grievance redressal mechanisms
- Environmental metrics tracking (e.g. water, waste, GHG Emissions)
- Human rights and labour policies

Driving Supplier Excellence with GALSUSTAIN

GALSUSTAIN is our flagship annual supplier engagement platform designed to foster collaboration, learning and innovation in sustainable sourcing. It brings together suppliers, customers and industry experts to exchange knowledge on traceability,

deforestation-free sourcing, life cycle assessment (LCA), and regulatory preparedness including the EU Deforestation Regulation (EUDR) and certification systems. The event enables capacity-building by showcasing tools, best practices and real-world case studies.

In the 7th edition of GALSUSTAIN, held on February 4, 2025, interactive sessions on traceability technologies, supplier self-assessment outcomes and RSPO risk mitigation strategies were featured, empowering our partners to enhance their sustainability capabilities.

CDP Forest Security Disclosure: Strengthening Transparency in Palm Sourcing

We actively participate in the CDP Forest Security disclosure programme, focusing on palm oil as a key forest-risk commodity. CDP provides a globally recognised framework that allows us to assess and disclose deforestation-related risks across our supply chain. It enables us to evaluate our exposure and also demonstrates our ongoing efforts to mitigate such risks through responsible sourcing and traceability initiatives.

Our disclosures cover a wide range of areas including forest-related policy commitments, risk identification and prioritisation and actions taken to reduce deforestation materials and

collecting Traceability to Mill (TTM) data. We also report on the financial implications of deforestation risks and our engagement with suppliers to strengthen traceability and certification coverage. By sharing the percentage of traceable and certified palm volumes, we remain aligned with stakeholder expectations on transparency and accountability.

B
Management level
CDP Forest Security
Disclosure Rating

Sustainable Palm Index (SPI)

The Sustainable Palm Index (SPI) is a benchmarking tool developed by ASD members to assess and encourage responsible palm oil sourcing practices across supply chains. Our 'A' rating in the SPI 2025 campaign reflects our strong performance in areas such as traceability, transparency, use of certified raw materials, policy strength and time-bound implementation commitments. Achieving a score in the top performance band signals our consistent progress toward a deforestation-free supply chain and validates the systems we have put in place to drive long-term sustainability across sourcing operations.

81.3
SPI Score



Upholding Our Green Supply Chain

Grievance Mechanism

We have implemented a publicly accessible Grievance Mechanism that allows employees, suppliers and external stakeholders to raise concerns related to environmental or social issues, including deforestation, human rights violations, or NDPE breaches. This process, detailed on our corporate website, follows a structured protocol from grievance take intake and preliminary assessment to supplier engagement, action planning and closure reporting. All grievances are tracked internally and suppliers are expected to resolve issues within set timelines to remain part of our approved network.

Verified Deforestation-Free (VDF)

Our Verified Deforestation-Free (VDF) certification affirms that our palm-based sourcing practices do not contribute to deforestation or ecosystem conversion. VDF certification aligns with our NDPE commitments and provides third-party validation that our supply chain complies with post-cut-off deforestation-free standards.

NDPE Commitments

Our sourcing practices are guided by a strong No Deforestation, No Peat, No Exploitation (NDPE) framework, which suppliers acknowledge and adhere. We actively monitor compliance using digital tools and third-party alerts, enabling early identification of any risks or violations. Where non-compliance is identified, we engage suppliers to resolve the issue and disengage if no corrective action is taken. These commitments are backed by ongoing training, clear policy declarations and annual traceability checks across the supply chain.



Risk Management in the Palm Oil Value Chain

We conduct structured ESG risk assessments across our palm oil value chain to identify key vulnerabilities and drive targeted mitigation. We focus on risks related to the availability and cost of certified palm derivatives, reputational concerns from public scrutiny, regulatory shifts such as the EUDR and supply chain challenges like traceability and climate-related disruptions. To address these, we diversify our supplier base, maintain buffer stock, enhance traceability and carry out regular audits and compliance checks.

Resilient Sourcing Practices

Our approach combines internal evaluations and external tools. We use supplier questionnaires, monitor traceability and apply scenario planning to anticipate future risks. Tools like SPOTT and landscape-level assessments help detect land use changes and assess broader environmental or social risks. Ongoing engagement with communities, NGOs and sustainability platforms ensures early identification of issues and shared progress. This integrated process helps us build a more resilient, transparent and responsible palm oil supply chain.

Solidarity Sourcing

We actively support the Solidarity Sourcing model, which aims to promote inclusive supply chains by engaging with smallholders, women-led cooperatives and marginalised communities. At present, we are involved in a dedicated project for the sustainable sourcing of Tung oil. While our direct sourcing from smallholders remains limited, we collaborate with suppliers who participate in RSPO Smallholder Certification programmes. Our procurement policies are designed to ensure that smallholder-based value chains are included and encouraged through capacity-building and responsible sourcing frameworks.

Broadening Our Scope: ISCC PLUS Certification

We are ISCC+ certified for our Taloja and Jhagadia sites and in process for implementing the same at our GCE site. This will allow us to validate sustainability claims related to circular economy practices, bio-based carbon sourcing and non-palm sustainable feedstocks such as phenol and ethylene oxide.



Strengthening Supplier Capability

We conduct regular training sessions to equip suppliers with the knowledge and tools required for sustainable sourcing. These sessions cover RSPO requirements, NDPE principles, traceability systems, CDP reporting and environmental data management.

Upholding Standards: Supplier Code of Conduct

Our Supplier Code of Conduct defines expectations across legal compliance, ethics, labour rights, environmental performance and NDPE adherence. Compliance is mandatory and supported through audits, questionnaires and ongoing supplier engagement.

Delivering on Our Green Supply Chain Goals

We set and monitor annual targets to strengthen our green supply chain, including increasing deforestation and conversion-free raw material share, improving traceability and aiming for zero deforestation. Performance is reviewed quarterly and reported through recognised platforms such as CDP and RSPO ACOP.

Shaping the Conversation: Industry Participation

We participate actively in sustainability-focused platforms, including the Roundtable on Sustainable Palm Oil (RSPO), Indian Sustainable Palm Oil Coalition (I-SPOC), CDP webinars and conferences hosted by CII, ICC and others contributing to policy dialogue and sharing best practices.

We take part in various industry platforms, including RSPO Growers Incentive Task Force (GITF). The RSPO GITF is a newly formed group under the RSPO. Its main goal is to develop mechanisms to incentivise medium-sized growers and smallholders to adopt sustainable practices and achieve RSPO certification. The task force includes various stakeholders such as growers from different regions, NGOs, supply chain actors and financial institutions.

Additionally, we are the co-chair for RSPO's National Interpretation Task Force (NITF). The NITF for the RSPO Independent Smallholder (ISH) Standard is responsible for adapting the general RSPO standards to fit the specific national context. This process ensures that the standards are relevant and practical for smallholders in different countries.

The NITF includes representatives from various sectors, such as palm oil growers, consumer goods manufacturers, NGOs and financial institutions.