

# Blooming Sustainability



**SUSTAINABILITY REPORT**  
Y E A R 2 0 2 2 - 2 0 2 3

# Galaxy Surfactants 12<sup>th</sup> Sustainability Report

At Galaxy Surfactants, our journey towards sustainability has always been guided by a profound commitment to ethical practices, environmental stewardship, and social responsibility. We believe that this transparency fosters trust among our stakeholders, enabling them to better understand our actions, motivations, and the impact we have on the world around us.

The release of our 12<sup>th</sup> Sustainability Report prepared in accordance with GRI Consolidated Standards 2021, serves as a reflection of both our past achievements and a declaration of our future ambitions.

In our consolidated financial statements, we include Galaxy Surfactants Limited, Galaxy Chemical Egypt, and TRI-K. However, in our sustainability reporting, we refer to this collective group as "Galaxy."

#### Entities Included in Sustainability Reporting:

- Galaxy Surfactants Limited
- Galaxy Chemicals S.A.E
- TRI-K

#### Publication Date

Our twelfth Sustainability Report, published in December 2023, covers the period from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023, aligning with our annual report for the same period released in July 2023.

#### Assurance

We have engaged Bureau Veritas (India) Limited to provide assurance for our Sustainability Report.

#### Reporting Period and Frequency

The reporting period for financial reporting aligns with the sustainability reporting period to ensure consistency and facilitate comprehensive analysis.

**Reporting Period:** 2022-23

**Frequency:** Annually

We are committed to transparency and accountability in our sustainability reporting, and we invite stakeholders to reach out for any questions or inquiries about the report or reported information,

please contact us at  
sustainability@galaxysurfactants.com

#### Restatement of Information

There has been no restatement of financial information. However, GHG Intensity and Air Emissions data for FY 22 has been restated due to change in calculation methodology

Galaxy Surfactants Limited is publicly listed on both the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

Further details on our shareholding pattern can be found in the Annual Report on our website.

#### Registered Office Address:

C-49/2,  
TTC Industrial Area, Pawne,  
Navi Mumbai, Maharashtra, India.



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"Blooming Sustainability" captures our pledge to a sustainable world where we thrive with responsible practices.

## Message from the MD's Desk

*Dear Stakeholders,*

I am thrilled to present our sustainability report for FY 2022-2023 themed 'Blooming Sustainability'. This report offers an extensive overview of our unwavering commitment to sustainable practices and our substantial progress towards achieving our sustainability objectives. We believe that just as a flower needs the right conditions to blossom, we commit to nurturing the environment, our employees, and the communities enriches our corporate ecosystem.

Over the past year, we have taken significant steps in reducing our carbon footprint and bolstering our reliance on renewable solar electrical power. In our pursuit of environmental responsibility, we've not only reduced emissions but also spearheaded waste reduction initiatives, such as the Waste Elimination Suggestion Award Program, and embraced practices like CEP and KAIZEN. Moreover, our dedicated efforts in water conservation have led to the efficient recycling of 18% of water back into our systems, alongside the harvest of 12 megaliters of rainwater.

Our collaborative approach with suppliers in developing a comprehensive sustainability framework for green material supplies has resulted in the procurement of over 35,000 metric tons of RSPO MB certified raw materials, effectively avoiding more 65,000 tons of CO<sub>2</sub>e. Notably, our company's GHG emissions have seen a remarkable reduction of 7,800 tons of CO<sub>2</sub>e, attributed to the extensive use of solar power and the implementation of energy efficiency projects.

Through our social initiatives, we are proud to have achieved key milestones. These include increasing the representation of women in our workforce to 10.19% and obtaining the prestigious Great Place to Work certification. We've brought in 21% new hires, with 23% of them being females, reflecting our commitment to diversity and inclusion. Our Lost Time Injury Frequency Rate (LTIFR) stands at an impressive 0.32, as a testament to our investments of INR 3.22 Cr in Safety, Health, and Environment. Our Corporate Social Responsibility (CSR) endeavors have benefited numerous individuals and communities, touching various aspects of education, health, women empowerment, environmental protection, community and rural development, and calamity relief.

As we look at the future, we recognize that there is a lot more to do, and we remain steadfast in our dedication to making a positive impact on the environment and society. We pledge to continue setting ambitious goals and working collaboratively with all our stakeholders to achieve them.

I extend my heartfelt gratitude for your unwavering support and partnership as we collectively strive towards a more sustainable future.

**U. Shekhar**  
Managing Director



## Key Highlights



### PEOPLE

**10.19%**

Women in workforce

**Great place to work certified**

**21%**

New hire in workforce

**₹3.22Cr**

Investment in Safety, Health and Environment

**0.32**

LTIFR

**23%**

Women in new hire

**147,939**

CSR beneficiaries



### PLANET

**20.61 %**

Renewable Electricity in Indian operations

**7800 tCO<sub>2</sub>e**

Avoided due to utilization of solar energy

**14%**

Renewable electricity in Global operations

**25%**

Recycled water used in Indian operations

**18%**

Recycled water in Global operations

**12 megalitres**

Rainwater harvested



### PROFIT

**₹381 Cr**

PAT

**₹4,445.25 Cr**

Revenue from operations

**₹578 Cr**

EBITDA

**₹12.70 Cr**

Expenses on Innovation and R/D

**44.9%**

Y-o-Y increase in Revenue

**39.9%**

Y-o-Y increase



### PARTNERSHIP

**RSPO**

(MB and SG) Certified

**>35000 MT**

RSPO MB-certified Raw Materials procured

**>65000 tCO<sub>2</sub>e**

avoided due to utilization of RSPO-certified material

**4/5**

Customer Satisfaction Index

**52%**

new suppliers were screened using environmental and social criteria

**56%**

of raw materials procured from local suppliers



## Awards & Accolades



Awards Won	Awarded by	Product / Innovation / Purpose for which Award won
Supplier Excellence Award	P&G	Excellence in Service, Innovation and Value
Home Care Clean Future Awards 2023	Unilever	Going above and beyond in transforming the industry for the better through groundbreaking product and technological innovation.
Certificate of Merit	ICC	ICC Award-2021 Best compliant company for the emergency response code
CHEMEXCIL Trishul Award	CHEMEXCIL	Outstanding Export Performance for the year 2018-19 awarded in this year (2023)
Platinum trophy award	CII	CII national level 3M kaizen category under MURI category
Silver Award Winner	CII	innovative category in 43rd CII National Kai-Zen Competition
3rd in Champions and champions trophy	CII	The Champions' Trophy 2022 (Category -MURI)
23rd National award for Excellence in Energy Management 2022 – Taloja	CII	Excellent Energy Efficient Unit
23rd National award for Excellence in Energy Management 2022 – Taloja	CII	Most Useful Presentation
6th edition of CII National energy efficiency circle competition - Taloja	CII	Effective implementation of ISO 50001 : 2018 Energy management system
7 Trophies (three 1st rank, three 2nd rank and one 3rd rank)	MIDC Fire, DISH & TMA at Taloja MIDC	Fire Competitions
Winner- Certificate of Excellence Best Kaizen Competition – Tarapur	Baroda Productivity council	Cost reduction in effluent treatment in Environment category
1st Prize and 3rd Prize in State level fire drill competition	Maharashtra Fire service	First prize in Two men fire drill and third prize in Four men fire drill competition organised in Fire week at Navi Mumbai
10 Trophies in fire drill competition	MIDC fire Brigade	In various categories such as Ladies kitchen drill, two men fire drill, four men fire drill, Fire extinguisher drill, One men hose reel
Gold Award Winner	43rd Kaizen Competition by CII	Innovative Category - Elimination of Exposure of Harmful Gases to Human
Gold Award Winner	44th Kaizen Competition by CII	Innovative Category - Energy Saving (steam) with utilization of waste heat by installation of plate and frame heat exchanger
Platinum Award Winner	44th Kaizen Competition by CII	Renovative Category - Elimination of production downtime & effective candle filter washing by installation of using load cell



# Galaxy Surfactants

Galaxy Surfactants Limited, a public limited company headquartered in Navi Mumbai, operates primarily in the specialty chemicals sector, specializing in products for the personal care and home care industries. Since its establishment in 1986, Galaxy Surfactants has grown significantly, expanding our product range to serve diverse consumer needs, including skin care, oral care, hair care, cosmetics, toiletries, and detergents. Our clientele comprises prominent multinational, regional, and local players in the personal care and home care sectors.



## Mission

To be a brand of Global Eminence through best-in-class value delivery by high quality people.



## Vision

Delight Customers; be a Partner of Choice, and a Global Leader of Surfactants and Specialty Chemicals to the Personal and Home Care Industry with a commitment to a cleaner and safer environment and delivering consistently above average returns to the investors.



## Motto

- Galaxy Group, promoted by a team of professionals, has the main objective of making profits for growth by tapping opportunities in India and abroad, which challenge the professional competence of people in Galaxy.
- Galaxy shall fulfil its commitments to society.
- Galaxy shall provide maximum value to its customers.
- Galaxy shall continuously build an organization of high-efficient, high-effective, high performing people, who would be proud of their association with the Group.
- Galaxy shall make conscious efforts to look after the well-being of its people.
- Galaxy shall strive to achieve leadership in Quality of its products and services.
- Galaxy shall have research and development of new products and technologies as its major strength.
- Galaxy shall endeavour to achieve excellence through professionalization of all areas of management.



## Our Core Strengths

At Galaxy, we believe that achieving excellent results in terms of Performance, Customer satisfaction, People development, and contributing to Society is made possible through our adherence to four fundamental pillars, which empower us to thrive in a competitive market. These principles are embodied in our 4Cs – Character, Competence, Competitiveness, and Comfort. We consider our people to be the cornerstone of our success, and we operate with a strong focus on creating a people-centric organization.

<p><b>CHARACTER</b></p> <p>Transparent &amp; Open, Respect &amp; Value People, Dreaming &amp; Envisioning, Conducting Business with Integrity</p>	<p><b>COMPETENCE</b></p> <p>Talented Team which proactively meets Complex &amp; Changing Business Needs</p>
<p><b>COMPETITIVENESS</b></p> <p>Adhering to Global Quality Standards, Supplying Customers Globally, Agile &amp; Nimble Footedness</p>	<p><b>COMFORT</b></p> <p>Respecting our Commitments, Consistent Performance over the years of Timely Delivery &amp; Quality Consistency</p>

Our Human Resource Department is named 'People Energy Process' because we view our employees as an inexhaustible source of energy, enabling us to generate resources for exponential growth.

Our Motto and Value systems are deeply ingrained in our employees, and they receive extensive training on these principles starting from their induction, fostering a harmonious work environment. We provide regular training to our employees to enhance operational excellence, improve productivity, and maintain high compliance standards in terms of quality and safety. Additionally, we offer performance-linked incentives and benefits to our employees. Through engagement surveys, we establish a two-way communication channel and involve our employees in the development process, ensuring they have a direct voice with the management team.

## Our Key Growth Drivers

At Galaxy, our primary objective is to create long-term value for all our stakeholders. To achieve this, we concentrate on innovation and sustainable operations that have a positive impact on both people and the planet. We are committed to ongoing improvement and the integration of the latest technologies into our processes. As customer and investor preferences evolve, we maintain agility in providing solutions that are resource-efficient and adaptable to a circular economy model. Our business growth and sustainability are propelled by the following key drivers :

- Sustainability and Safety**
- Innovation**
- New-age technologies that shall power unmatched consumer experience**
- Regulations**
- Customised consumption**
- Emerging opportunities**



## Manufacturing facilities

At Galaxy, manufacturing excellence is driven by seven strategically located manufacturing facilities: five in India, and one each in Egypt and the USA. TRI-K has been pioneering innovative concepts and products for the cosmetics industry, operating with an ISO 9001:2015 certified quality management system. TRI-K offers a wide range of cosmetic proteins, natural actives, multi-functional peptides, sunscreen filters, and preservatives. Since 2009, TRI-K has been a member of the Galaxy Group, with sales offices, manufacturing facilities, and partners worldwide.

**"Galaxy's manufacturing excellence is powered by seven strategically located manufacturing facilities - five in India and one each in Egypt and USA."**

<p><b>80+</b> Countries</p>	<p><b>1700+</b> Customers</p>	<p><b>220+</b> Product Grades</p>
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### State-of-the-art manufacturing facilities:

Location	No. of units	Installed capacity FY 2022-23	Key Highlights
Tarapur, Maharashtra	3	46,162 MTPA	<ul style="list-style-type: none"> <li>1 pilot plant for scale-up and commercialization of new products rolling out from R&amp;D activities</li> <li>Easy access to the Jawaharlal Nehru Port Trust, Navi Mumbai</li> </ul>
Taloja, Maharashtra	1	170,041 MTPA	<ul style="list-style-type: none"> <li>One of the largest sulfation facilities in India</li> <li>Easy access to the Jawaharlal Nehru Port Trust, Navi Mumbai</li> </ul>
Jhagadia, Gujarat*	1	170,670 MTPA	<ul style="list-style-type: none"> <li>Located close to raw material source ethylene oxide</li> </ul>
Suez, Egypt*	1	192,000 MTPA	<ul style="list-style-type: none"> <li>Located in the Attaqa Public Free Zone, exempt from all direct and indirect taxes</li> <li>Access to the Suez Canal, which can address AMET, Europe, and Americas (North and South) markets</li> </ul>
New Hampshire, USA	1	6000 MTPA	<ul style="list-style-type: none"> <li>Step-down Subsidiary - Tri-K Industries owns and operates different grades of proteins for cosmetic applications</li> </ul>

\*Environmental clearances for expansion and additional land available





## Global Geographical Footprint

Our commitment lies in strategic global expansion, focusing on markets with the highest growth potential. By harnessing our expertise and innovative solutions, we aim to seize opportunities and provide excellent service to customers worldwide.

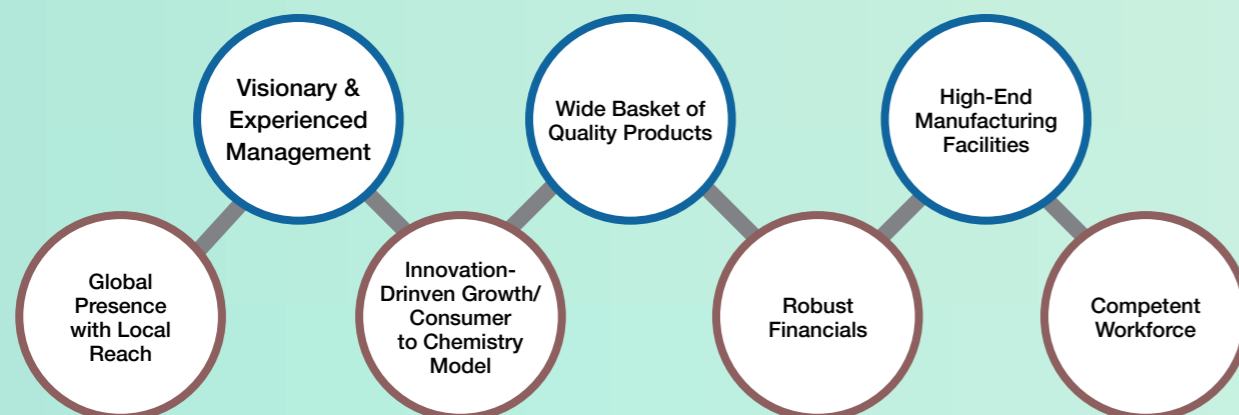
We operate in several countries, including India, Egypt, and the USA. Through a robust network of sales and representative offices, we have established a strong presence in both developed and emerging markets across India, the Americas (North and South), Africa, the Middle East, Turkey (AMET), Asia-Pacific (APAC), and Europe.



India: Parent Entity		Egypt: Galaxy Chemicals S.A.E 100% Owned		USA: TRI-K Industries 100% Owned	
Manufacturing	✓	Manufacturing	✓	Manufacturing	✓
R&D	✓	R&D	✗	R&D	✓
Plants*	5	Plants	1	Plants	1
Employees	1668	Employees	257	Employees	86
Marketing Office	✓	Marketing Office	✗	Marketing Office	✓

\*Including one pilot plant

## Our Defining Strengths



<sup>1</sup> The significant locations of operations is defined as all manufacturing sites and sales offices with equal or more than 50 employees

## Membership of Association

Galaxy actively participates in various industry and trade organizations, contributing to meaningful stakeholder consultations and dialogues that influence policy formulation by regulatory bodies.

Notable associations and bodies of which Galaxy is a dedicated member include:

- Indian Chemical Council (ICC)
- American Cleaning Institute (ACI)
- Bombay Chamber of Commerce and Industry (BCCI)
- CHEMEXCIL - Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council
- Indian Specialty Chemical Manufacturers' Association (ISMA)
- CII TPM Club
- Renewable Energy Demand Enhancement (REDE) initiative
- Taloja Manufacturing Association (TMA)
- Tarapur Industrial Manufacturer Association (TIMA)
- Jhagadia Industries Association (JIA)

These memberships underscore our commitment to actively engage with industry peers and contribute to the development of effective policies and standards within the chemical and specialty chemicals sectors.

## External Initiatives

Signatory to Responsible Care Global Charter	Ordinary member in Roundtable on Sustainable Palm Oil (RSPO)
The Valuable 500 Commitment	CII GreenCo Rating System
Carbon Disclosure Project (CDP) - Climate Change, Water Security and Forest Disclosure	EcoVadis assessment

### Carbon Disclosure Project:

Galaxy started the Carbon Disclosure Project (CDP) as an initiative to build a sustainable economy by measuring and acting on our environmental impact. Since 2013, Galaxy has been continuously participating in the disclosure. We provide clear and thorough reporting on climate change, water security, and forest disclosure. In CDP 2022, Galaxy was rated management and awareness status in the final evaluation.

### Galaxy's group score 2022

Company Name	Climate Change	Water Security	Forest
Galaxy Surfactants Ltd.	B-	B	C
Avg. Performance Chemicals	B-	B	B
Avg. Performance Asia	C	B	C
Global Avg. Performance	C	B	C

A and A:- Leadership Level | B and B:-Management Level | C and C:- Awareness Level | D and :-Disclosure Level



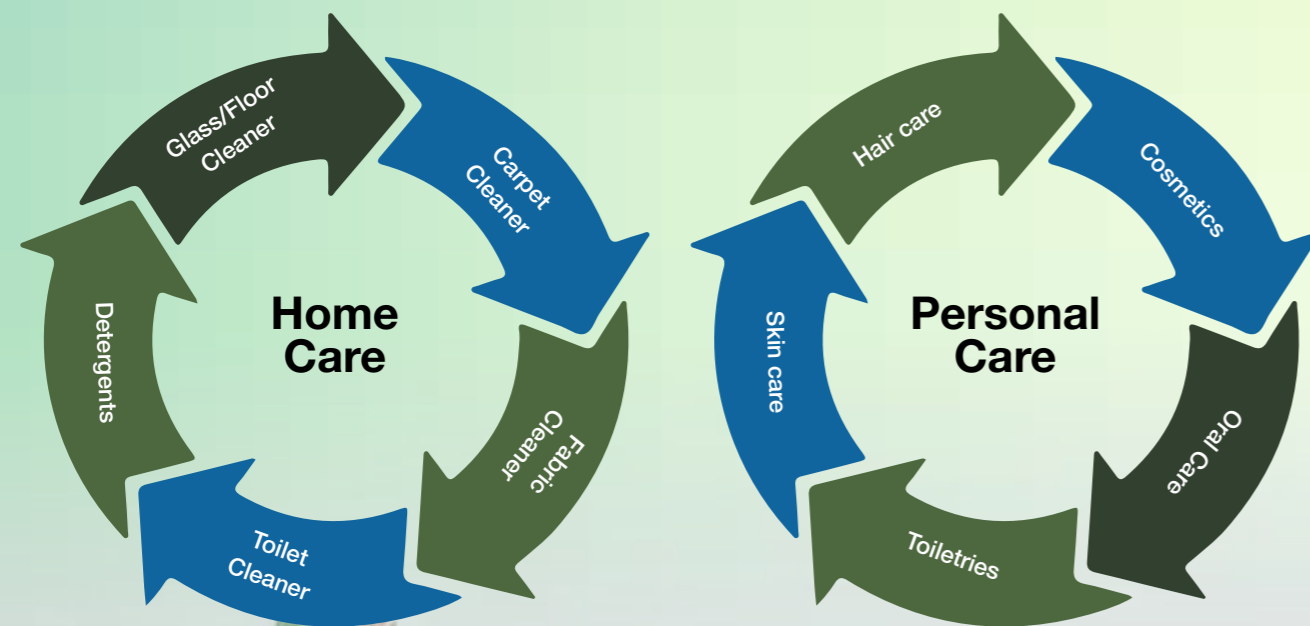
## Products & Production

Galaxy Surfactants Ltd. takes pride in maintaining a diverse customer base, comprising both multinational corporations and small to medium-sized enterprises, primarily within the home and personal care sector. Our product portfolio plays a pivotal role in enhancing the functionality of various consumer-centric personal care and home care items, including shampoos, conditioners, body wash formulations, soap bars, liquid soaps, toothpaste, laundry detergents, and dishwashing products. This collaboration with customers is marked by a stringent qualification and certification process, fostering effective product development.

We stand as a prominent manufacturer of surfactants and specialty ingredients for the personal care and home care industries in India.

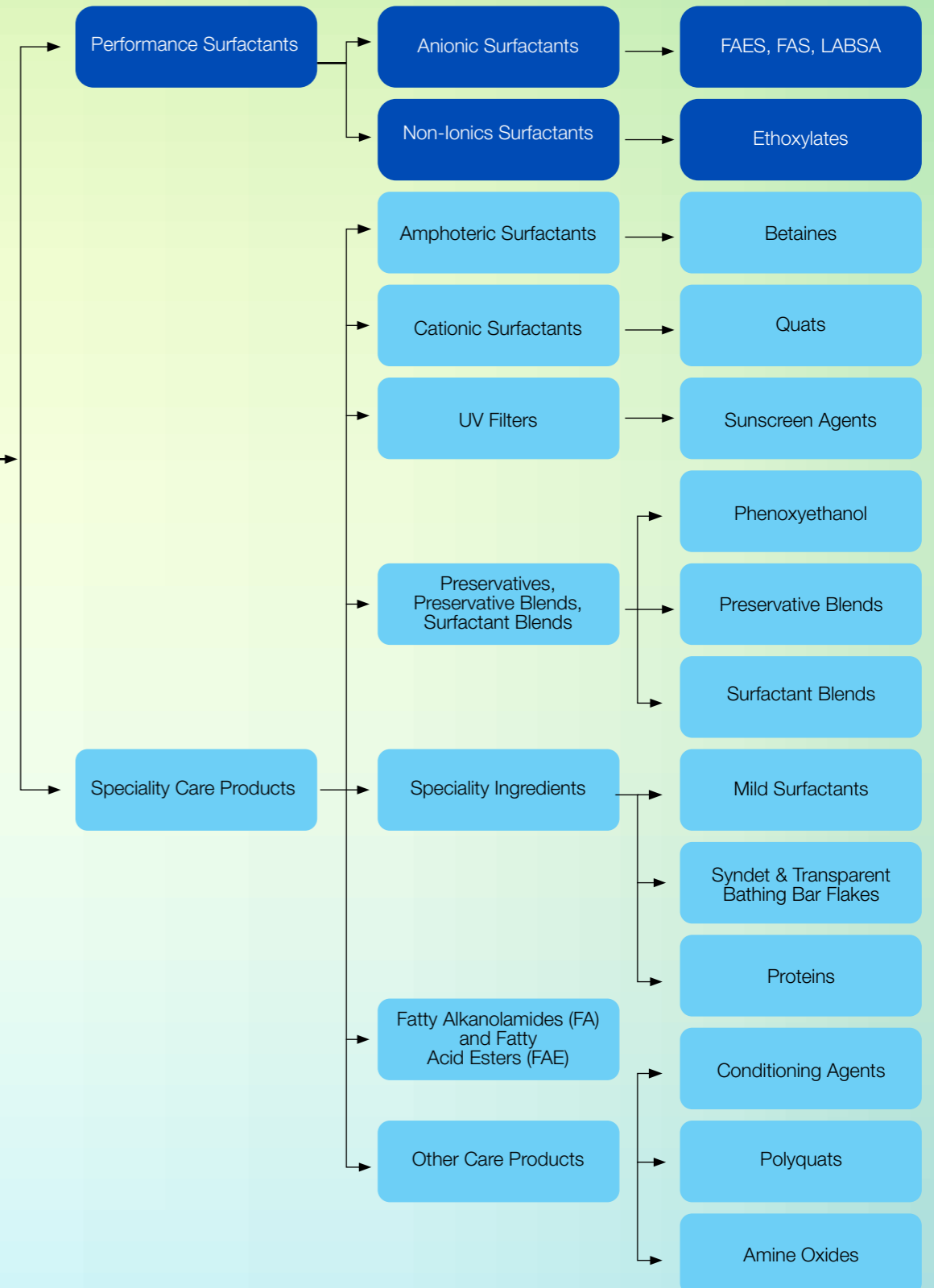
Our upstream operations encompass two distinct categories: natural chemicals and petrochemicals. Natural chemicals, primarily derived from palm oil and palm kernel oil, such as Fatty Alcohols and Fatty Acids, are sourced from Southeast Asia and India. Meanwhile, petrochemicals, including Ethylene Oxide and Phenol, are primarily procured from the USA, Europe, China, and India. Our manufacturing facilities are strategically located across India (Taloja, Tarapur, and Jhagadia), Egypt (Suez), and the USA (New Hampshire). Our downstream activities involve supplying Performance Surfactants and Specialty Chemicals to major multinational corporations both in India and around the world, spanning over 80 countries through our trusted logistics partners.

Our products find the following applications in the Home and Personal Care industry:



## Our Key Products and Application

### Key Products

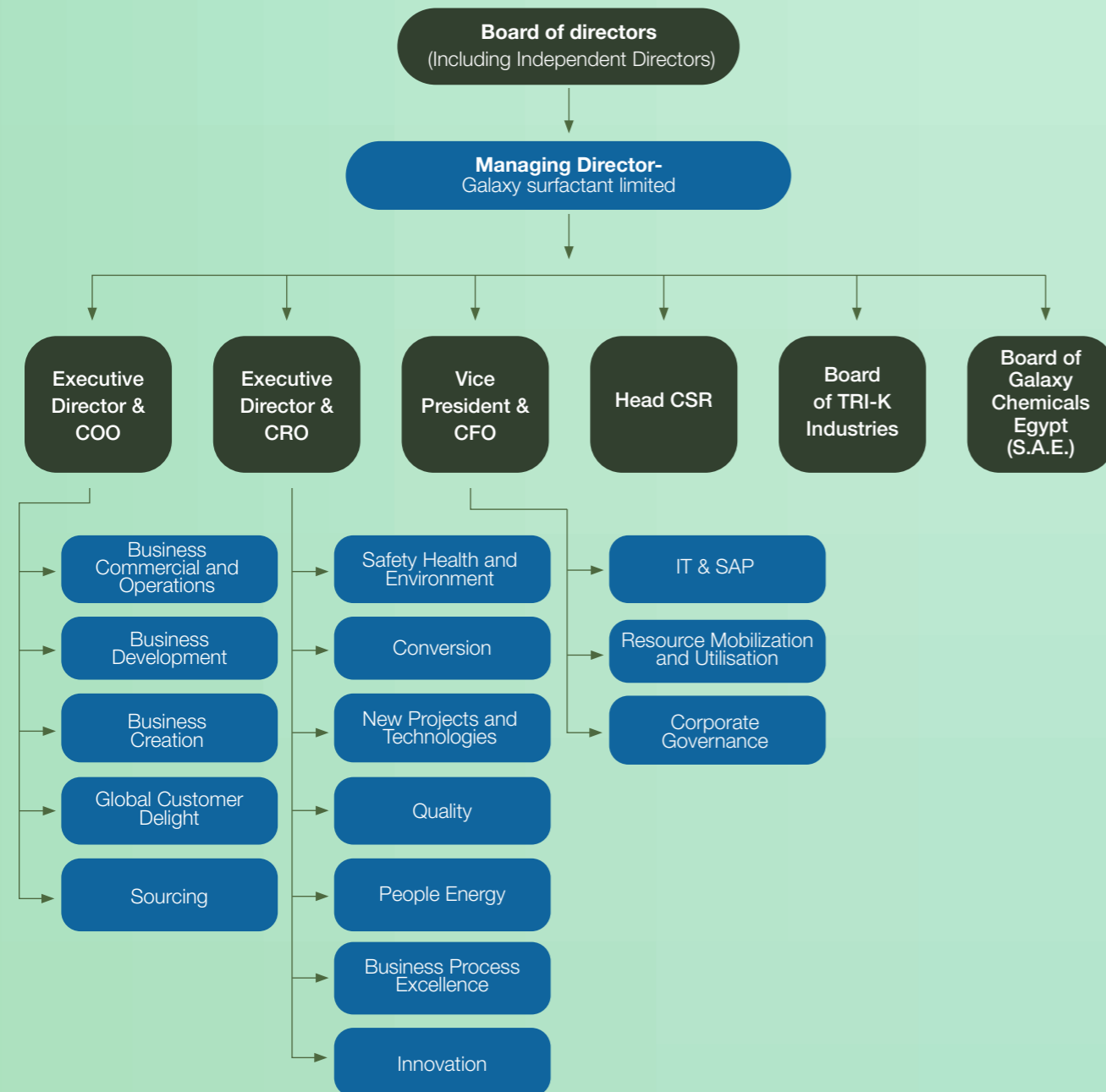




# Leadership

At Galaxy Surfactants, we recognize that sound leadership and governance practices are not only vital for our sustained success but also for earning and retaining the trust of our stakeholders. We remain committed to upholding these principles as we navigate the dynamic business landscape, fostering an environment characterized by trust, responsibility, and ethical conduct in all our endeavours.

Our Board of Directors is structured in strict accordance with the Companies Act of 2013 ("the Act") and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations of 2015 (SEBI (LODR) Regulations). This rigorous adherence to regulatory frameworks ensures the integrity and accountability of our leadership.



## Board of Directors



**S. Ravindranath**  
Chairman & Non-Executive Independent Director (till April 19, 2022)



**M. G. Parameswaran**  
Non-Executive Independent Director Chairman & Non-Executive Independent Director (w.e.f. April 20, 2022)



**U. Shekhar**  
Promoter & Managing Director



**K. Natarajan**  
Executive Director & Chief Operating Officer



**Vaijanath Kulkarni**  
Whole-time Director



**Subodh Nadkarni**  
Non-Executive Independent Director



**Nandita Gurjar**  
Non-Executive Independent Director



**G. Ramakrishnan**  
Promoter & Non-Executive Director



**Kanwar Bir Singh Anand**  
Non-Executive Independent Director (w.e.f. August 5, 2022)



**Madhavan Hariharan**  
Non-Executive Independent Director (w.e.f. May 23, 2023)



**Shashikant Shanbhag**  
Promoter & Non-Executive Director



**K. Ganesh Kamath**  
Executive Director (till October 6, 2022)

As of March 31, 2023, the Board of Directors consisted of 12 members, comprising 6 independent directors (including one female director), 3 executive directors, and 3 non-executive directors. Except for Independent Directors and the Managing Director, all other directors retire through rotation.



The Board of Directors operates as a whole or through board committees formed to handle certain operational areas. The company's senior management regularly sends through performance reports to the Board of Directors.

Committees	Members
Audit Committee	3 Independent Directors and 1 Non-Executive Director
Nomination and Remuneration Committee	4 Independent Directors
Stakeholders Relationship Committee	1 Independent Director, 1 Non-Executive Director, 1 Executive Director
Corporate Social Responsibility Committee	2 Executive Directors and 1 Independent Director
Risk Management Committee	2 Executive Directors, 1 Non-Executive Independent Director, Head-Conversion and NPT, CFO

## Nomination and Remuneration

The Nomination and Remuneration Committee (NRC) at Galaxy Surfactants Ltd. assumes a pivotal role in ensuring the Board of Directors, its committees, and individual directors operate effectively. This committee has meticulously crafted performance evaluation criteria, encompassing both financial and sustainable growth aspects, to guarantee that our governance remains robust and responsive.

### Nominations and Selection Process

The process of nominating and selecting individuals for key governance positions falls within the purview of the NRC, guided by a comprehensive Nomination and Remuneration Policy. This policy aligns seamlessly with relevant legal and regulatory frameworks, including the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Identifying Exceptional Talent

The NRC is dedicated to identifying individuals with integrity, qualifications, expertise, and experience suitable for appointments as Directors, Key Managerial Personnel (KMP), or within the Senior Management cadre. Their recommendations

play a pivotal role in shaping the Company's leadership, reflecting our commitment to stringent qualification standards.

### Candidate Selection and Performance Evaluation

To identify suitable candidates, the Committee may engage external agencies and prioritize diversity in candidate backgrounds while considering their time commitments.

NRC formulates criteria for evaluating the performance of independent directors and the Board, develops policies to promote board diversity, recommends individuals for directorship and senior management roles, and assists in disclosing remuneration policies and evaluation criteria in annual reports.

The Committee also has a role in assessing whether to extend the term of independent directors based on performance evaluations. The NRC diligently oversees the evaluation process, determining whether it should be conducted by the Board, the NRC itself, or external agencies, and ensures board's compliance. Performance of Board, Board Committees, and individual Directors, is evaluated annually aligning with legal and regulatory requirements.

Skills / Expertise / Competencies	M. G. Parameswaran	Subodh Nadkarni	Nandita Gurjar	U. Shekhar	K. Natarajan	Vaijanath Kulkarni	G. Ramakrishnan	Shashikant Shanbhag	KBS Anand
Knowledge of the Company's business and the industry in which the Company operates.	✓	✓	✓	✓	✓	✓	✓	✓	✓
Management and Administration Skills	✓	✓	✓	✓	✓	✓	✓	✓	✓
Finance	-	✓	-	-	✓	-	✓	✓	-
Sales & Marketing	✓	✓	-	✓	✓	✓	✓	✓	✓
Information Technology & System	-	-	✓	-	✓	-	-	-	-
HRM	✓	✓	✓	✓	-	✓	✓	✓	✓
Manufacturing	-	-	-	✓	-	✓	-	-	✓
Legal & Secretarial	-	✓	-	-	-	-	✓	-	-
Innovation	-	-	-	✓	-	✓	✓	✓	-
Project Management	-	✓	-	✓	-	✓	-	-	✓
Competencies that enable making business decisions and exercising prudent judgement on business matters	✓	✓	✓	✓	✓	✓	✓	✓	✓

\* As of 31<sup>st</sup> March 2023, there were 9 directors.

### Remuneration Oversight

The Nomination and Remuneration Committee plays a crucial role in overseeing the remuneration process for the Board of Directors, Key Managerial Personnels, and Senior Management. The remuneration for Directors, as recommended and approved by the Board of Directors, undergoes shareholder approval through a voting process.

The Board of Directors considers Galaxy's performance and that of its directors when approving remuneration, based on the recommendations of the Nomination and Remuneration Committee. The Remuneration Policy is approved by the Board of Directors following the Nomination and Remuneration Committee's recommendation.

Directors' remuneration is subject to shareholder approval through a voting process, and the voting results are accessible on both the company's website, [www.galaxysurfactants.com](http://www.galaxysurfactants.com), and the stock exchanges' websites, namely [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

### Components of Remuneration

Remuneration consists of fixed and variable components. The fixed pay comprises monthly remuneration, employer's contributions to the Provident Fund, pension fund, pension schemes, etc., as determined from time to time. The variable pay is determined based on the Company's performance and that of Key Managerial Personnel and Senior Management, to be reviewed annually or at suitable intervals.





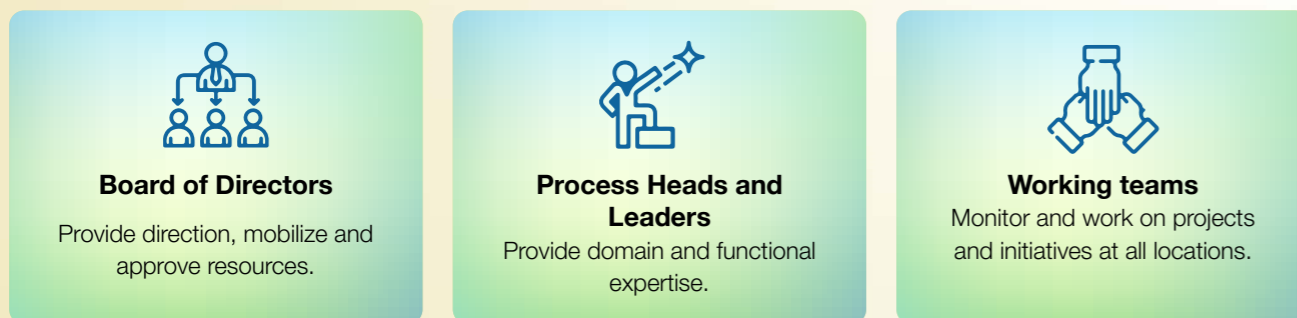
For the financial year, the ratios of remuneration are as follows:



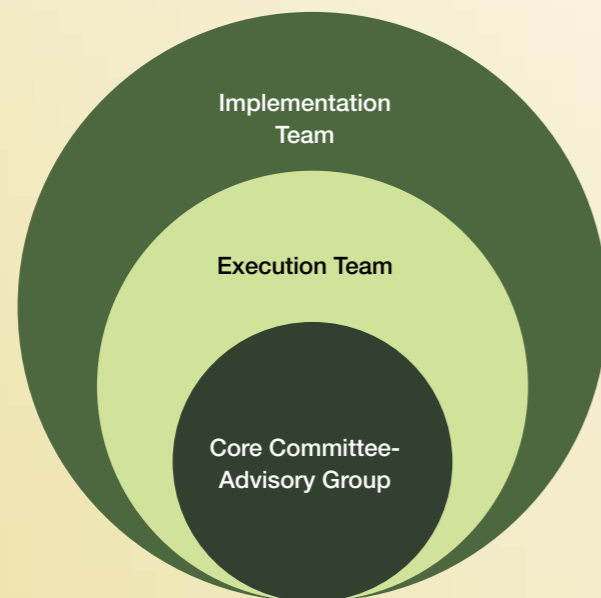
## Sustainability Governance

At Galaxy, we pursue sustainability through a three-tier framework known as the Sustainability cell. It has a Steering Committee at the apex made up of the Board of Directors, working pillars made up of process heads and leaders, and

project teams. The Sustainability Cell meets three times a year to monitor and review the performance of sustainability across organization.



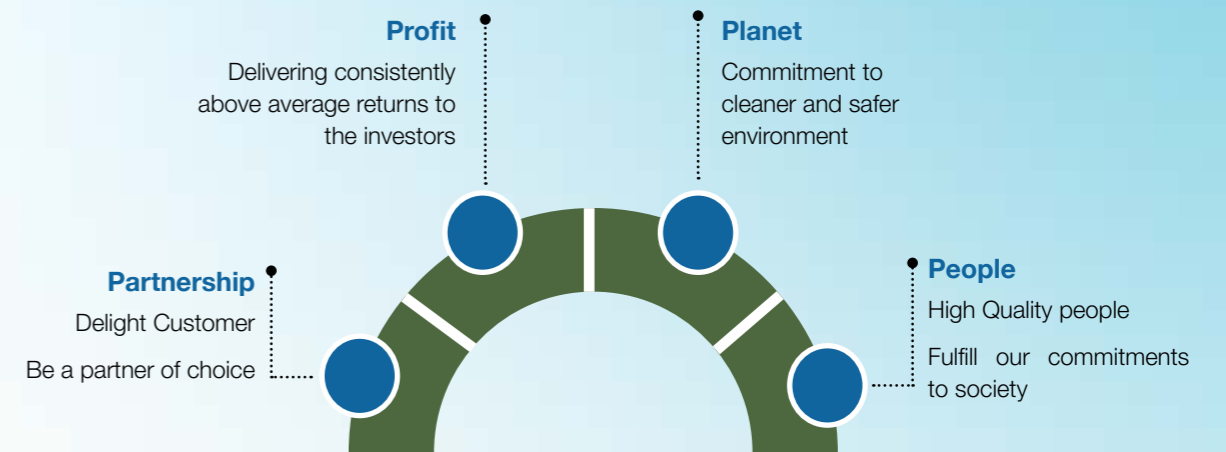
A core committee is being formed to operate as an advisory group for long-term projects that may have a substantial influence on our business to develop new and focused activities in our next decade of Sustainability journey. The governance structure is depicted in the figure, and it consists of a core committee, an execution team, and an implementation team.



## Holistic Approach to Value Creation

At Galaxy Surfactants, our commitment to value creation extends beyond our organization to encompass all stakeholders and society. We recognize that our ability to create value for ourselves is intricately linked to the value we generate for all our stakeholders.

Our value creation strategy revolves around four key pillars: People, Planet, Profit, and Partnerships. These pillars form the cornerstones of our approach, ensuring a well-rounded focus on the welfare of our people, environmental sustainability, financial performance, and collaborative partnerships.



Our vision seamlessly integrates economic success, our position as a preferred partner, global leadership in surfactants, and delivering consistent returns to our investors with an unwavering commitment to a safer and cleaner environment. This commitment extends to the welfare of our critical stakeholders, including employees, clients, suppliers, and customers, and is reflected in our motto.

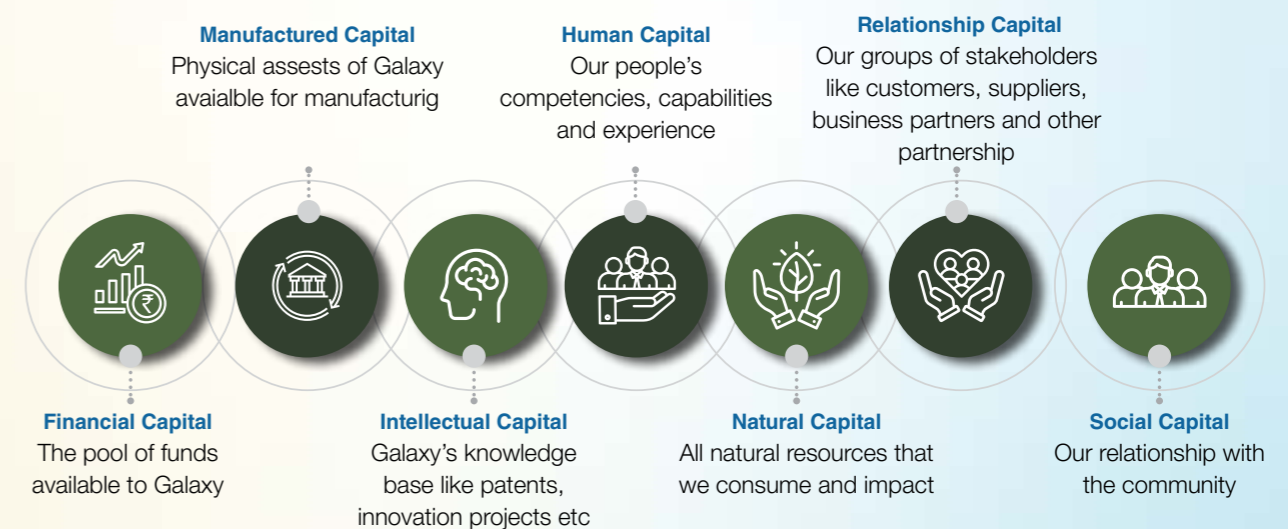
for our business and stakeholders alike. This approach enables us to align our endeavours with their expectations while contributing to the United Nations Sustainable Development Goals (SDGs).

In our strategy, we emphasize the quality and availability of various capital essential for Galaxy's sustainability, including financial resources, human capital, manufacturing capabilities, supply chain resilience, intellectual capabilities, and social license to operate. These capitals are critical for our success and value creation.

These are depicted as capitals for Galaxy, as:

### ESG Integration

To foster long-term value creation, we weave environmental, social, and governance (ESG) considerations into our strategy and operations. Through our Materiality process, we identify and address the most significant issues that hold significance





# Value Creation Model

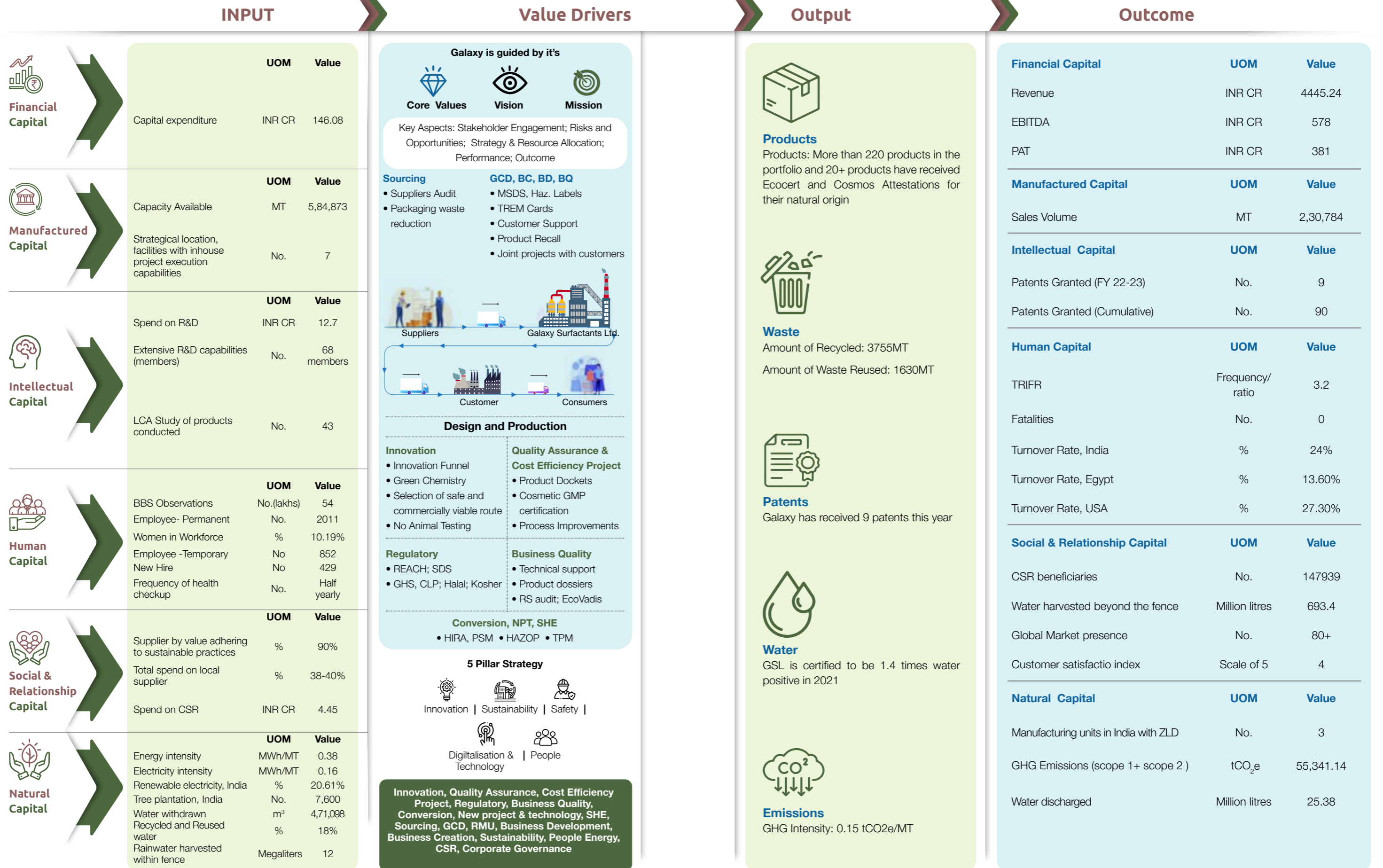
Our approach to enhancing each capital and driving sustainable growth is depicted in our value creation model. It outlines both positive and negative outcomes of our business activities in these capitals and outlines strategies to amplify positive effects while mitigating adverse impacts.

Galaxy's operational landscape is continually shaped by developments in the Home and Personal Care industry. We have proactively implemented sustainability initiatives that minimize the environmental footprint of our operations while actively contributing to the social and economic development of communities. Our unwavering dedication

to promoting a cleaner and safer environment aligns seamlessly with our core business strategy. For us, sustainability is not merely a destination; it is a way of life.

**Technological, Social, Legislative, And Regulatory Landscapes are dynamic factors that exert a considerable influence on our operations.**







# PARTNERSHIP





Galaxy's commitment to stakeholder engagement is a cornerstone of our decision-making and actions. We understand the pivotal role played by stakeholders, including employees, customers, suppliers, investors, and communities, in shaping our journey. Our collaborative approach ensures that we remain in harmony with diverse perspectives and needs.

The purpose of stakeholder engagement is multi-faceted. These engagements primarily serve as a platform for open communication, allowing stakeholders to voice their opinions and provide feedback on Galaxy's operations. Contributing to collaboration and trust between Galaxy and our diverse stakeholders.



We categorize our stakeholders based on various individuals or groups who have a vested interest in or are influenced by our activities.

- Customers
- Employees
- Shareholders/Investors
- Suppliers and vendors
- Government and Regulatory Bodies
- Local Communities
- Non-Governmental Organizations (NGOs)
- Industry Associations and Trade Unions

In our pursuit of meaningful stakeholder engagement, we have established diverse communication channels to encourage stakeholders to share their perspectives,

concerns, and suggestions. These avenues encompass annual events like the GalSustain and Stakeholder Engagement Meetings, as well as monthly gatherings such as the Employee Welfare Council (EWC), conducted across all our manufacturing units.

#### Integrating Lessons Learned into Policies

The invaluable insights derived from stakeholder engagement, in conjunction with the feedback received, have become an integral part of Galaxy's operational policies and procedures. We have meticulously examined these lessons, refined our decision-making processes, and adapted our strategies accordingly. This iterative approach ensures our actions align harmoniously with stakeholder expectations, nurturing a responsive and ethical operational culture. Our steadfast commitment to transparency, inclusivity, and responsible conduct remains at the forefront, continually enhancing our overall performance and reputation as a responsible corporate entity.

## MATERIALITY ASSESSMENT

Galaxy diligently identifies both existing and potential impacts on the economy, environment, and society. This comprehensive understanding is achieved through a multifaceted approach, including stakeholder engagement, rigorous environmental and social risk assessments, and meticulous supply chain scrutiny.

We rely on a robust set of company metrics and reporting mechanisms to continuously monitor our progress, maintain adherence to certifications, and foster collaboration to promote sustainable practices. This holistic approach not only ensures responsible business conduct but also effectively mitigates adverse effects while promoting positive societal and human rights impacts.

We actively involve stakeholders, such as suppliers, employees, NGOs, and RSPO personnel, in a structured questionnaire process. In this process, they assess and prioritize material issues according to their significance. These ratings are then compared against the evaluations provided by our board of directors.

We employ a rigorous materiality assessment process that gives precedence to topics aligned with the triple bottom-line framework of People, Planet, and Profit. This comprehensive assessment aims to identify economic, social, and environmental subjects that hold substantial value for both our organization and our stakeholders. The perspectives of these crucial stakeholders play a pivotal role in shaping this assessment process, ensuring a well-rounded and inclusive approach to determining our material topics.

#### List material topics in order of priority

- |   |   |
|---|---|
| 1. Compliances  | 11. Net Zero Carbon   |
| 2. Business Ethics and Transparency   | 12. Engagement with Suppliers                               |
| 3. Employee Health and Safety, well-being   | 13. Sustainable Palm Oil                                    |
| 4. Water Security - Being Water Positive at the respective operational site           | 14. Circular economy  |
| 5. Labor relations- Fair labour practices   | 15. Product Sustainability - Life Cycle Assessment approach |
| 6. Customer Privacy   | 16. Digitization  |
| 7. Customer Complaints Resolution   | 17. Efficiency Projects                                     |
| 8. Data security  | 18. Diversity and inclusion at workplace                    |
| 9. Risk management  | 19. Bio-diversity Impact                                    |
| 10. Increase in use of % of renewable sources of energy in overall Energy consumption |   |

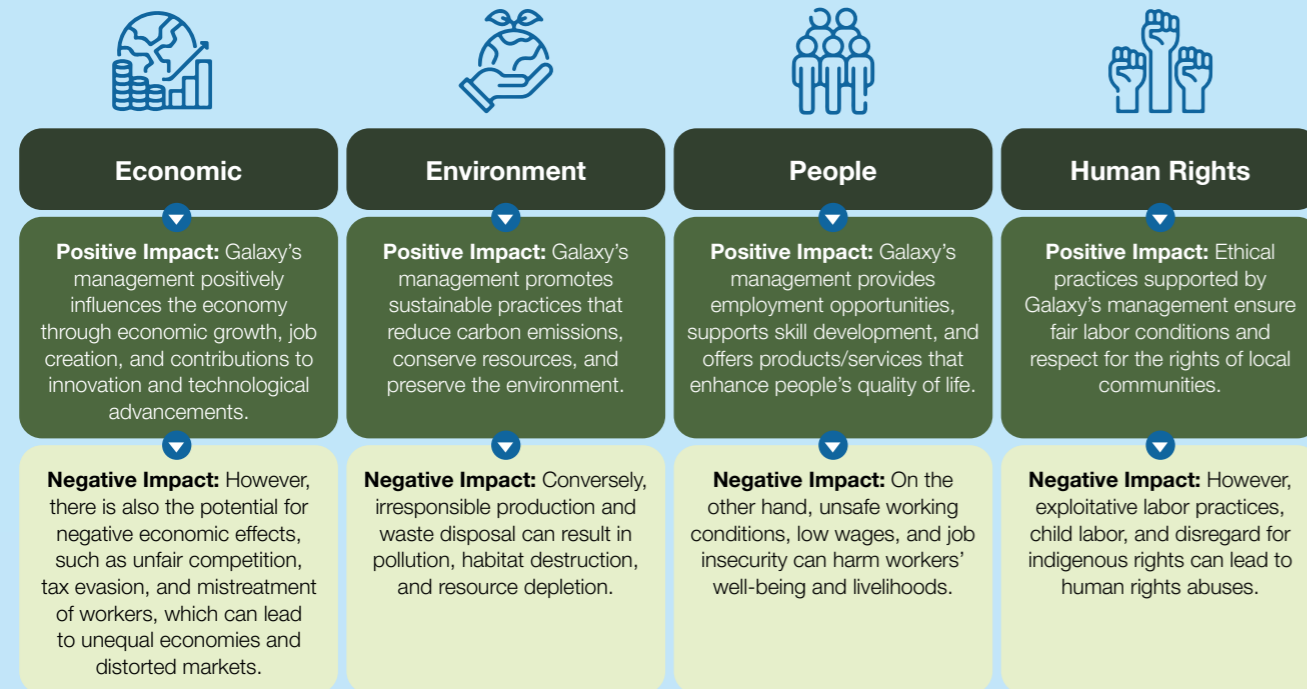
#### Material Topics excluded for the Financial Year:

- Financial Growth
- Value Chain Engagement
- Ethics





## IMPACT OF MATERIALITY MANAGEMENT



Galaxy employs a structured approach to target setting, measurement, monitoring and performance review for goal achievements, with a focus on sustainability goals related to climate change, circular economy, water stewardship, and diversity and inclusion. This process includes:

**Quarterly Cell Meetings with Senior Management and Board of Directors:** These meetings facilitate strategic

discussions and decision-making, ensuring alignment with our goals and values.

**Monthly Meetings on Target Achievements:** Regular monthly meetings assess progress towards targets, allowing for timely adjustments and improvements.

**Metrics for Goal Tracking:** Galaxy uses various metrics to measure the effectiveness of actions and progress toward goals and targets, including:





# Vendor Onboarding and Qualification

**Material Issue**  
Engagement with Suppliers

**SDGs Impacted**



**We believe in the power of collaboration and shared values. Together, we can build a brighter, more sustainable future.**

At Galaxy, we believe that the strength of our business is closely tied to the strength of our supply chain. That's why we take great care in selecting and nurturing our suppliers, outsourcing partners, and service providers. Our commitment to excellence goes beyond just economic and product-specific performance; it extends to non-financial and sustainability considerations. We commit to supporting the local economy and fostering strong relationships with nearby businesses is unmatched.

## Why Galaxy is a Partner of Choice?

**Comprehensive Criteria:** We assess and manage our suppliers based on a comprehensive set of criteria, ensuring that not only economic aspects but also sustainability standards are met.

56%

of our raw materials is procured from local suppliers.

**Sustainability Integration:** Galaxy's sustainability standards are deeply embedded into our procurement strategies and activities. We understand the importance of responsible business practices and strive to make them a cornerstone of our supplier relationships.

**Vendor Onboarding Excellence:** We've implemented a systematic vendor onboarding process that acts as a robust framework for welcoming new partners into our family. When they meet our eligibility criteria, we guide them through this process, ensuring that they are well-prepared to work with us.

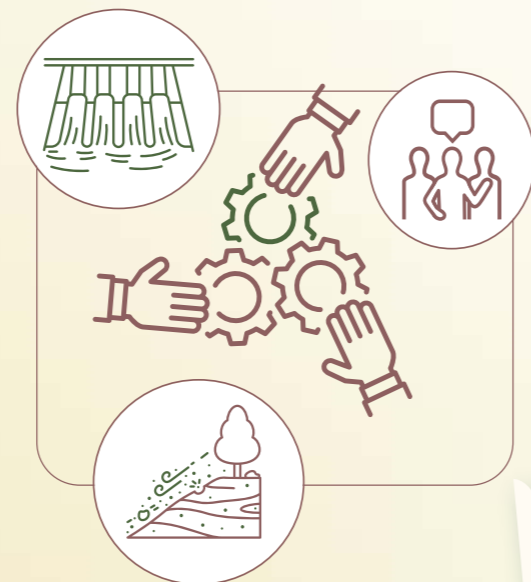
**Focus on MSMEs:** We recognize the vital role Micro, Small, and Medium Enterprises (MSMEs) play in our global economy. Therefore, our current focus is on streamlining the onboarding process for MSMEs, making it easier for them to partner with Galaxy.

**Here's how we engage with Suppliers:**

**Check Eligibility:** Ensure that the supplier meets our eligibility criteria for supplying the required materials or services.

**Vendor Onboarding Process:** If vendor qualifies, they're guided through our vendor onboarding process. This process is designed to equip them with the knowledge and tools necessary to thrive as a Galaxy supplier.

**Successful Registration:** Upon successful completion of all the requisite requirements, suppliers will be registered in our system, and they officially become a part of the Galaxy Supplier Network.



Percentage of new suppliers that were screened using environmental criteria	52%
Percentage of new suppliers that were screened using social criteria	52%
Number of suppliers assessed for environmental impacts	33
Number of suppliers assessed for social impacts	33
Number of suppliers identified as having significant actual and potential negative environmental impacts	36
Number of suppliers identified as having significant actual and potential negative social impacts	Nil
Significant actual and potential negative environmental impacts were identified in the supply chain.	We have implemented effective measures to reduce the adverse effects within our supply chain resulting from the procurement of palm oil derivatives. Additionally, our goal is to conduct a thorough evaluation of the environmental risks associated with our supply chain operations and develop strategies to mitigate them.
Significant actual and potential negative social impacts identified in the supply chain	Nil
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment	22%
Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment	Nil
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment	Nil
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment	Nil

This data includes local suppliers from India for GSL





# Customer Satisfaction & Privacy

**Material Issue**  
Customer Complaints Resolution  
Customer Privacy

**SDGs Impacted**  
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Galaxy is committed to safeguarding customers, consumers, and the environment through the delivery of safer and more sustainable solutions.

At Galaxy, we handle confidential information with utmost care and discretion, refraining from disclosure unless explicitly authorized or legally mandated. Confidential information encompasses a wide range of data, including but not limited to details about the company's clients—such as their names, addresses, personal information, portfolio transactions, and portfolio holdings—as well as investment advice provided to our clients.

privacy or instances of customer data loss. Your trust and data security remains paramount to us.

Our product stewardship practices are integrated into the innovation process, guaranteeing that chemical safety is considered throughout the entire product life cycle. This ensures regulatory compliance and effective communication with customers regarding the safe use and management of the products when they are placed on the market.

In the reporting year, we are pleased to report that there were no substantiated complaints regarding breaches of customer



# Product Sustainability and Stewardship

**Material Issue**  
Product Sustainability - Life Cycle Assessment approach

**SDGs Impacted**  
12 RESPONSIBLE CONSUMPTION AND PRODUCTION  
9 INDUSTRY INNOVATION AND INFRASTRUCTURE  
13 CLIMATE ACTION

Galaxy is a global leader in personal and home care, committed to ensuring the quality, safety, and sustainability of our products throughout their lifecycle. In this section, we explore our rigorous quality control measures, commitment to eco-friendly practices, and the evolution of product stewardship as a vital element of our corporate strategy.

## Quality Control and Safety

At Galaxy, product quality and safety are paramount. We implement robust controls and channels to meticulously evaluate the impacts of products and processes at every stage of development. Our products undergo stringent quality checks, consistently surpassing industry benchmarks. Compliance with quality and cosmetic GMP standards is regularly reviewed by dedicated teams and top management, ensuring strict adherence to operational plans and product development.

of sustainability: people, planet, and performance. We embed sustainability aspects in product development and other processes, proactively screening our products and innovation projects against strict sustainability criteria to support long-term value creation.

## Sustainable Manufacturing

Our focus extends beyond quality to developing safe and eco-friendly products. We utilize efficient manufacturing processes that minimize harm to humans and the ecosystem. Incorporating recycling and reusing of raw materials and by-products, we actively reduce the environmental impact of our operations. We are committed to minimizing waste and emissions and strive for resource efficiency.

## Responsible Care® Commitment

As a signatory to the Responsible Care® Declaration, Galaxy upholds the Responsible Care® Global Charter. We have integrated Responsible Care® principles into our Sustainability and SHE (Safety, Health, and Environment) Policies, demonstrating our unwavering commitment to sustainable chemistry. Our holistic approach ensures we address health, safety, environmental, and regulatory aspects throughout our product life cycles, adhering to clear guidelines and process descriptions.

## Sustainability in Product Stewardship

Product stewardship is evolving from a legal requirement to a strategic catalyst for Galaxy. We gather, analyse, and assess regulatory and emerging issues relevant to our portfolio marketing. Sustainability leadership is integral to our strategy, where we aim to develop products that consider all dimensions

## Innovation and Technology

The ongoing transition in the home and personal care industry sets the stage for a paradigm shift in the coming decade. To meet the evolving demands of our customers and stay ahead in the market for high-quality, sustainable products, our commitment to research and development remains unwavering.

Innovation is a cornerstone of Galaxy's business strategy, providing us with a sustainable and enduring competitive advantage.



## Innovation Funnel Model

Galaxy employs an innovation funnel model that comprises several stages. Ideas progress through various developmental stages before reaching the commercialization phase. Our primary focus is on introducing new ingredients that align with a variety of existing and emerging categories, including UV absorbers, functional macromolecules, non-toxic preservatives, mild surfactants for gentle cleansing, and unique blends.

## Consumer-Centric Approach

Our innovation philosophy, "Consumer to Chemistry," drives us to proactively identify consumer insights and demands. We achieve this by analysing market trends and forming strategic intellectual partnerships with our clients. Understanding market dynamics and consumer preferences is at the core of our innovation efforts.

## Sustainable Innovation

We prioritize the use of natural ingredients and adhere to the 12 Principles of Green Chemistry to develop products that are fundamentally safe and sustainable. Our commitment extends to employing green technology for environmentally-friendly production. This approach ensures a full value proposition for both our customers and end users.

## Patents and Innovation Progress

90

Total patents granted to Galaxy since 2000

09

No. of Patents granted to Galaxy (FY 23)

## Adapting to Industry Shifts

As the home and personal care industry undergoes a transformation toward eco-friendly yet convenient and reasonably priced products, Galaxy remains at the forefront of industrial innovation. We have proactively aligned our innovation process with emerging trends. In the past year, we launched three new products driven by sustainability trends:

### Galseer Tresscon

- Sulfate-free, silicon-free, PEG-free, and alkanol amide-free
- Sustainable
- Exceptional hair-care performance
- Designed to be safe, green, and environmentally friendly

### Galmol CCT

- Derived from fatty acids and glycerine
- Supports pigment dispersion
- Safe and truly a natural product
- Excellent spreadability
- Exceptional oxidative stability

### Alkyl Polyglucosides:

- Versatile non-ionic surfactants
- Natural and plant-derived
- Environmentally friendly
- Easily biodegradable in the environment

## Regulatory Compliance

Our proactive approach extends to monitoring the ever-evolving global regulatory landscape, enabling us to swiftly adapt to changes in chemical management regulations and emerging systems. This commitment to regulatory compliance also includes thorough substance registration with regional and national authorities, as well as robust supply chain communication on product safety.

In alignment with our dedication to safety and transparency, Galaxy adheres to the Globally Harmonized System (GHS) for classifying and labelling chemicals. GHS provides an international framework for defining and categorizing chemical hazards, facilitating effective hazard communication through labels and Safety Data Sheets (SDS). Our SDS for all products are meticulously prepared in accordance with the updated Commission regulation (EU) No. 2020/878 for the EU and GHS standards for all other countries. To ensure accuracy and relevance, our SDS and labels undergo regular review and revision as necessary.

Furthermore, Galaxy fully commits to compliance with REACH and REACH-like regulations, successfully registering all relevant chemicals within specified deadlines and maintaining up-to-date product dossiers. This global coordination with regulations, including interactions with the European Chemicals Agency (ECHA), is expertly managed by our dedicated Regulatory Team. In the realm of transportation, we prioritise the safe handling of dangerous goods. This is achieved by utilizing UN-certified packaging materials and affixing Dangerous Goods labels, strictly adhering to IMDG (International Maritime Dangerous Goods) and IATA (International Air Transport Association) regulations.

Additionally, Galaxy's Regulatory Team adeptly manages specific customer requirements, including confirming the presence or absence of impurities listed in California Proposition 65, addressing Carcinogenic, Mutagenic, and Reprotoxic (CMR) substances, and listing products in various chemical inventories such as the National Drug Code (NDC) listing. To cater to the diverse needs of our valued customers, we also offer products compliant with Halal and Kosher requirements. Our comprehensive approach to regulatory compliance and product safety underscores our unwavering commitment to delivering high-quality, safe, and environmentally responsible solutions to our customers and stakeholders.

100%

of all Galaxy's products undergo rigorous assessment for compliance with established procedures.

0

incidents of non-compliance concerning product and service information and labelling





# PLANET



**In light of the outcomes of the Paris Agreement, which aims to limit global warming, and India's commitment to this accord, we have established our emission reduction targets. We are currently in the process of setting these targets in accordance with the Science-Based Targets approach. This approach provides companies with a well-defined pathway to reduce emissions in alignment with the goals of the Paris Agreement.**

We are pleased to report that all our operational locations have consistently maintained high levels of environmental compliance. Emissions and waste generated have remained well within the limits stipulated by the State Pollution Control Board (SPCB), and we adhere to the reporting process prescribed by them on an annual basis.

As we conclude the financial year, we are proud to share that no show cause notices from the pollution control board were pending against us. This underscores our commitment to operating responsibly and in accordance with environmental laws and regulations.

**Key Compliance Metrics:**

- i. Total monetary value of significant fines: NIL
- ii. Total number of non-monetary sanctions: NIL
- iii. Cases brought through dispute resolution mechanisms: NIL

Our primary objective is to decouple environmental and social issues from economic growth. Specifically, we aim to disentangle economic expansion from environmental and social concerns. Through our Parivartan-WESAP (Waste Elimination Suggestion Award Program), our operators play a crucial role in identifying and suggesting ways to eliminate waste on-site. We have organized various activities, competitions, and programs to raise awareness, engage our workforce, and move closer to realizing our commitment to a cleaner and more sustainable environment.

At Galaxy, sustainability is not just a goal; it's a way of life. We have embarked on a journey of sustainable growth across all regions where we operate. We continually enhance our sustainable performance and practices by implementing management systems that are applicable worldwide. Galaxy is dedicated to minimizing its environmental impact and has set long-term sustainability goals. Over the past few years, we have made significant progress toward achieving these sustainability and environmental management objectives.

## Policies

We have adopted a Sustainability policy that emphasizes the philosophy of 'Sustainability lies at the core of our business'.

You can find it at <https://www.galaxysurfactants.com/pdf/policies/Sustainability-Policy.pdf>



# Environmental Trends, Risks and Opportunities

Trends	Impact (Category)	Risk	Opportunities
Preference for greener and certified products	Financial	Losing customers, lower generation of revenue	Retention of customers, sustenance, and increase in revenue
Making a positive impact in the context of water	Environmental	Shortage/scarcity of water, stoppage of production due to water scarcity	Water stewardship: Galaxy is audited and recognized as water-positive by 1.4 times in 2022  5 out of 7 operational facilities are Zero Liquid Discharge facilities.  Opportunities have been realized. Currently, the opportunity at hand is being water positive at the respective operational levels.
Using renewable source(s) of energy	Environmental	Climate change-related issues and compliance with current regulations and future unknown regulations	Increase in percentage of renewable energy and decrease in CO2 emissions
Recycling and reducing waste	Environmental	Non-Compliance with Circular Economy	Compliance with Circular Economy.
Use of RSPO MB certified Raw material  Supplies of RSPO MB certified Finished goods  Measurement, monitoring and reporting of oil palm traceability of derivatives of oleochemicals	Environmental	Zero Deforestation	Increasing % purchase of RSPO (MB) certified Derivatives of oleochemicals raw materials and sales of derivatives of oleochemicals RSPO (MB) finished goods  Increase in percentage of oil palm traceability for RSPO (MB) finished goods till mill level and plantation level

## Goals and Targets



Our goal is to achieve 100% renewable electricity by 2030



We are committed to planting a total of 100,000 trees by 2030-31.



Our objective is to attain 100% waste circularity by 2030 and eliminate all waste incineration by 2025-26.



Achieving Net Water Positivity at individual sites

# Climate Resilience

**Material Issue**  
Net Zero Carbon

SDGs Impacted



**Global warming and its impact on the climate present a significant challenge to the world. Galaxy has been proactively monitoring and reporting emissions since the fiscal year 2011-12. Our commitment to reducing emissions is evident through the implementation of various energy conservation projects.**

As part of our sustainability initiatives, we engage in reporting through platforms like the CDP (Carbon Disclosure Project), where we share information about the risks and opportunities associated with climate change. These reports provide a comprehensive analysis of both transitional and physical factors, along with the risk management strategies employed.

Monsoons, for instance, continue to pose a substantial risk to our industry, and the frequency of natural disasters globally compounds the challenges posed by climate change. While we have not yet experienced direct harm from these natural catastrophes, their occurrence could significantly affect our operations.

## The Path to Net Zero

The current global momentum towards achieving net-zero emissions is undeniable. At Galaxy, we firmly believe that establishing a transparent and reliable GHG Inventory System serves as the foundational step toward reducing greenhouse gas (GHG) emissions. This system empowers us to continually monitor, report, and verify our current emission levels. In doing so, GHG emission accounting and reduction assume a pivotal role in our long-term commitment to sustainability and our efforts to mitigate the impacts of climate change.

Amid these challenges, opportunities have emerged. Consumer demands for eco-friendly solutions have driven innovation towards low-carbon products and sustainable product lines. Additionally, the demand for solutions related to megatrends like low-carbon mobility, recycling, and urbanization has risen.

**Greenhouse Gases Accounting is carried out considering the following facilities:**

Sr.No.	Facility	Country/Region
1	Taloja	India
2	Tarapur	India
3	Jhagadia	India
4	Corporate Office, TTC	Navi Mumbai, India
5	Suez	Egypt
6	Derry	New Hampshire, USA

It's crucial to understand that the impacts of climate-related issues on our organization are influenced by our exposure to specific climate-related risks and opportunities, as well as our strategic and risk management decisions in response to these challenges. Efforts to mitigate and adapt to climate change also present opportunities for our organization, including resource efficiency, cost savings, the adoption of low-emission energy sources, product and service development, access to new markets, and the reinforcement of resilience throughout our supply chain.

## Performance

Our approach to GHG emissions begins with the consolidation of data based on operational control, using the base year 2012-13. Our calculations encompass a range of greenhouse gases, including CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub>, and HFC, and adhere to the ISO 14064-1:2018 standards and the IPCC guidelines outlined in the Fifth Assessment Report. To collect data on fuel and electricity consumption, we rely on metering, billing records, and meticulous record-keeping at our respective sites.

**Scope 1 : 20637.15 tons of CO<sub>2</sub> equivalent**

**Scope 2 : 34703.99 tons of CO<sub>2</sub> equivalent**

## Climate Risks and Opportunities

Key transition risks include the impact of climate and energy policies, leading to higher fuel and energy taxes and evolving customer preferences towards environmentally friendly solutions. On the other hand, significant physical risks stem from changes in precipitation patterns, droughts, and extreme weather events such as tropical cyclones, all of which can affect natural resources, infrastructure, and our supply chain.





Sr.No.	Location	Tonnes CO <sub>2</sub> eq.
1	Tarapur	4113.34
2	Taloja	11807.77
3	Jhagadia	10039.97
4	TTC	658.05
5	Egypt	7905.37
6	Derry	179.49

IPCC guideline, GHG Protocol Central Electricity Authority, International Energy agency

a. Gases included in the calculation are CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O and HFCs.

b. Scope 1

- Base year: 2012-2013
- Base year emissions (metric tons CO<sub>2</sub>e): 24865.71

a. The gases included in the calculation are CO<sub>2</sub>

b. Scope 2

- Base year: 2012-2013
- Base year emissions (metric tons CO<sub>2</sub>e): 25081.21

### Scope 3

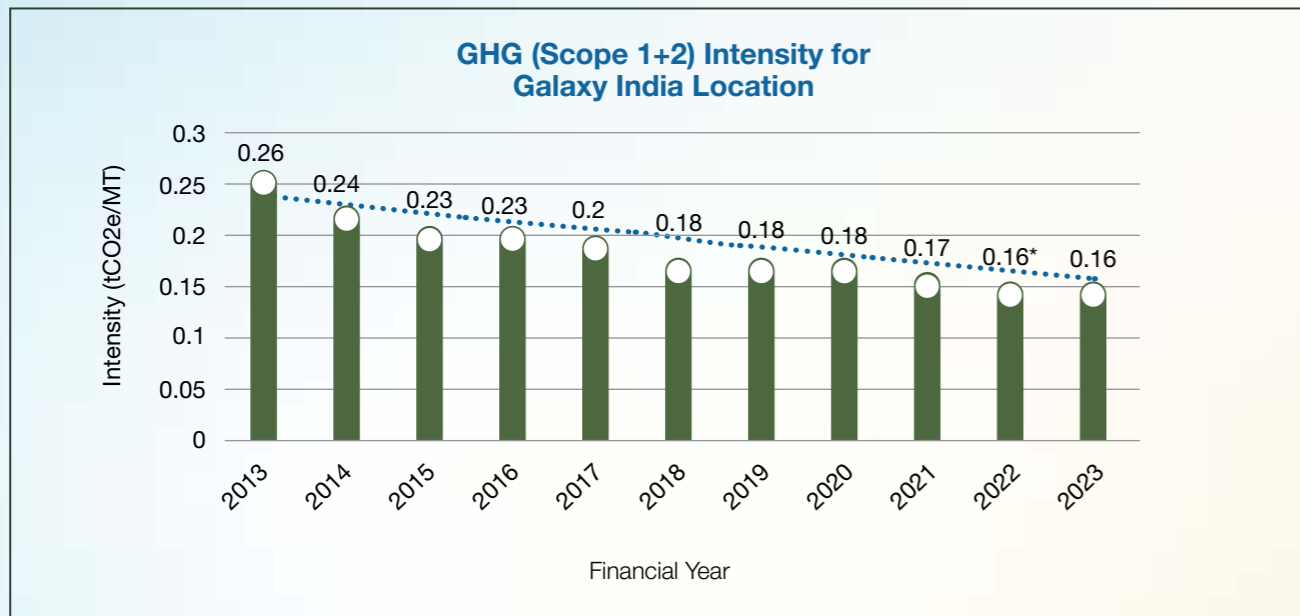
Gross other indirect (Scope 3) GHG emissions: 656475.12 tons of CO<sub>2</sub> equivalent

Category	Emissions (tonnes CO <sub>2</sub> eq.)
Purchased goods and services	6,12,596.29
Capital Goods	11205.75
Upstream transportation and Distribution	7260.43
Downstream transportation and distribution	23912.58
Employee Commuting	918.42
Business Travel	581.65

India GHG Inventory Program guide, 2018 IPCC Guidelines for National Greenhouse Gas Inventories, DEFRA's Air travel guidance inventory, and the US EPA emission factors hub.

### GHG emissions intensity

Global Operation	FY 23
Scope 1+2 (tCO <sub>2</sub> e)	55341.14
GHG intensity (tCO <sub>2</sub> e/MT)	0.15



\*Figures for FY 22 have been restated.

<sup>3</sup> Emission is captured against SAP entries, Quantis application, and maintained records for each transaction. We calculated the GHG emissions by taking its emission factor from the India GHG Inventory Program guide, 2018 IPCC Guidelines for National Greenhouse Gas Inventories, DEFRA's Air travel guidance inventory, and the US EPA emission factors hub.

<sup>4</sup> Organization-Specific metric (denominator): This ratio considers the denominator as production volume in MT.

Gases included in the calculation are CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O and HFCs

### Reduction of Greenhouse Gas Emissions

In FY 2022-23, the implementation of energy conservation initiatives and greenhouse gas (GHG) reduction projects has led to notable enhancements in energy efficiency. As a result, within our Indian operations, the following achievements have been realized:

- Through energy efficiency projects, we successfully decreased GHG emissions within scope 1 and 2 by 4734.08 tCO<sub>2</sub> eq.
- By harnessing solar energy, we have effectively prevented the release of 7,800 tCO<sub>2</sub> eq.
- Our strategic sourcing of green raw materials has led to a substantial reduction, avoiding the emission of over 65,000 tCO<sub>2</sub> eq.

Initiatives Implemented in FY 23				
Sr.No.	Category of Project	Project Description	Scope	Total CO <sub>2</sub> eq. savings in tonnes
1	Efficiency Improvement	Energy reduction at the Formulation plant	Scope 2	72.29
2	Energy Savings	Power saving in Mixing	Scope 2	71.71
3	Power Reduction	Energy Reduction by utilization of Heat exchangers	Scope 2	169
4	Steam Reduction	Sodium Sulphate recycling	Scope 1	41.48
5	Steam Reduction	Energy saving in Raw material Heating	Scope 1	99.45

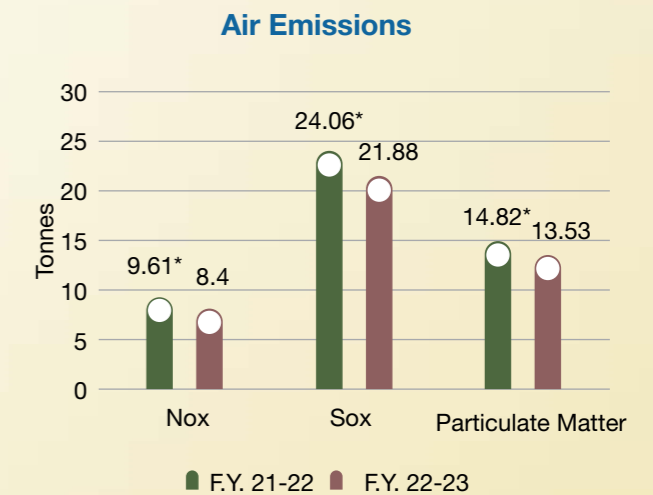
### Air Emissions

At Galaxy, our operations strictly avoid the use of ozone-depleting substances (ODS). All relevant refrigerants are accounted for within our Scope 1 emissions. We are deeply committed to maintaining emissions well below statutory limits while continuously enhancing our systems.

NOX Emission	8.4 tonnes
SOX Emission	21.88 tonnes
Particulate matter (PM)	13.53 tonnes

For our manufacturing sites in India, we maintain a regular and rigorous monitoring regimen for SOx, NOx, and PM (Particulate Matter) emissions. To ensure accuracy and compliance, stack emissions are systematically measured and monitored quarterly, with the oversight of authorized third-party agencies.

The reduction in Air Emissions is a result of utilization Natural gas in the Tarapur manufacturing unit .



\*Figures for FY22 have been restated.






# Water Stewardship

**Material Issue**

Water Security - Being Water Positive at the respective operational site

**SDGs Impacted**



**Water stewardship is of paramount concern in the chemical industry due to its extensive use in industrial processes and as a critical product component. Galaxy primarily utilizes water in the manufacturing of chemical products, resulting in wastewater effluent discharge. Efficient water management not only conserves resources but also reduces wastewater treatment costs.**

**At Galaxy, we are committed to developing effective water usage solutions for industrial settings worldwide and promoting water savings at the end-user level through collaborative and innovative initiatives.**

## Water Highlights for GSL, India

- 25% of water consumed accounts for recycled and reused water
- 12 megaliters of water harvested within the fence
- 104.54 megalitres of water recycled.
- About 1.4 times water-positive at the corporate level.
- 694.3 million litres of water harvested beyond the fence.

## Water Goals and Targets for 2030

- Reducing Indirect Water Withdrawal Intensity in water-stressed areas and other operations
- Achieving Net Water Positivity at individual sites

## Interactions with Water as a Shared Resource

Water is a vital auxiliary material in the chemical industry, serving various purposes such as cooling, solvent use, cleaning, and product manufacturing. It is also essential for WASH (water, sanitation, and hygiene).

Our water supplies, particularly at production sites, primarily come from third-party sources. Before consumption in operations, water undergoes treatment at Galaxy's Water Treatment facility. Ninety-six percent of the water is sourced from third-party suppliers, while the remaining 4% is obtained through our Rainwater harvesting projects within our operational boundaries. The wastewater generated by Galaxy undergoes appropriate treatment before recycling (Indian Operations) or discharge (Egypt and USA), ensuring no measurable impact on biodiversity.

At Galaxy, we recycle and reuse water extensively in our operations, especially for utilities and Water, Sanitization, and Hygiene (WASH). This recycled water accounts for 18% of our total water consumption (Global operations) and has increased by 8.5% compared to the previous year.

Galaxy actively identifies water stress regions using tools like the Aqueduct Water Risk Map by the World Resources Institute and the India Water Tool. To ensure continuous operations in water-stressed areas, we focus on reducing water consumption, increasing water reuse, and managing potential risks effectively. We systematically track water-related impacts and engage with stakeholders when necessary to address specific water-related issues.

Our manufacturing plants in India operate as Zero Liquid Discharge Units, while operational facilities in Egypt and the USA discharge treated effluents. Galaxy strives to minimize emissions to water through research, process design, plant operations, and maintenance.

We promote responsible water usage across the value chain and assess supplier compliance with environmental criteria in our regular supplier evaluations. Additionally, we actively participate in various initiatives aimed at enhancing supply chain sustainability.

Galaxy provides comprehensive water reporting and actively engages with organizations like CDP (formerly the Carbon Disclosure Project). We received a management scoring B for our response to CDP's 2022 water security survey, reflecting our commitment to reporting on water management efforts and mitigating risks associated with water shortages. We also consider how our product developments can contribute to sustainable water management for our customers.

## Management of Water Discharge-Related Impacts

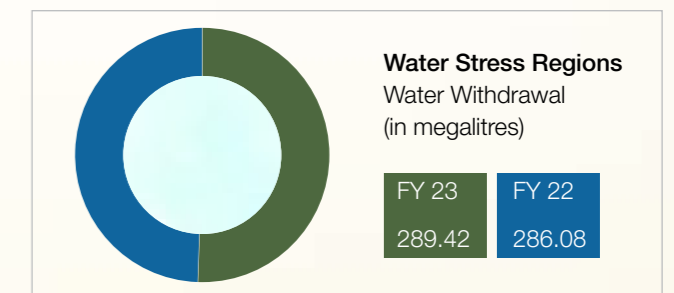
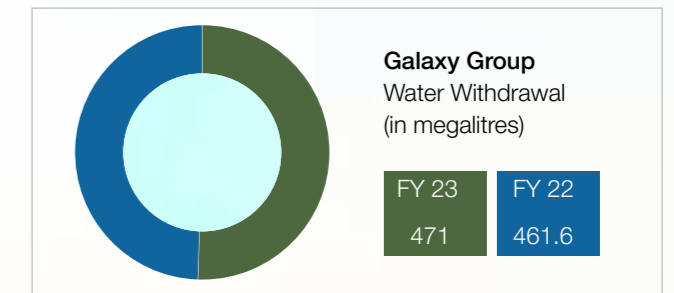
At Galaxy, we subject wastewater and effluent to strict controls and conduct careful assessments of their impact in accordance with applicable laws and regulations. Priority substances for Galaxy include organic pollutant parameters like biochemical oxygen demand (BOD), chemical oxygen demand (COD), soluble salts, and suspended solids. These parameters are routinely measured and monitored, both daily by our in-house laboratory and quarterly by external authorities.

In our Indian manufacturing facilities, we do not discharge water; instead, it undergoes treatment to maintain parameters well below permissible limits. The treated water is subsequently reused and recycled, with 25% of our water consumption in Indian operations accounted for by recycled water. Our sites undergo regular internal audits, and local authorities assess compliance with internal guidelines and legal requirements to ensure the accuracy of analysis and safety precautions.

### Monitoring Water Usage

Galaxy continuously monitors various water-related variables, including the total volume abstracted from various sources, water usage in relation to productivity, and the volume discharged.

### Water withdrawal

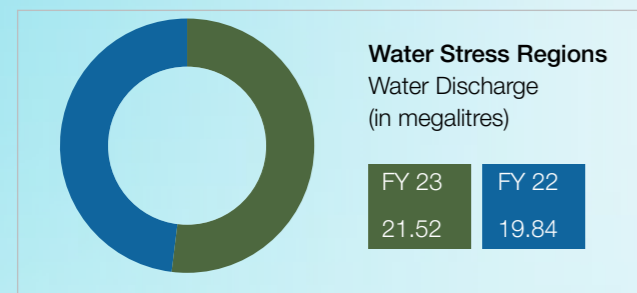
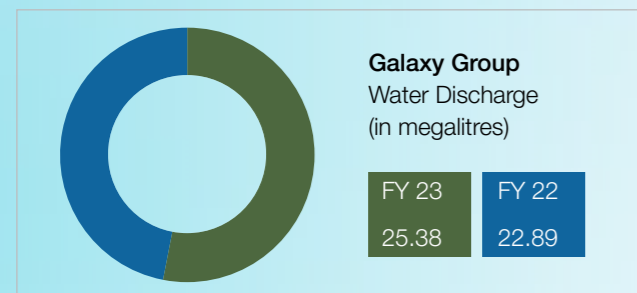




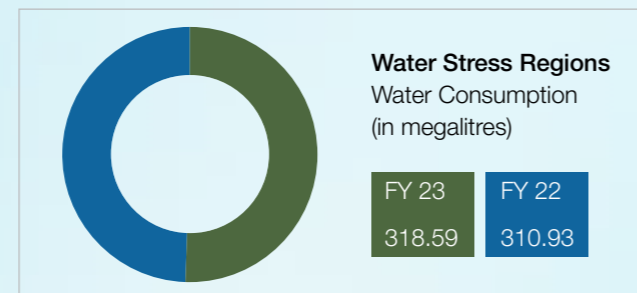
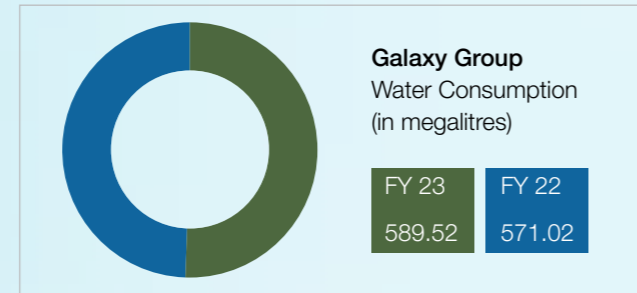
### Water discharge

Our water discharge data encompasses discharges from multiple sources, including the Research and Development site in India, as well as our manufacturing units in Egypt and the USA. Prior to transfer to Common Effluent Treatment Plants, all wastewater undergoes rigorous pretreatment at Galaxy's facilities. Typically, this pretreatment involves a multi-stage chemical and physical process. This comprehensive approach, complemented by continuous monitoring, ensures that the discharged wastewater does not harm receiving water bodies and ecosystems.

The pretreated water that is discharged is subject to daily measurement through onsite flow meters and monthly monitoring by our Corporate Sustainability Team.



### Water consumption



Our water consumption data encompasses all water withdrawn, recycled within our processes, and conserved through rainwater harvesting

We systematically monitor our water consumption in separate categories for process use, utilities, and Water, Sanitization, and Hygiene (WASH) services. This data is incorporated into our Daily Production Report (DPR), which is reported to the corporate office monthly.

### Reducing Freshwater Consumption

To minimize our reliance on freshwater, we employ effluent treatment plants and reverse osmosis processes. Rejects from the reverse osmosis systems are directed to MEE (Multiple Effect Evaporators) and ATFD (Agitated Thin Film Dryers) systems for further treatment, contributing to a significant reduction in freshwater consumption.

# Energy Management

### Material Issue

Increase in use of % of renewable sources of energy in overall Energy consumption.

### SDGs Impacted



Energy conservation remains our top priority as we strive to reduce the energy intensity of both our products and processes. We have implemented various energy conservation projects aimed at enhancing the efficiency of our manufacturing facilities and equipment. Galaxy is fully aligned with global emission reduction goals and is unwavering in its commitment to reducing emissions through the utilization of energy management systems, renewable energy sources, and the adoption of clean fuels.

Within our organization, we have dedicated Energy and Sustainability cells that regularly assess our energy performance, guided by our Energy and Sustainability policy. Notably, Galaxy has successfully implemented the ISO 50001:2018 Energy Management System at our Taloja Manufacturing unit, which has led to a reduction in energy consumption and emissions contributing to climate change. This certification was awarded following a successful audit conducted by BSI.

Galaxy recognizes the importance of tracking overall energy intensity and consumption as key metrics. In the fiscal year 2022-23, Galaxy implemented various conservation and efficiency initiatives aimed at reducing energy consumption. These projects were designed to optimize operational conditions and improve energy efficiency, further aligning with our commitment to sustainable practices and our ongoing efforts to enhance energy performance.

**Total fuel consumption (non-renewable):**  
270089.7 GJ

**Fuel type:**  
Natural Gas, Light Diesel Oil, Furnace Oil, Coal and High-Speed Diesel.

**Electricity consumption (R.E. + Grid power):**  
212527 GJ

**Total energy consumption within the organization:**  
482616.7 GJ

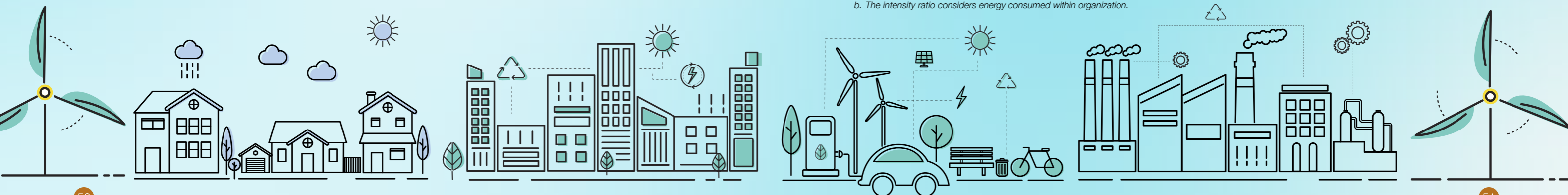
### Energy intensity<sup>1</sup>

Energy intensity (MWH/MT)	FY 2022-23
Indian Operations	0.37
Global operations	0.38

<sup>1</sup>a. Types of energy included in the intensity ratio:

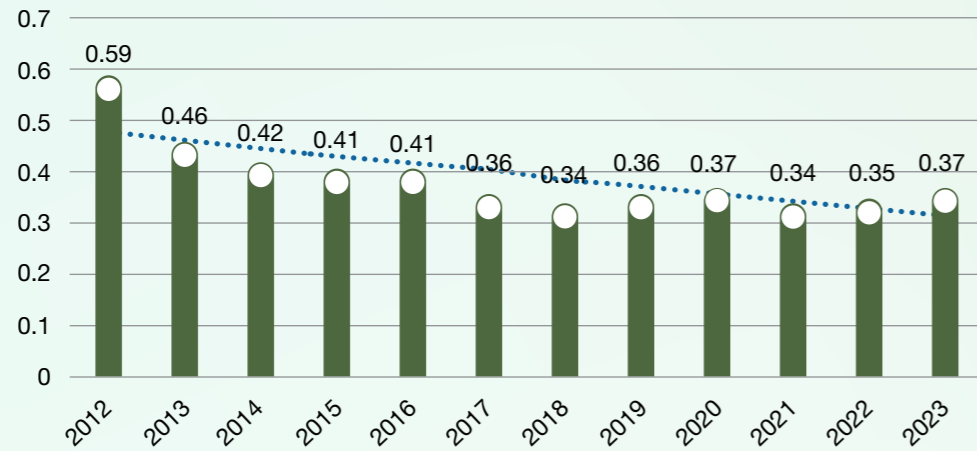
- o Our energy mix includes power and fuel from both non-renewable and renewable sources.
- o Type of energy: Furnace oil, coal, light diesel oil, high speed diesel oil, natural gas, grid electricity and renewable electricity.

b. The intensity ratio considers energy consumed within organization.





Energy Intensity trend for Indian Operations



Amount of reductions in energy consumption: 12956.4 GJ

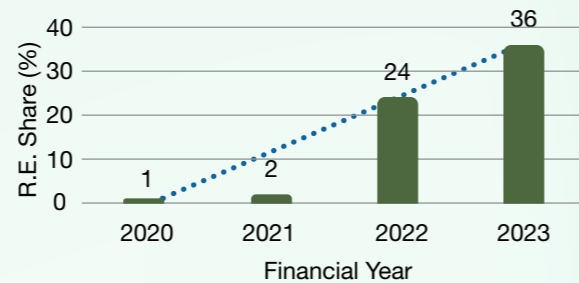
Sr. No.	Project Description
1	Energy Reduction at Formulation
2	Energy savings in ETLA heating In Sulphation
3	Power saving in mixing
4	Energy savings in ETLA heating at MED Sulphation
5	Energy reduction by running Ushma and Steam in series
6	BCT reduction in Ethoxylation

Energy savings were calculated by comparing plant operating conditions before and after the implementation of projects.

**Types of energy included in the reduction:** Electricity, Steam and Fuel

Renewable electricity sources are a central focus in our efforts to reduce emissions. In the current year, 14% of Galaxy Group's total electricity consumption was sourced from renewables, with our Indian operations leading at 21%. This transition to renewable energy sources has enabled us to avoid emitting 7800 tonnes of CO<sub>2</sub> equivalent.

Renewable Energy Trend of Taloja Unit



Total Installed capacity (Taloja plant)

- Purchased Solar: 304 KWp
- Inhouse Solar: 10 KWp
- Group Captive: 5.64 MWp

Total: 5.954 MWp

# Waste Reduction

**Material Issue**  
Circular Economy

**SDGs Impacted**

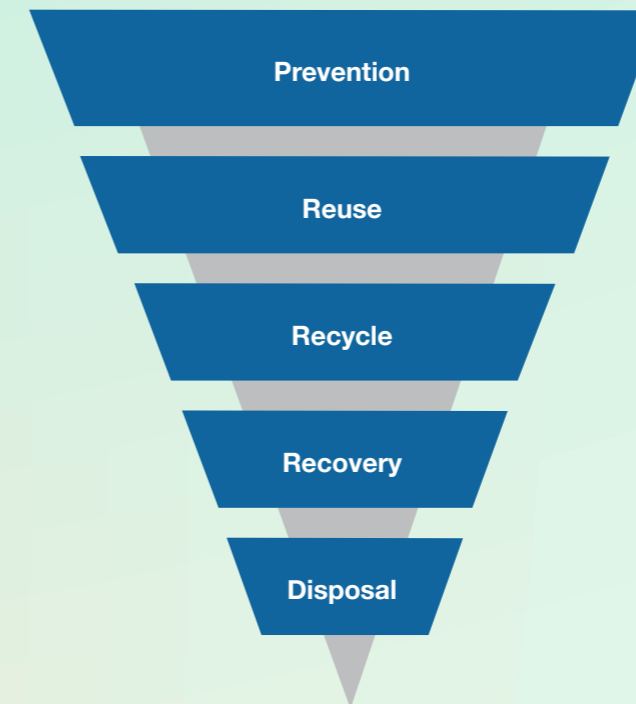


Galaxy recognizes the critical importance of sustainable waste management for its business and stakeholders, given the significant environmental and social impacts associated with chemical production and waste. As a responsible organization, we understand the pressing global challenges posed by Climate Change, Biodiversity loss, and Environmental pollution resulting from unsustainable consumption and production patterns.

Our commitment is to achieve 100% waste circularity by 2030 and achieve "Zero waste to incineration" by 2025-26.

We are dedicated to sustainable waste management practices that not only minimize environmental impact but also protect

ecosystems, mitigate risks, and contribute to a healthier planet for both present and future generations. We prioritize effective waste management across our operations to ensure compliance with regulations, enhance community well-being, and preserve the natural environment.



At Galaxy, we have developed a comprehensive waste management strategy based on the waste management hierarchy. We prioritize waste prevention and reduction as the primary steps, followed by reuse, recycling, recovery, and responsible disposal. Our objective is to minimize waste generation, maximize resource efficiency, and promote a circular economy by closing material loops and minimizing waste sent to landfills, contributing to improved resource utilization and production efficiency.

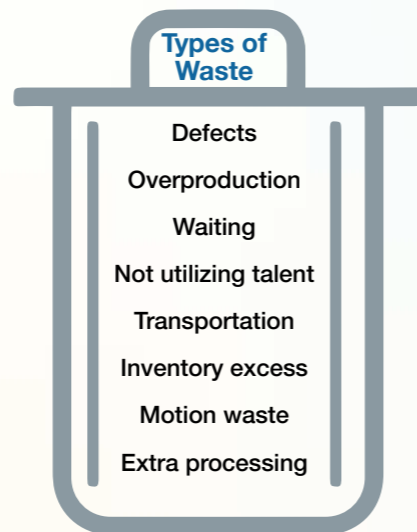
Our waste management approach incorporates the successful implementation of various projects that have consistently reduced waste generation over time. We have established stringent waste monitoring systems to accurately measure and track waste generation across our manufacturing facilities. Hazardous and non-hazardous wastes are managed in full compliance with national legislation, ensuring proper handling, storage, and disposal.





As part of our waste management strategy, Galaxy has introduced the Waste Elimination Suggestion Award Programme (WESAP) to empower our employees. This program nurtures a culture of waste reduction and awareness, aligning with our core belief that 'Everyone can make a difference'.

WESAP focuses on identifying and addressing eight specific types of waste, encouraging participants to propose solutions for waste reduction and elimination. The program kicks off with employee training, followed by the collection and review of suggestions. Feasible solutions are implemented at the respective site, and the employee behind the successful suggestion is duly recognized and rewarded for their contribution.



**> 4000**  
No. of suggestions generated in FY22-23 through Parivartan program for operational efficiency improvement

**930**  
No. of suggestions implemented in FY22-23 for operational efficiency improvement

Galaxy has implemented world-class practices, such as Total Productive Maintenance (TPM), at our manufacturing sites over several years. This approach significantly enhances operational efficiency and reduces waste. Additionally, we conduct annual internal benchmarking programs like the Galaxy Manufacturing Excellence Award (GMEA) to acknowledge and promote effective waste management practices.

## Waste generation and significant waste-related Impacts

### Inputs, activities, and outputs

Galaxy's waste generation primarily results from various inputs in our manufacturing process, including raw materials and chemicals, as well as activities related to processing, packaging, and distribution. These activities yield both hazardous and non-hazardous waste materials.

### Scope of impacts

Our waste-related impacts predominantly pertain to waste generated within Galaxy's direct operations. We take full responsibility for the proper handling, storage, and transportation of both hazardous and non-hazardous waste, ensuring that it is sent to authorized vendors for appropriate disposal or recycling.

## Management of significant waste-related impacts

### Actions taken to prevent waste generation

Galaxy is actively working towards achieving 100% waste circularity by 2030. To fulfil this commitment, we have initiated product-wise waste mapping to identify areas where waste is generated. By analysing this data, Galaxy aims to find effective solutions to enhance resource efficiency, reduce waste, and contribute to a circular economy.

### Management of waste generated in own activities

Our organization ensures proper waste management by adhering to robust contractual and statutory obligations, ensuring that waste is dispatched to authorized vendors for proper disposal or recycling. Galaxy takes full responsibility for the handling, storage, and transportation of both hazardous and non-hazardous waste. The hazardous and non-hazardous waste generated in our direct operations is sent to authorized vendors for disposal and further processing.

### Processes for collecting and monitoring waste-related data:

We have established streamlined processes to collect and monitor waste-related data, enabling us to track waste generation trends. The waste data is collected monthly by regional sustainability coordinators and is consolidated at the corporate level for further analysis. This information helps us continually improve waste management practices and promote sustainability.

### Waste generated

Waste Category	Total Waste generated (in metric tonnes)
Plastic waste	256.15
E-waste	8.67
Bio-medical waste	0.39
Battery waste	1.15
Other Hazardous waste	9261.14
Other Non-hazardous waste generated	1212.81
<b>Total</b>	<b>10740.31*</b>

\*The table includes waste generated from the operations of GSL India and Galaxy Chemicals Egypt.

The provided table presents the total waste generated in various categories, including plastic waste, e-waste, bio-medical waste, battery waste, other hazardous waste, and other non-hazardous waste. The data is specific to the operations of GSL India and Galaxy Chemicals Egypt. The compilation of this data followed established methodologies and compliance with relevant regulations to ensure accuracy and reliability.

### Waste diverted from disposal

Category	Waste diverted from disposal (MT)
Recycled	3754.64
Re-used	1690.11
Other recovery operations	434.97
<b>Total</b>	<b>5879.72*</b>

\*It includes GSL India and Galaxy Chemicals Egypt.

Breakdown of hazardous and non-hazardous waste diverted from disposal is not available. Galaxy is committed to continuously evaluating and implementing mechanisms that would allow for reporting this information in the future.

Onsite & Offsite: 5879.72 MT

### Waste directed to disposal

Category	Waste directed to disposal (MT)
Incineration	3211.4
Landfilling	456.8
Other disposal operations	1192.3
<b>Total</b>	<b>4860.6*</b>

\*It includes GSL India and Galaxy Chemicals Egypt.

Incineration (with energy recovery): NA

Incineration (without energy recovery): 3211.42 MT

Landfilling: 456.84 MT

Other disposal operations: 1192.32 MT

• Onsite: NA

• Offsite: 4860.6 MT





## Case Study Tarapur Unit

### Plastic reduction in packing material

**Objective:** To eliminate BOPP (Biaxially oriented polypropylene) HDPE bags from the system

Along with promoting green sourcing and vendor evaluation, Galaxy also tries to improve its processes continuously. One of our products, Sodium Lauryl Sulphate was being packed in BOPP bags. We realized that there was a potential to reduce the plastic content in packaging. In F.Y. 22-23, our Quality Assurance team decided to undertake a joint project with the Sourcing team. The proposal involved replacing BOPP bags with Kraft Paper bags.

As a result of constant efforts in planning, effective management, and trials, we successfully replaced BOPP (Biaxially Oriented Polypropylene) HDPE bags with Kraft Paper bags for some of our products. As a result, we have eliminated 30% of plastic waste from our system, leading to a substantial reduction in our ecological footprint.

### Bulk Sourcing of Raw materials (PEG7 and LA) in ISO Tankers

**Objective:** To reduce waste generated from HDPE drums and IBCs

At Galaxy, we are committed to sustainable practices and minimizing our environmental impact. In FY 22-23, we implemented a project to transition from sourcing our raw materials in HDPE drums and IBCs to bulk sourcing in ISO tankers. Through planning and effective management, we successfully replaced the use of plastic drums with ISO tankers for the transportation and storage of PEG7 and LA. This change resulted in a remarkable reduction of 25 MT of plastic waste.

By this initiative, we have improved operational efficiency, reduced waste, and achieved a significant 25 tCO2e emissions reduction through fuel and energy savings. This sustainable shift has optimized our manufacturing processes, leading to improved batch cycle times and aligning with our commitment to environmental stewardship.

# Ensuring the Future of Palm Oil

**Material Issue**  
Sustainable Palm Oil

**SDGs Impacted**



**Incorporating environmental sustainability strategies into supply chain management is known as green supply chain management. It involves reducing an organization's environmental impact at every stage of the supply chain, including product design, material procurement, production, and final product delivery. Galaxy's supply chain relies on palm oil and its derivatives. To mitigate environmental and social risks associated with palm cultivation, we procure RSPO-certified raw materials. Galaxy has been an ordinary member of the Roundtable on Sustainable Palm Oil since 2012.**



Our manufacturing units in India and Egypt are RSPO-certified. Over the years, we have observed an increase in the sales of RSPO Mass Balance (MB) finished goods since 2014. RSPO certification enables us to collaborate with key customers in contributing to a sustainable palm oil supply chain.

During the reporting year, by procuring more than 35,000 metric tons of RSPO MB-certified raw materials, we effectively avoided the emission more than 65000 tonnes of CO2 equivalent.

Total weight or volume of materials that are used to produce and package primary products and services of GSL, India:

Materials used	
	MT
Non-Renewable	83009
Renewable	85965



# Preserving Biodiversity

**Material Issue**  
Biodiversity Impact

**SDGs Impacted**



**Biodiversity refers to the variety of living forms found on Earth. The limited variety of flora and fauna diminishes ecosystems' ability to withstand changes such as climate change. As a surfactant manufacturer, we rely on ecosystems, such as the availability of resources. Our corporate sustainability goals, including climate protection, circular economy, water management, and responsible procurement, help protect biodiversity.**

Being a surfactant manufacturer, our major raw material comes from derivatives of palm and palm kernel oil. This business activity involves land use that can influence biodiversity, such as the risk of clearing forests for farmlands. To mitigate this risk, we have outlined our expectations of our suppliers regarding environmental, labour, and social standards in the supply chain through the Supplier Code of Conduct.

We have been RSPO (MB) Mass Balance certified since 2014, enabling us to consider biodiversity and green supply chain criteria when procuring sustainable palm oil-based raw materials.

At our manufacturing sites, we take appropriate measures to reduce negative impacts on biodiversity. Additionally, we systematically consider sustainability aspects when deciding whether to invest in the construction of new sites or expand existing ones.

Our commitment to the objectives set forth by the Responsible Care® charter of the International Council of Chemical Associations (ICCA) obligates us to continuously minimize the negative effects of our products on the environment, health, and safety, and to optimize our products continually. It is critical to examine the possible implications of product usage on biodiversity, such as the biodiversity loss resulting from pollution.

Galaxy maintains a strong focus on product safety while intensifying efforts to manufacture goods with high natural origin content, based on the 12 principles of green chemistry. Galaxy offers solutions that align with consumer trends and values vegan beauty. We have received product certifications

like COSMOS/Ecocert, Kosher, Halal, and RSPO (MB and SG), providing customers with greater value while reducing the impact on biodiversity.

Galaxy does not operate chemical production sites in biological reserves or areas with high biodiversity value. The Galaxy's sites are exclusively located in industrial parks or areas designated as industrial zones by local municipalities. If there are protected areas near Galaxy's sites, the company ensures that local regulatory guidelines to prevent pollution in these protected areas are followed.

Regarding significant impacts of activities, products, and services on biodiversity, if forests, which are generally unprotected areas, are in the immediate vicinity of production sites, we ensure that the nature of the plant and activities carried out do not have an appreciable adverse effect on the surrounding flora and fauna. Galaxy is also aware of the possible impact of certain raw materials and their effect on biodiversity, as in the case of palm oil.

For our Jhagadia plant, we've dedicated over 14 acres of land to create a green belt where trees of different species are planted. This green belt has benefited the local ecosystem.





# PEOPLE





**Our mission is rooted in our commitment to fulfil our societal responsibilities, which encompass environmental cleanliness, targeted educational initiatives in personal hygiene, and infrastructure assistance for community development. These efforts are a direct result of our operations in areas with communities that are often marginalized and underserved.**

Corporate Social Responsibility (CSR) is a fundamental principle that holds an organization accountable not only to itself but also to all its stakeholders and the broader community. At Galaxy, we view CSR as a powerful tool for empowerment and societal transformation. Our CSR initiatives are guided by a comprehensive policy that prioritizes the holistic development

of both the community and the environment, recognizing their direct connection to our operations.

Through our CSR endeavours, we remain dedicated to positively impacting as many lives as possible. Our initiatives are diverse, encompassing upliftment, support, enlightenment, relief, and development work. We firmly believe that our existence is intertwined with society, making it our duty to give back to the community that supports us.

Galaxy is committed to the principles of sustainability and acknowledges the far-reaching consequences of its business activities on the society in which it operates. Therefore, we are steadfast in our commitment to uphold our CSR responsibilities as an integral part of our corporate identity.



ZP School Chindhran



Saksham: Skill training for tribal women



Plantation at Tamsai

# People Energy Process – Nurturing a High-Performance Learning Culture

**At Galaxy, our Human Resource Process, aptly named the 'People Energy Process,' underscores our deep-rooted belief that our employees are an inexhaustible source of energy. They play a pivotal role in driving our continuous growth and contribute significantly to generating valuable resources. Within our organization, we are unwaveringly committed to fostering a high-performance learning culture.**

In this dynamic culture, our employees consistently find themselves challenged, rewarded, and presented with opportunities to showcase their skills and abilities. We

prioritize expanding cross-functional capabilities, nurturing domain expertise, and cultivating leadership skills at all levels. Regular training programs are a cornerstone of our approach, designed to enhance operational excellence, boost productivity, and ensure strict adherence to quality and safety compliance standards.

We believe in more than just professional development; we aspire to inspire our employees to embrace sustainable living practices. Our firm conviction is that awareness and engagement can empower individuals to make meaningful contributions toward creating a better world.





**Galaxy Group Employee Count**

FY 23	Permanent Employee			Contract Employee			Permanent Operators			Contract Operators		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
India	656	151	807	44	15	59	861	0	861	484	20	504
Egypt	175	12	187	37	02	39	70	0	70	245	5	250
USA	44	42	86	01	01	02						

Employees who are empowered, motivated, and highly competent in creating value for Galaxy and its stakeholders are critical to our long-term success. Therefore, Galaxy is committed to building a reputation as a preferred employer, to attract, engage, develop, and retain individuals possessing the right skills.

**Talent Management**

Efficient recruitment and onboarding processes are in place to enable new talent to contribute to the implementation of our strategic initiatives as swiftly as possible. Skill development is also considered essential for our agility and ability to drive innovation in rapidly evolving industries.

Galaxy adheres to the People Energy Policy for talent acquisition and development management. This policy ensures an efficient, effective, and professional talent acquisition process. Specifically, highly skilled talent acquisition professionals collaborate with the "Process" to identify and select the best external talent. The primary objective of talent management is to maintain a consistent and well-organized talent pipeline at every management level. This ensures the optimal alignment of position requirements with individual talents.

**New employee hires and employee turnover**

	FY20	FY21	FY22	FY23
Total of new hires	320	226	514	429
Total turnover	129	144	185	236
Overall turnover rate	9%	9%	11%	12%

**New hires, by age group**

	FY20	FY21	FY22	FY23
< 30 years	65	175	359	303
30-50 years	3	51	116	122
>50 years	252	0	3	4
<b>Total</b>	<b>320</b>	<b>226</b>	<b>514</b>	<b>429</b>

**Employee Turnover (Voluntary) by Age Group**

	FY20	FY21	FY22	FY23
< 30 years	71	88	93	148
30-50 years	56	48	74	74
>50 years	2	8	18	14
<b>Total</b>	<b>129</b>	<b>144</b>	<b>185</b>	<b>236</b>

**Employee Turnover (Voluntary) by Gender**

	Male	Female	Total
FY 20	107	22	129
FY 21	128	16	144
FY 22	164	21	185
FY 23	208	28	236

**Employee skill upgradation and transition assistance programs**

The growth of an organization is determined by the pace of its growth and the development of its people. At Galaxy, we believe in nurturing and empowering our talent, which helps them exercise their potential to the fullest. Our relentless pursuit is to build the competencies and capabilities of our people. We empower our people to take charge of their careers through multiple avenues, such as best-in-class manufacturing facilities and practices, futuristic learning and development initiatives, focused leadership development programs through 'Galaxy's Way of Leading', and a multi-dimensional capability-building approach.

Galaxy drives strategic agendas and awareness campaigns on employee health and wellness to ensure a happy, healthy, and motivated workforce. Our objective continues to support the business in achieving sustainable and responsible growth by building the right capabilities in Galaxy. In the year 2022-23, A plethora of behavioural, safety, technical, and on-the-job training activities was held for all levels of employees and different functionaries of Galaxy.

Various trainings have been identified with respect to the levels of skill and competencies. These trainings are conducted periodically. Specific need-based training is also conducted as and when the need is identified. Additionally, we provide aid for higher studies of our employees.



**Training & Development**

Our 'Talent to Outlast' approach ensures that employee initiatives are closely aligned with company goals and are executed successfully and efficiently. This approach identifies the specific human resource needs required for the successful execution of corporate and business plans. It also breaks down business challenges into people-related measures that address existing shortcomings in a targeted manner.

The effectiveness of our talent management approach is assessed through a structured review of the outcomes and impacts of various talent management activities. Each training program is subject to thorough evaluation. Feedback received

after each training session is routinely analysed, and any required changes are made to ensure the delivery of high-quality training courses.

**For our Indian location:**

Total Training Hours:	43,263
Average Training Hours:	25.95

**Egypt Location:**

Total Training:	5948.5
Average Training Hours:	10.6

Employee Group (India)	Topics/principles covered under the training and their impact	% of persons in a respective category covered by the awareness programs
Strategic	BRSR Compliance Program, Compliance Programs like POSH, Whistle-blower Policy, Code of Conduct, Human Rights	100%
Executive	Case Study Based Learning, One-on-One Coaching, BRSR Compliance Program, ISB – Managing Influence and Negotiation, Tough Love Leadership, Behavioural Based Outbound Training Program	85%
Operational	<ul style="list-style-type: none"> <li>Behavioural and Functional Training is provided for capability building.</li> <li>Compliance Programs include POSH Awareness and Cybersecurity Awareness Program</li> </ul>	95%
Staff and Operators	<ul style="list-style-type: none"> <li>We regularly provide training, education, and development opportunities to the company and contractor employees on topics like behavioural safety, Fire Safety, SCBA, MSDS, EMS-OH&amp;S standards, Responsible Care, etc. to enhance safety awareness among employees and contractors, various emergency drills and training have also been conducted.</li> <li>Safety culture is imbibed among employees by imparting and creating awareness about BBS (Behavioural Based Safety) and other Safety training ensuring their participation by continuously motivating them.</li> <li>Compliance programs include POSH awareness, whistle-blower, code of conduct, and human rights.</li> </ul>	95%

Employee Category	FY 22	FY 23
	Avg. training hours per category	Avg. Training hours per category
Strategic level	18.31	3.5
Executive level	15.54	25.3
Operational level	14.4	20
Operator, Assistance, and others	12.86	22



### Regular Performance and Career Development Reviews

Employees who have been confirmed and are not on probation are eligible for performance and career development reviews. The People Energy Process (Human Resources) conducts the yearly review cycle. Based on an employee's KRA (Key Result Area), the employee rates themselves first, which is then examined by the seniors, followed by a presentation evaluation. Employee appraisals and promotions are determined based on their performance.

India	Percentage
<b>Employees</b>	
Male	89%
Female	75%
Total	86%
Workers	93%
Egypt	Percentage
Permanent	39.50%
Outsourced	53%

\*100% of all the eligible employees (apart from trainees) undergo annual performance and career development reviews.

### Employee Benefit Plans

Galaxy places great emphasis on the well-being and satisfaction of its workforce. To this end, we diligently monitor and manage our employee benefit plans through a centralized approach. This meticulous oversight serves to ensure compliance, cost-effectiveness, and suitability for our valued employees.

We recognize the pivotal role of benefit plans as a critical lever for retaining our talented workforce. As such, these plans undergo routine assessments to align with the prevailing practices in the respective countries of our operations.

### Comprehensive Employee Benefits

Our employee benefits encompass a diverse array of components, each designed to cater to the diverse needs of our employees. These components include the employee provident fund, employee state insurance scheme, gratuity, and compensated absences.

### Defined Contribution Plans

Under the framework of our direct contribution plan, Galaxy actively contributes to various funds and schemes, including provident funds, social security, 401K plans, and employee state insurance schemes. These contributions are recognized as defined contribution plans and are expensed based on the stipulated contribution amounts.

For instance, in the case of Galaxy Surfactant Limited, India, we recorded an expense of ₹6.62 Crores for FY 23 (FY 22: ₹5.84 Crores). This expense signifies the company's contribution to Provident Fund and ESIC and is included in Employee Benefit Expenses in the Statement of Profit and Loss.

Similarly, our subsidiaries extend contributions to 401K and Social Security for qualifying employees. During FY 23, our subsidiaries expensed ₹6.52 Crores (FY 22: ₹5.73 Crores) to reflect their contributions to 401K and Social Security, also included in Employee Benefit Expenses in the Statement of Profit and Loss.

### Direct Benefit Plan - Gratuity

Under our direct benefit plan, we provide gratuity to all eligible employees upon their separation from the service. This practice adheres to the provisions outlined in the "Gratuity Act, 1972," and is also governed by the terms of employment contracts. Our gratuity plan stipulates that every employee with at least 5 years of service is entitled to gratuity equivalent to 15 days of their last drawn salary for each completed year of service.

To ensure seamless gratuity administration, Galaxy makes annual contributions to the group gratuity scheme, which is meticulously administered by the Life Insurance Corporation of India. This commitment underscores our dedication to the financial well-being of our employees.



Diwali Celebration - Workplace Decoration Competition



Womens Day Celebration



Navchetna Training



Rangoli Competition

### Benefits provided to full-time employees that are not provided to temporary or part-time employees

Benefit	FY 22						FY 23					
	India		Egypt		USA		India		Egypt		USA	
	Y	N	Y	N	Y	N	Y	N	Y	N	Y	N
Life insurance	✓		✓		✓		✓		✓		✓	
Health care	✓		✓		✓		✓		✓		✓	
Disability and invalidity coverage	✓		✓		✓		✓		✓		✓	
Parental leave (paternity and maternity leave)	only maternity		only maternity		✓		✓		only maternity		✓	
Retirement provision (as per statutory norms)	✓		✓		✓		✓		✓		✓	
Stock ownership		✗		✗		✗		✗		✗		✗





**Parental leave**

Total number of employees who were entitled to parental leave	FY22	FY23
Male	1457	1561
Female	173	205

Total number of employees that took parental leave	FY22	FY23
Male	NA	63
Female	2	5

Total number of employees who returned to work in the reporting period after parental leave ended	FY22	FY23
Male	NA	63
Female	2	5

Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	FY22	FY23
Male	NA	58
Female	2	5

Return to work and retention rates of employees that took parental leave, by gender.	FY22	FY23
Male	NA	NA
Female	100%	100%

## Employee Welfare Council (EWC)

Galaxy values and respects the rights of its employees to peacefully associate and engage in collective bargaining. While Galaxy is union-free, it has established the Employee Welfare Council (EWC) at its manufacturing sites. The EWC, consisting of senior management, operational employees, and operators, meets monthly to discuss staff and operator issues.

### Fostering Employee Rights and Communication

Galaxy acknowledges and respects the rights of employees. EWC is a forum that facilitates employees (staff and operators) and management meetings once a month wherein key issues pertaining to work are discussed.

### Giving Voice to Employee Concerns

EWC (Employee Welfare Council) is constituted in manufacturing units as a platform for employees to voice their concerns and grievances to the management monthly. Employees are encouraged to provide their feedback and there are anonymous speak-up mechanisms set up for sharing their concerns and grievances.

# Upholding Human Rights

**Material Issue**

Labor relations- Fair labour practices

**SDGs Impacted**



Galaxy is fully dedicated to upholding human rights across all stages of value generation throughout its operational units. This commitment is essential for effective company governance and maintaining operating licenses.

The respect for human rights not only forms a cornerstone of sound business governance but also drives socially responsible growth. This dedication extends beyond Galaxy's activities to encompass its entire supplier chain and contractual labour. Galaxy expects its suppliers and business partners to maintain the same high human rights standards.

## Policy Commitments

Galaxy's commitment to human rights is outlined in its Human Rights Policy Statement, demonstrating support for the United Nations Human Rights Declaration and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. The company conducts internal audits to ensure the protection of human rights within its operations, with the same expectations for its suppliers and value chain partners.

We actively participate in collaborative initiatives that promote sustainability and respect for human rights across the industry. As an ordinary member of the Roundtable on Sustainable Palm Oil (RSPO), we align with these shared values. While Galaxy currently does not have specific goals or targets related to human rights, the company aspires to streamline its activities in this regard in the future.

### Labor Conditions and Compensation

At Galaxy, we maintain a union-free environment and establish working conditions and employment terms based on our Human Resources Policy, Human Rights Policy, and Code of Conduct for employees. These policies are communicated to employees upon their employment. We set wages and salaries based on local competitive market data, ensuring that they meet or exceed legally defined minimum wage standards.

## Operations and Human Rights

Galaxy is committed to analysing and controlling human rights impacts within its operations and supply chains to ensure that it contributes to no known or unknown negative human rights impacts. We conduct a comprehensive examination of all our operational facilities to prevent human rights violations. Moreover, Galaxy actively engages with stakeholders to provide a platform for external concerns to be addressed.

In adherence to the National Labor Relations Act (NLRA), Galaxy ensures that there are no operations where workers' rights to freedom of association or collective bargaining are violated or significantly at risk. Ensuring positive labour-management relations is vital in preventing labour disputes, promoting environmental compliance, and upholding human rights.

### Labor Relations and Commitments

Positive labor-management relations, characterized by open communication and fair treatment, contribute to a harmonious work environment. This harmony, in turn, supports environmental protection, resource conservation, and sustainable business practices. Monthly safety committee meetings are conducted, chaired by site and safety heads, with representation from permanent employees and contractors. These meetings prioritize a safe working environment.





Galaxy proudly reports that we have not been associated with any negative impacts related to labor-management relations. Galaxy actively promotes employee engagement and inclusion in decision-making processes. We value employee input and collaboration with suppliers and partners committed to labor rights and responsible labor practices.

Galaxy strictly adheres to international labor rights and local labor laws, ensuring fair treatment, safe conditions, non-discrimination, and freedom of association.

**Child Labor**

We condemn all forms of child labor and are dedicated to upholding children's rights. The People Energy Process ensures compliance with national labor laws and regulations regarding minimum age standards and age verification at Galaxy workplaces. Galaxy has not identified any instances of child or forced labor within our operational facilities or during supplier assessments.

**Forced Labor**

Committed to opposing forced labor and upholding human rights principles, our organization ensures that both our suppliers and contractual labor adhere to these stringent

standards. As active members of the Roundtable on Sustainable Palm Oil (RSPO), we wholeheartedly support collaborative initiatives that advance sustainability and human rights across various industries.

Although we currently lack specific human rights objectives, we aspire to align our operations more closely with human rights considerations in the future. Our dedication to human rights is unequivocally stated in our Human Rights Policy Statement, which strongly endorses international human rights declarations.

To guarantee adherence to human rights principles, we conduct internal audits of our operations and expect our partners to follow suit. Our organization maintains a rigorous equal employment opportunity policy, enforces comprehensive health and safety measures, fosters robust employee engagement, and champions open communication. Our unwavering commitment against forced, indentured, slave, or bonded labor is reinforced by our steadfast adherence to freely agreed and well-documented terms of employment. It is noteworthy that we have not identified any instances of child or forced labor within our operational facilities or during supplier assessments, further underscoring our resolute dedication to human rights.

**Training on Human rights**

**India - Galaxy Surfactants Limited**

	FY 22			FY 23		
	Total (C)	No. of employees/ workers covered (D)	% (D / C)	Total (A)	No. of employees / workers covered (B)	% (B / A)
Total Employees	750	129	17%	807	698	86%
Total Worker	796	65	8%	861	411	48%

**Egypt – Galaxy Chemicals, Egypt**

	FY 22			FY 23		
	Total (C)	No. of employees/ workers covered (D)	% (D / C)	Total (A)	No. of employees / workers covered (B)	% (B / A)
Total Employees	184	65	35%	187	41	22%
Total Workers	56	2	3.6%	70	13	18.5%

# Inclusive workplace

**Material Issue**

Diversity and inclusion at workplace

**SDGs Impacted**



Galaxy is dedicated to ensuring equal opportunities for all our employees, striving to identify and recruit the best talent for every role within the company. We highly value diversity and make it a priority to create a workplace where everyone, regardless of their gender, ethnic origin, skin colour, age, religion, or country of origin, has an equal chance to thrive. This commitment to diversity and inclusion is explicitly stated in both our Human Rights Policy and our Human Resources (People Energy) Policy.



We firmly believe that embracing diversity contributes to higher levels of productivity at Galaxy and enhances our attractiveness to both our current and prospective employees. Upholding the principles of equality is a fundamental aspect of our Human Rights and Human Resource Policy, which includes a strong stance against any form of gender-based discrimination. At Galaxy Group, 10% of our workforce comprises women. To ensure fairness and transparency in our recruitment process, we have implemented a merit-based approach that encompasses both campus and lateral

hiring, reflecting our commitment to hiring based on skills and qualifications.

In alignment with Sustainable Development Goal 5 (Gender Equality), we ensure that male and female employees are treated equitably in terms of employment opportunities, career advancement, and compensation. We are also proud supporters of the Valuable 500 Initiative, and we have set a specific target to increase the representation of women in our workforce to 25% by the year 2025.



Diversity of governance bodies and employees

Location/Age	Gender		Age Wise			Total
	Male	Female	Age < 30	Age (30 - 50)	Age > 50	
Egypt-GCE	245	12	132	122	3	257

Location/Age	Gender		Age Wise			Total
	Male	Female	Age < 30	Age (30 - 50)	Age > 50	
India	1517	151	639	882	147	1668

Location/Age	Gender		Age Wise			Total
	Male	Female	Age < 30	Age (30 - 50)	Age > 50	
USA	44	42	24	45	17	86

Board of Directors (governance body)	Gender		Age Wise			Total
	Male	Female	Age < 30	Age (30 - 50)	Age > 50	
	10	1	0	1	10	11

Compensation is an important aspect of our commitment to upholding equality and fairness within our organization. In accordance with our Human Rights and Human Resource policy, both our corporate and regional Human Resources departments are diligently working to ensure that discriminatory practices are either prevented or eliminated from all work-related activities. This extends to various aspects, including remuneration, training, vocational guidance, and social security.

One of our core principles is to guarantee equal remuneration for men and women when they perform work of equal value. To address issues related to sexual harassment in the workplace, we have established a comprehensive policy named POSH-

Policy-2022 which can be accessed on our corporate website (galaxysurfactants.com). This policy was developed in full compliance with the provisions of the Sexual Harassment of Women at Work Act and is designed to both prevent and address complaints related to sexual harassment.

It's important to note that our commitment to combating sexual harassment is not limited to our employees alone; it applies to all of Galaxy's stakeholders. To ensure that everyone is aware of these policies and rules, we have communicated them through our corporate website and an e-learning module. This proactive approach reinforces our dedication to fostering a safe and inclusive work environment where all individuals are treated with respect and dignity.

Sexual Harassment Cases (Nos) during FY 2022-23

Received	Open	Closed
2	Nil	2

# Health, Safety & Well-being

**Material Issue**  
Employee Health and Safety, well-being

**SDGs Impacted**

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

At Galaxy, we prioritize the safety, health, and well-being of our employees and value chain partners. This commitment aligns with our core philosophy that people are our organization's most valuable asset. Proactively, Galaxy ensures a safe working environment, upholding the motto of the International Labor Organization (ILO) that "Safe work is decent work." In all our activities and operations, we remain committed to promoting the health, safety, and well-being of our employees, making it a significant aspect of ESG efforts.

Neglecting investment in occupational health and safety not only leads to human injuries and emotional hardships for employees and their families but also results in production downtime, increased absenteeism, and economic losses for both employees and the company. Conversely, prioritizing good Occupational Health and Safety (OHS) practices ensures the safety, health, and welfare of employees, ultimately leading to higher productivity and motivation levels.

## Galaxy's Safety Measures

At Galaxy, our top management recognizes the paramount importance of safety and health. We allocate a Safety corpus each year to provide the necessary resources and infrastructure to enhance safety and health measures. Our commitment is reflected in our Safety, Health, and Environment (SHE) policy, which has been communicated to all our employees and stakeholders. Galaxy commits to:

- The elimination of occupational hazards and risks at the workplace to prevent injury and ill health.
- The elimination of unsafe acts and unsafe conditions.

You can find our detailed policy here [Galaxy-SHE-Policy.pdf](#)

Galaxy proudly serves as a signatory to the Responsible Care Global Charter by the International Council of Chemical Associations since March 2015. Responsible Care represents the global chemical industry's unified commitment to the

safe management of chemicals throughout their lifecycle while promoting their role in improving the quality of life and contributing to sustainable development.

As a signatory to this charter, we pledge to safeguard People and the Environment by continually improving our environmental, health, and safety performance, ensuring security in our facilities, processes, and technologies, and driving continuous improvement in chemical product safety and stewardship throughout our supply chain.

### Occupational Health and Safety Management

The Occupational Health and Safety (OHS) landscape in India is complex, characterized by unprecedented growth, but also challenges such as a large unorganized workforce, limited public spending on health, and inadequate implementation of existing legislation. This complexity is further compounded by issues like unreliable OHS data, a shortage of professionals, multiple statutory controls, stakeholder apathy, and infrastructure problems.

Occupational risks include accidents, pneumoconiosis, musculoskeletal injuries, chronic obstructive lung diseases, pesticide poisoning, and noise-induced hearing loss. Addressing these challenges, Galaxy has implemented ISO 45001:2018 across all our locations. We conduct regular inspections, and risk assessments, and provide comprehensive training. Our facilities include Emergency Control Centres (ECC) and an Occupational Health Centre (OHC).





### Behaviour-Based Safety (BBS)

Galaxy believes in the power of Behaviour-Based Safety (BBS) to bring about behavioural change and enhance safety awareness among employees. We implemented BBS in 2019, empowering all employees to spot and correct unsafe acts and conditions immediately. This initiative aims to reduce the exposure of our employees and stakeholders to injuries due to unsafe conditions or acts.

### Safety Initiatives and Celebrations

We continually demonstrate our commitment to Occupational Health and Safety by adopting practices such as Safety Month celebrations, Safety Prayers at the start of every meeting, and learning from past incidents. We conduct periodic risk assessment studies, Abhayatam Audits, HAZOP studies, and PSSR studies as part of our Occupational Health and Safety Management System.

Galaxy strictly adheres to the Factory Act 1948, MFR 1963, and the Galaxy Procedure Manual for Health and Safety, ensuring that no employees are excluded from safety measures. We hold monthly meetings of the Joint Safety Committee, chaired by the site head and safety in charge.

### Hazard Identification and Risk Assessment

Galaxy conducts periodic Risk Assessment studies, including HAZOP, HAC (Hazard Area Classification), JSA, PSSR, weekly/monthly inspections, AI and HIRA, cross-functional safety audits, external safety audits, and workplace monitoring studies. In 2018, we organized a total evacuation mock drill in the presence of the District Collector, along with DISH, MARG, and Fire officials, to strengthen our emergency preparedness.

## Key Safety Initiatives

To run our plants efficiently and effectively with zero incidents, we've undertaken several key initiatives:

- **Embedding Safety in the organisational strategy and governance:** Safety pillar was included as a priority pillar in the corporate balance score card and a 40 % KRA rating was allocated to process safety at site operations. Safety performance is reviewed by the top management in monthly Safety and Conversion meet. External/ Internal Board also reviews the safety performance quarterly and provides their inputs for improvement.

Scaling up the effectiveness of Behaviour-based safety (BBS) programme to rejuvenate safety thinking and behaviour of employees: BBS was digitized to have better analysis of BBS observations & immediate closure of high-risk unsafe conditions. January 2023 was celebrated as BBS month with various competitions & recognitions for both employees & contractors, such as, BBS champion of the year, best investigation team of the year, best OPL (One Point Lesson) of the year, best site of the year which

demonstrated best safety performance both on lagging & leading indicators etc.

- **Galaxy Pariwar Banay Surakshit (GPBS) program:** Under this program, safety observations are reported by all employees across all sites.
- **Safety risk assessment of projects and processes:** Focus on HAZOP (Hazard Operability Study), MOC (Management of Change), PSSR (Pre- Start up Safety Review), HAC (Hazard Area Classification) study have been made for both existing & new projects at Galaxy for safe operation and commissioning of new projects.
- **Safety Month Celebration:** Safety month, a week-long campaign, is celebrated across all sites every year in March. It is a campaign to spread health and safety awareness with various competitions along with participation & engagement of all employees & contractors.
- **Sustenance of Abhayatam:** "Abhayatam, A Fearless, New Beginning" is a project that comprises an 8-step review mechanism by a team of subject specialists to strengthen and enhance the Design, Operations, Safety and Skill levels of all our plant personnel across the organisation and to identify areas requiring improvement in Safety. During the year, two rounds of audits were conducted on various pillars like

- P&ID
- Design review
- SOP/BMR
- Aspect/Impact & HIRA
- Maintenance Management
- MSDS Training
- Legal compliance
- Periodic HAZOP, HAC Study and review

- **Suraksha Day & Safety Anthem:** Suraksha day is organized on 13<sup>th</sup> April of every year. This Day focuses on adopting the learnings from case studies of past incidences. Safety Anthem is sung at start of each shift to reaffirm the commitment of each & every employee & contractor that he will ensure safety throughout his duty & operation.
- **Rewards & Recognition for contract employees:** Contractors at project sites are rewarded periodically through rewards such as "Dil Se Safety Award", "Best Near Miss Award".
- **Education & Training:** Training on topics like Behavioural Safety, Fire Safety, SCBA, MSDS, EMSOH and Standards, Responsible Care, etc provided regularly to company and contractor employees.

### Certifications -

- ✓ **IGC-NEBOSH Certification:** 3 employees were certified IGC-NEBOSH -International certification in Occupation Safety & Health
- ✓ **Responsible Care Certification Renewal:** ICC Auditors audited site & granted to use Responsible Care Logo for 3 years from Feb 21 to Jan 24

## Incident Investigation

The incidents that occur in units are investigated by establishing a team of qualified individuals who have the necessary expertise to investigate the specific incident. They gather all available information related to the incident. This can include interviewing witnesses, reviewing relevant documents (e.g., incident reports, policies, procedures), and collecting physical evidence, such as photographs or video footage. Analyse the collected information to identify the root causes through the "Why - Why analysis" and contributing factors of the incident. Identifying any patterns or systemic issues that may have played a role in the incident. Based on the analysis, develop a set of recommendations to prevent similar incidents from occurring in the future. These recommendations should be practical, actionable, and focused on addressing the root causes identified. Based on the analysis, develop a set of recommendations for preventing similar incidents from occurring in the future by horizontal deployment in all our operational units.

### Occupational Health Services

Galaxy is dedicated to ensuring the health and well-being of its employees. We have established comprehensive guidelines to promote good health, prevent diseases, and provide essential health services.

We conduct biannual health check-ups for all our employees and contract workers. Employees facing acute health issues, such as high blood pressure or diabetes, receive counselling from our Factory Medical Officer (FMO). Periodic training sessions are organized by the FMO, covering various health topics such as maintaining a healthy lifestyle and precautions for conditions like high blood pressure and diabetes.

To handle emergencies, we have certified and trained first aiders available around the clock, and they undergo refresher training regularly.

Worker Participation, Consultation, and Communication on Occupational Health and Safety

At Galaxy, we prioritize worker participation and open communication regarding occupational health and safety. We employ various mechanisms and tools to achieve this:

- **Monthly Safety Committee:** Chaired by the Site Head, Safety Head, and Safety In-charges, this committee includes equal participation from employees and operators/contractors.

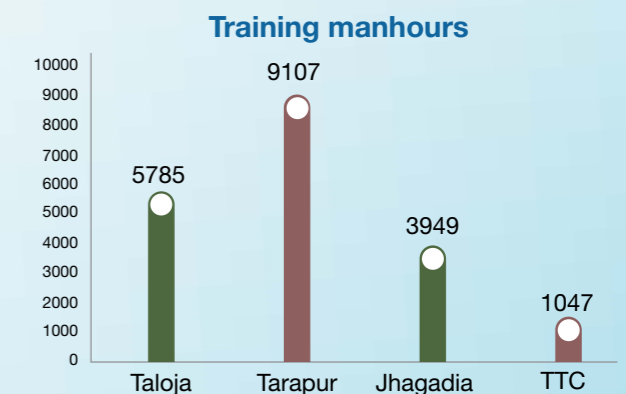
- **BBS (Behaviour Based Safety):** All operators, contractors, and employees are encouraged to share their safety observations through this platform.
- **WESAP and Poka-Yoke:** We offer the WESAP and Poka-Yoke platforms for sharing suggestions related to safety, productivity, and quality.

### Worker Training on Occupational Health and Safety

Galaxy consistently provides training to all employees, including contract workers, on various aspects of occupational health and safety. Topics covered include behavioural safety, fire safety, handling SCBA (Self-Contained Breathing Apparatus), MSDS (Material Safety Data Sheets), EMS-OHS (Environmental Management System - Occupational Health and Safety) standards, and Responsible Care principles.

Our employees also engage in risk assessment activities under the guidance of qualified SHE personnel, and regular emergency drills are conducted to ensure preparedness. As a best practice in health and safety, we conduct preliminary health check-ups and induction training through the Safety Training Kiosk (STK) for all individuals, including visitors, drivers, contractors, and new employees.

The OHS-related training at our various sites is shown in the graph below:



### Promotion of Worker Health

Galaxy operates a well-equipped Occupational Health Centre (OHC) that operates round the clock. We conduct biannual medical check-ups for all employees, including contract workers, led by a medical practitioner approved by the Directorate of Industrial Safety and Health (DISH). Certified first aiders are available on-site at all times, and we have a detailed emergency plan in place to handle various types of emergencies.

We've also initiated focused programs to prevent and control lifestyle diseases such as obesity, diabetes, heart diseases, and hypertension. These programs include counselling, awareness campaigns, and training. Employees who achieve better results in promoting good health are recognized and



rewarded. Our training programs emphasize the importance of a healthy diet, regular exercise, and overall well-being.

We've provided health and accident insurance coverage to 100% of our employees and personal accident insurance to all contract employees.

### Prevention and Mitigation in the Supply Chain

Galaxy is committed to preventing unsafe incidents in its supply chain, particularly with critical partners such as transporters. To encourage safe behaviour among transporters, we've undertaken several initiatives:

- Training for dedicated transporters on safety practices at the Safety Training Kiosk for drivers.
- Regular audits of dedicated and hazardous transporters, including route mapping.
- GPS monitoring, including the use of Nicer Globe, for all hazardous chemical transportation.
- Periodic stakeholder meetings to raise awareness about chemical-related risks and necessary precautions.

### Workers Covered by Occupational Health and Safety Management

We place a premium on the well-being and safety of our employees and workers. Galaxy has implemented both an Environmental Management System (EMS) and an Occupational Health and Safety Management System (OHSMS) that adhere to legal requirements and safety standards. These management systems are designed to ensure the health and safety of all employees throughout our organization.

To maintain compliance and foster continuous improvement, our management systems undergo regular internal audits conducted by certified internal auditors. These audits help identify any process gaps or areas that require improvement in our health and safety practices. Additionally, external audits conducted by certified agencies assess our adherence to standard requirements and validate our ongoing commitment to occupational health and safety.

### Work-Related Injuries and Ill Health

Galaxy Surfactants monitors several safety and health-related performance indicators:

Indicator	FY 20	FY 21	FY 22	FY 23
Fatalities	0	3	0	0
Reportable Incident	0	7	3	2
Lost Time Injury Frequency Rate - LTIFR	0	1.11	0.52	0.32
BBS Observations	614871	1522179	3279196	5439750
Training Manhours	15065	18131	28483	19888
Expenses of SHE Process (Rs. In Cr.)	3.58	1.19	1.41	3.22

According to the provided table, there were no reported work-related ill health fatalities during FY 23. Our commitment to maintaining a safe work environment is demonstrated through the implementation of a rigorous "Behaviour Based Safety" (BBS) system. Through this system, we focus on identifying and correcting unsafe behaviours promptly. The BBS tool serves as a measurable indicator and helps in showcasing the interdependent safety culture within our organization. It is a significant factor contributing to our overarching objective of achieving "Zero Incidents."







# PROFIT



**We are dedicated to consistently delivering superior returns to our investors while simultaneously prioritizing consumer satisfaction and fostering preferred partnerships. Profitability and financial growth form the bedrock of our overarching strategy for inclusivity and enduring success.**

Our growth and performance are the collective responsibility of every employee, our Senior Management team, and the Board of Directors. Our Board oversees and shapes our strategic direction either as a unified entity or through its various specialized committees. Spearheaded by the CFO and COO (Executive Director), the meticulous execution and monitoring of our financial and operational management are carried out with the valuable assistance of departmental heads.

In our quest for excellence, we have implemented the Corporate Balanced Scorecard (BSC) across our organization. Among the multiple perspectives it encompasses, the financial pillar, comprising various key performance indicators (KPIs), holds a pivotal position. The balanced scorecard serves as our compass, guiding us in setting objectives, measuring progress, and ensuring the timely realization of our goals. Key KPIs, including sales growth, EBITDA/MT, net cash creation, and ROI, are meticulously tracked to chart our path toward continued success.

Particulars	Without considering Donations				After considering donations			
	Consolidated		Standalone		Consolidated		Standalone	
	FY 23	FY 22	FY 23	FY 22	FY 23	FY 22	FY 23	FY 22
Total Revenues from Operations	4,445.24	3,685.71	3,159.26	2,628.59	4,445.24	3,685.71	3,159.26	2,628.59
Other Income	9.85	12.51	(5.98)	(1.21)	9.85	12.51	(5.98)	(1.21)
Total Income	4,455.09	3,698.22	3,153.28	2,627.38	4,455.09	3,698.22	3,153.28	2,627.38
Operating Expenses (excluding employee benefit expenses)	3,624.46	3,068.50	2,655.70	2,276.53	3,624.44	3,068.43	2,655.68	2,276.46
Employee Benefit Expenses	248.05	211.81	140.58	113.62	248.05	211.81	140.58	113.62
Interest & Finance charges	21.70	12.85	12.32	7.75	21.70	12.85	12.32	7.75
Government as taxes (Income tax)	91.26	68.56	72.01	47.83	91.26	68.56	72.01	47.83
Dividends	127.64	14.18	127.64	14.18	127.64	14.18	127.64	14.18
Donations/CSR expenses	4.45	4.69	4.45	4.69	4.47	4.76	4.47	4.76
Economic value retained	337.53	317.63	140.58	162.78	337.53	317.63	140.58	162.78
Profit before tax	472.95	329.31	287.61	181.04	472.95	329.31	287.61	181.04
Profit after tax	380.98	262.78	214.01	133.87	380.98	262.78	214.01	133.87

**Assistance received from government**

	FY 23		FY 22		FY 21	
	GSL, India	Galaxy Group	GSL, India	Galaxy Group	GSL, India	Galaxy Group
Government Grant and Incentives*	9.50	30.65	10.90	30.28	11.82	36.51

\*These Government grants Incentives also include export benefits.

- Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.
- The benefit of a government loan at a below-market interest rate is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.
- In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

**Governance**

# Integrity and Transparency in Business

**Material Issue**

Business Ethics and Transparency

**SDGs Impacted**



Galaxy maintains a steadfast commitment to ethical conduct, transparency, and accountability, actively collaborating with regulatory authorities and industry initiatives focused on combating corruption. We engage in dialogues, share best practices, and participate in relevant forums to stay informed about evolving unethical measures.

Galaxy's Code of Conduct and Human Rights Policy serve as foundational documents outlining our principles, expectations, and guidelines for preventing and combating corruption. These policies underscore our zero-tolerance stance toward corruption, communicating employees' responsibilities regarding ethical conduct. They contain specific provisions addressing anti-corruption and bribery, setting clear expectations for employees, contractors, and business partners.

Corruption is a pervasive issue that has far-reaching consequences for economies, markets, and fair competition. It siphons resources away from productive sectors, discourages foreign investment, and increases costs for both businesses and consumers. Moreover, it can lead to unsustainable resource exploitation, such as illegal logging and wildlife trade, exacerbating environmental issues. Corruption undermines human rights by eroding the rule of law, judicial independence, and access to justice.

Effective anti-corruption measures are pivotal in fostering transparency, accountability, and good governance. They create an environment conducive to economic development. By combatting corruption in sectors like natural resource management, such as illegal logging and pollution control, we can better protect the environment and ensure the sustainable utilization of resources for future generations.

**Actions Taken to Combat Corruption**

- Galaxy conducts regular training programs and awareness initiatives to educate employees and stakeholders about the importance of ethical conduct, including the risks associated with corruption.
- We emphasize transparency and accountability in our operations, including financial management, reporting, and decision-making processes. We collaborate with suppliers, contractors, and business partners to ensure they adhere to similar anti-corruption values and standards.

Galaxy is dedicated to continuous improvement in its anti-corruption efforts.

**Mechanisms for Reporting and Addressing Corruption**

Galaxy has well-structured committees, including the Audit Committee and Risk Management Committee, to review and assess risks, ensuring the institutionalization of control systems and vigilance mechanisms. We encourage employees and stakeholders to use "Speak-up Boxes" placed at designated locations to report concerns, wrong practices, or any actions jeopardizing our or our customers' interests.

**Transparency in Reporting**

We uphold transparency in our reporting practices, including disclosures of compliance, violations of the code of conduct, and any human rights issues in various reports such as the Annual Report and Sustainability Report.

## Anti-competitive Behavior

Anti-competitive behavior has significant adverse effects on the economy, environment, and human rights. It distorts markets, stifles competition, and creates barriers for new businesses. Such practices can hinder environmentally friendly innovations and the adoption of sustainable practices in industries, resulting in higher prices for goods and services. Vulnerable populations may be particularly affected as they struggle to access essential products and services.

**Commitment to Responsible Business Practices**

Galaxy is committed to ethical and responsible business practices, ensuring compliance with anti-competitive behavior regulations, and maintaining ethical conduct. We have implemented robust policies and commitments to prevent



and address anti-competitive behavior. Galaxy adheres to all applicable antitrust and competition laws, ensuring our activities and business relationships comply with these laws.

**Actions Taken to Combat Anti-Competitive Behavior**

- i) We conduct internal training to educate employees about the city’s compensation allowance and competition legislation, reducing the likelihood of engaging in anti-competitive behaviour.
- ii) Galaxy emphasizes transparency and accountability in its operations, collaborates with suppliers, and is dedicated to continuous improvement in its compliance measures.

**Monitoring and Assessment**

Galaxy has established processes to monitor and assess the effectiveness of its actions, set goals, and use indicators to evaluate progress.

- i) We internally monitor the effectiveness of actions taken against anti-competitive behaviour, including internal assessments and performance reviews.
- ii) Galaxy sets specific goals aligned with its commitment to combat anti-competitive behaviour, using indicators such as the number of reported incidents, training completion rates, and supplier compliance assessments to measure progress.

**Stakeholder Engagement**

Galaxy actively engages with stakeholders to gauge the perceived impact of implemented measures, ensuring transparency and accountability in its operations.

**Reporting on Legal Actions for Anti-Competitive Behaviour**

**a. Number of Legal Actions**

As of the reporting period, no legal actions have been taken or completed regarding anti-competitive behaviour in which Galaxy has been identified as a participant.

**b. Outcomes of Completed Legal Actions**

No outcomes of completed legal actions related to anti-competitive behaviour are reported.

**Conflict of Interest:**

Galaxy ensures that conflicts of interest are disclosed and appropriately managed. Directors disclose their interests at the beginning of the year, and any changes in directorship are promptly communicated to the Board. The Board of Directors and senior management adhere to the provisions of the Code of Conduct to maintain ethical conduct and transparency.

# Legislative and Regulatory

**Material Issue**

Compliances

**SDGs Impacted**



At Galaxy, our commitment to ethical conduct, transparency, and accountability is unwavering. We prioritize compliance with regulations in India and all the countries where we operate. Our organization values professionalism and ethical behaviour as cornerstones for transparent and responsible operations.

We actively foster a culture that encourages employees to speak up and report any unethical behaviour without fear of reprisal. The Whistle Blower Policy serves as a critical tool in this endeavour, providing a safe and confidential channel for employees to voice their concerns. We understand that promoting transparency and accountability is essential for maintaining the trust and integrity of our stakeholders.

Our Whistle Blower Policy ensures that employees have a secure environment to express concerns, ensuring that no poor or unacceptable practices go unaddressed. This policy applies to all Galaxy stakeholders and is accessible through our corporate website and e-learning modules, ensuring that all constituents are aware of the process.

**Whistle Blower Cases in FY 23**

Received	Open	Closed
Nil	Nil	Nil

In FY 23, we are pleased to report that there were no whistleblower cases received, open, or closed. This reflects our commitment to maintaining a workplace where ethical concerns are proactively addressed, resulting in a positive and transparent organizational culture.

## Regulatory Compliance and Ethical Conduct

Galaxy is proud to report that we did not incur any non-disputed fines or penalties imposed by regulatory or judicial institutions during the year. Additionally, there were no registered complaints or cases related to corruption and conflicts of interest. Our Board of Directors and senior management adhere to the provisions outlined in our Code of Conduct, which underscores our commitment to ethical standards and transparent practices.

Our Code of Conduct is available on our website, reaffirming our commitment to upholding the highest standards of professionalism and ethical behaviour in all our operations.

At Galaxy, we remain dedicated to creating a workplace where integrity, ethics, and transparency are at the forefront of our values, ensuring that our employees and stakeholders have confidence in our commitment to responsible business practices.

**Training on Compliance program – GSL, India**

Compliance Program	Number of employees covered	Percentage coverage
Policy Awareness (Code of conduct, whistleblower, Human rights, ETI codes)	1176/1668	70%
POSH awareness: a step towards making our workplace safer and better	1176/1668	70%
Cybersecurity awareness program	411/1668	25%





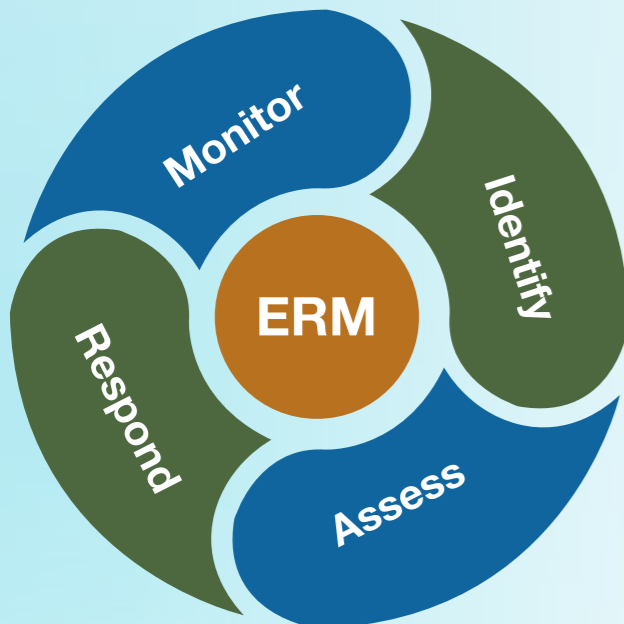
# Risk management

**Material Issue**  
Risk Management

**SDGs Impacted**



**Enterprise Risk Management (ERM) is the systematic process through which organizations plan, organize, lead, and control their activities to effectively navigate the uncertainties that impact their capital and earnings.**



ERM serves as a vital framework for managing risk and typically involves the following key steps:

### 1. Identification of Risks and Opportunities:

ERM begins by identifying specific events or circumstances that have relevance to the organization's objectives. These events can encompass both risks (potential negative impacts) and opportunities (potential positive impacts).

### 2. Assessment of Risks and Opportunities:

Once identified, these events are thoroughly assessed. This assessment involves evaluating two critical aspects:

**Likelihood:** The probability or chance of an event occurring.  
**Magnitude of Impact:** The extent of the consequences or effects that the event may have on the organization.

### 3. Determination of Response Strategies:

Based on the assessment, organizations formulate response strategies. These strategies are designed to address risks by mitigating their impact, capitalizing on opportunities to create value, or both.

### 4. Monitoring Progress:

ERM is an ongoing process that requires continuous monitoring. Organizations regularly track the implementation and effectiveness of their response strategies. This ensures that they remain aligned with their objectives and adapt to changing circumstances.

By proactively engaging in ERM, organizations can achieve several crucial objectives:

**Risk Mitigation:** ERM helps organizations identify and mitigate potential risks before they materialize, minimizing adverse impacts on capital and earnings.

**Value Creation:** ERM is not solely about risk avoidance; it also involves seizing opportunities that can enhance value for stakeholders.

**Stakeholder Protection:** ERM safeguards the interests of various stakeholders, including owners, employees, customers, regulators, and society at large.

Overall, ERM is a strategic approach that empowers organizations to navigate the complex landscape of uncertainty while making informed decisions that align with their goals and responsibilities to stakeholders.

Risk Description	Risk Drivers/ contributing factors	Risk Category	Current Status	Mitigation plan owners
Climate change-related issues and compliance to current regulations and future unknown regulations	<ul style="list-style-type: none"> <li>Climate Change Issues – Shifting towards reduction of emissions</li> <li>Customers/ investors seeking responses on CDP disclosure</li> </ul>	External	<ol style="list-style-type: none"> <li>Corporate Sustainability for 2030 on 4 pillars- Water, Waste, Climate change, Diversity and Inclusion</li> <li>GHG accounting on annual basis</li> <li>Life Cycle Analysis of Finished goods and actions wherever required</li> <li>Shifting to a renewable source of energy</li> <li>Shifting to a cleaner source of fuels- from Coal to Natural Gas, from Diesel, petrol cars to Electric vehicles</li> </ol>	Sustainability Manager
Compliance to Circular Economy – Plastic Waste, E-Waste, Zero Incineration waste, Landfill waste, Packing waste	<ul style="list-style-type: none"> <li>EPR Regulation</li> </ul>	Preventable	<ol style="list-style-type: none"> <li>Galaxy has PARIVARTAN-WESAP program</li> <li>Galaxy has a CEP program</li> <li>Circular Economy - Waste Circularity ROADMAP and Goals declared, many milestones are achieved</li> <li>Galaxy has a TPM program which captures and implement Kaizen to reduce waste</li> </ol>	Sustainability Manager
Zero Deforestation	<ul style="list-style-type: none"> <li>Oil Palm Traceability till plantation 100%</li> <li>Demand of 100% RSPO Certified products by developed market or any new regulations like EUDR</li> </ul>	Strategic	<ol style="list-style-type: none"> <li>Galaxy is RSPO certified since 2014</li> <li>Galaxy established oil palm traceability processes since 2016 and traceability till mill level, plantation level is communicated annually to stakeholders.</li> </ol>	Sustainability Manager
Revenue loss	<ul style="list-style-type: none"> <li>Delay in Know-how of new technologies/ products</li> <li>Changing consumer behaviours- Customers shifting for GREEN products</li> <li>Increased cost of business continuity Insurance due to environmental impact of organization</li> <li>Cap and Trade Schemes, emission allowances-offsets, carbon taxes</li> </ul>	Strategic	<ol style="list-style-type: none"> <li>Solution based company - In-House Project and Innovation team</li> <li>In-house R&amp;D team – 90 patents granted to Galaxy since 2000</li> <li>Use of Green Chemistry principles</li> </ol>	Business Creation (VP)





Risk Description	Risk Drivers/ contributing factors	Risk Category	Current Status	Mitigation plan owners
Water scarcity	<ul style="list-style-type: none"> <li>Population growth across the globe demands more water as it is a basic need</li> <li>Still, water across the world is not priced as per the reality in most parts of the world which leads to water being polluted and wasted.</li> <li>Temperature rise across the globe and disturbance in the water cycle created an imbalance in the waterfall</li> </ul>	Preventable	<ol style="list-style-type: none"> <li>All our India Operations are ZLD - Zero Liquid Discharge</li> <li>Rainwater harvesting inside the organization</li> <li>Outside factory rainwater harvesting projects through CHECK dams etc.</li> </ol>	Operations/ Conversion (VP)
Reputational Risk	Negative stakeholder feedback - Customers, Investors, Shareholders, Employees, Customers, Suppliers, Environmentalist	Preventable	<ol style="list-style-type: none"> <li>Balanced Scorecard</li> <li>Allocation of resources</li> <li>ISO standard compliance</li> <li>SEBI listed</li> <li>GRI, BRSR reporting</li> <li>Great Place to Work certified company</li> </ol>	PE Process Head

## Strategic Opportunities and Mitigation Plans

### A. Water Stewardship:

**Opportunity:** Ensuring Zero Liquid Discharge (ZLD) at locations outside India.

**Leverage Plan:** Continue working on water reduction projects and initiatives such as rainwater harvesting, water conservation, and improving drinking water availability. Incremental efforts in these areas will help maintain progress in water stewardship.

### B. Oil Palm Derivatives:

**Opportunity:** Obtaining RSPO (MB) certification and enhancing oil palm traceability.

**Mitigation Plan:** Increase the proportion of RSPO (MB) certified palm oil derivatives. Conduct oil palm traceability cycles on a half-yearly basis to demonstrate commitment to sustainability and responsible sourcing.

### C. Financial Growth:

**Opportunity:** Mild surfactants with a CAGR of 40%.

**Mitigation Plan:** Leverage the growth in mild surfactants by emphasizing products with low eco-toxicity, mild action, and no preservatives. Capitalize on the market demand for eco-friendly and sustainable solutions.

### D. Employee Relations:

**Opportunity:** Enhancing employee engagement and relations.

**Mitigation Plan:** Continue initiatives like KYG (Know Your Galaxy), Town-Hall Meetings, Monthly Safety Meetings, and performance management to foster a positive work environment. Recognize and reward employees through R&R programs.

### E. Customer Communication:

**Opportunity:** Strengthening customer engagement.

**Mitigation Plan:** Participate in National and Global exhibitions and hold regional meetings in domestic markets to engage with customers. Effective communication and understanding of customer needs can lead to stronger relationships.

### F. Employee Safety:

**Opportunity:** Provide regular safety training.

**Mitigation Plan:** Maintain Responsible Care certification until 2024 and conduct ongoing training for both company and contractor employees. Cover topics such as behavioural safety, fire safety, and compliance with relevant standards.

### G. Innovation in Product Quality and Safety:

**Opportunity:** Develop safe, sustainable, and eco-friendly products and technologies.

**Mitigation Plan:** Focus on innovation in product development, incorporating life cycle thinking to ensure product stewardship. Embrace sustainable practices and technologies to meet evolving market demands for safer and eco-friendly solutions.

By actively pursuing these opportunities and aligning our strategies with them, We can position our organization for sustainable growth and positive impact in various areas, from environmental stewardship to employee relations and customer engagement.





# Scaling up Digital Presence

## Material Issue

Digitization  
Data security

## SDGs Impacted

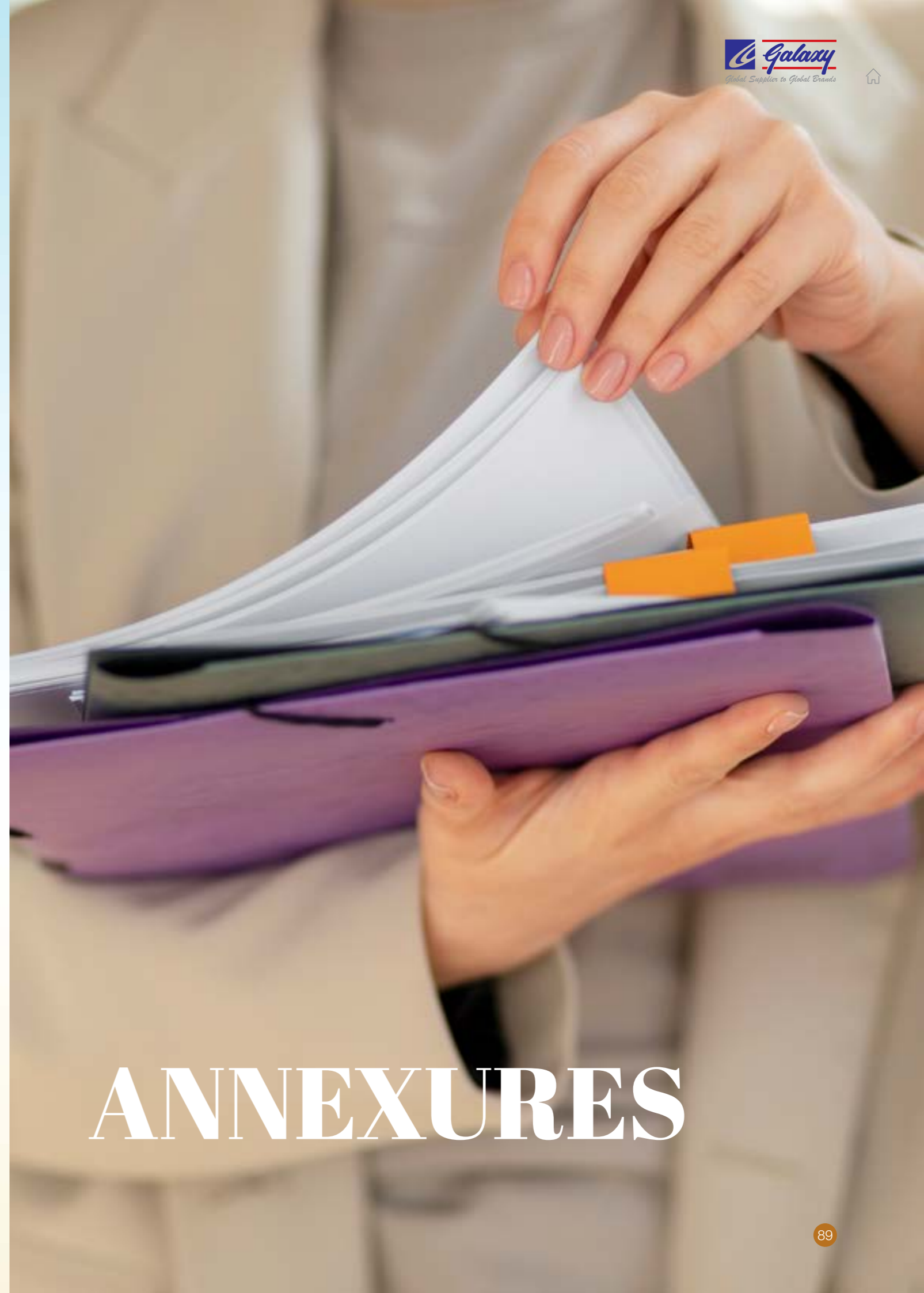


Galaxy understands the importance of keeping pace with technological advancements in the fields of digitalization, information, and cyber security. To leverage the benefits of digital transformation, we have been actively exploring and implementing digital workflows across various operational areas. This shift has resulted in improved efficiency, accuracy, and control in executing tasks and processes.

We are committed to unifying all our operational subsidiaries under a single Enterprise Resource Planning (ERP) platform. This strategic initiative aims to streamline processes, enhance collaboration, and facilitate seamless data exchange across Galaxy. This integrated approach to digitalization will enable our company to adapt swiftly to evolving market dynamics, harness emerging opportunities, and remain at the forefront of the industry.

By embracing digitalization, Galaxy aims to enhance its overall operational effectiveness and provide better experiences for its

stakeholders. However, along with the benefits of digitalization, we recognize the growing risks and challenges associated with data loss and cyber threats. To address these concerns, Galaxy has made significant investments in Strengthening its security infrastructure. This includes partnering with technology experts and implementing 24-hour surveillance systems to detect and respond to potential security breaches promptly. We strive to safeguard operations, protect sensitive information, and ensure the trust and confidence of our customers and stakeholders.



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# List of Acronyms

ACI	American Cleaning Institute	ISCMA	Indian Specialty Chemical Manufacturers' Association
AMET	Africa, the Middle East, Turkey	JIA	Jhagadia Industries Association
APAC	Asia-Pacific	JSA	Job Safety Analysis
ATFD	Agitated Thin Film Dryers	KPI	Key Performance Indicator
BCCI	Bombay Chamber of Commerce and Industry	KRA	Key Result Area
BOD	Biochemical Oxygen Demand	LTIFR	Lost Time Injury Frequency Rate
BOPP	Biaxially oriented polypropylene	MEE	Multiple Effect Evaporators
BBS	Behavioural Based Safety	MSDS	Material Safety Data Sheets
CDP	Carbon Disclosure Project	MSMEs	Micro, Small, and Medium Enterprises
CHEMEXCIL	Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council	NDC	National Drug Code
CII	Confederation of Indian Industry	NGOs	Non-Governmental Organisations
CMR	Carcinogenic, Mutagenic, and Reprotoxic	NRC	Nomination and Remuneration Committee
CSR	Corporate Social Responsibility	ODS	Ozone Depleting Substances
COD	Chemical Oxygen Demand	OHS	Occupational Health and Safety
DISH	Directorate of Industrial Safety and Health	PAT	Profit after tax
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization	PM	Particulate Matter
ECC	Emergency Control Centres	POSH	Prevention of Sexual Harassment
ECHA	European Chemicals Agency	PSSR	Pre-Start up Safety Review
ERM	Enterprise Risk Management	R/D	Research & Development
ESG	Environmental, Social, and Governance	REDE	Renewable Energy Demand Enhancement
EWC	Employee Welfare Council	RSPO	Roundtable on Sustainable Palm Oil
FA	Fatty Alkanolamides	SCBA	Self-Contained Breathing Apparatus
FAE	Fatty Acid Esters	SDGs	Sustainable Development Goals
GRI	Global Reporting Initiative	SHE	Safety, Health, and Environment
GHG	Greenhouse Gas	SPCB	State Pollution Control Board
GHS	Globally Harmonized System	STK	Safety Training Kiosk
GMP	Good Manufacturing Practice	tCO2e	Tons of Carbon Dioxide Equivalent
HAC	Hazard Area Classification	TIMA	Tarapur Industrial Manufacturer Association
HAZOP	Hazard Operability Study	TMA	Taloja Manufacturing Association
HDPE	High Density Polyethylene	TPM	Total Productive Maintenance
HIRA	Hazard Identification and Risk Assessment	TRIFR	Total Recordable Injury Frequency Rate
IATA	International Air Transport Association	UOM	Unit of Measurement
IBCs	International Business Corporations	WASH	Water, Sanitization, and Hygiene
ICC	Indian Chemical Council	w.e.f	With effect from
ILO	International Labor Organization	WESAP	Waste Elimination Suggestion Award Program
IMDG	International Maritime Dangerous Goods	Y-o-Y	Year on year
IPCC	Intergovernmental Panel on Climate Change	ZLD	Zero Liquid Discharge

## INDEPENDENT ASSURANCE STATEMENT



To:

**Galaxy Surfactants Limited**  
**TTC Industrial Area,**  
**Pawne Galaxy Surfactants Ltd.**  
**C-49/2, Navi Mumbai-400 701**

### Introduction and objectives of work

Bureau Veritas has been engaged by Galaxy Surfactants Limited (GSL) to provide moderate assurance of its sustainability report 2022-23 (hereafter referred to as "the Report"). This Assurance Statement applies to the related information included within the scope of work described below:

- An assessment of the data collection and reporting methods for the selected sustainability performance indicators.
  - Checking of existing methods of data collection process and methods
  - Checking, on a sample basis, of evidence supporting the data mentioned in the Sustainability Report.
  - Verification of the sample data and information on selected material topics reported by GSL for the defined reporting period.
  - Assessment of the consistency between the data for the selected sustainability performance indicators and the related written comments in the narrative of the Report.
  - The Company's compliance with legal obligations/disclosures.
  - The General and topic-specific disclosures are subject to assurance.
  - Completion of assurance statement for inclusion in the report, which will reflect the verification of findings and conclusion.
  - Review of sustainability performance non-financial disclosures data carried out based on the review of data provided for respective units along with related backup; site visits and discussions with the concerned personnel for GSL operations at Corporate TTC and MBP office, Taloja, Tarapur, Jhagadia and Egypt site, verifying key performance disclosures through the data provided:
    - Testing reliability and accuracy of data on a sample basis
    - Reviewing the processes deployed for collection, compilation, and reporting of sustainability performance non-financial disclosures.
    - Gap assessment in the data compilation against each non-financial disclosure and present Sustainability Report w.r.t. GRI Standard Framework
- Classifying observations and findings and issuance of Assurance Statement.

### Assurance over full sustainability report

The scope of our work was limited to assurance over data and information included in the Sustainability Report ('the Report') for the period 1st April 2022 to 31st March 2023 based on GRI Standards done of the following operations:

- On-site assessments were conducted for this assurance at the corporate and other sites. Onsite assessments were conducted for the following locations:
  - Corporate TTC and MBP Office, Mumbai
  - Taloja Site Panvel Mumbai
  - Tarapur Site Palghar
  - Jhagadia, Gujarat
- The offsite assessment was conducted for this assessment at Egypt.

The review of the sustainability performance non-financial disclosures is limited to the operations of Galaxy as described in the reporting boundary in the Sustainability Report.



An assessment of the procedures or approaches followed for data compilation and reporting of the sustainability performance non-financial disclosures for specific operations was carried out as follows:

- Testing, on a sample basis, of evidence supporting the data.
- Verification of the sample data evidence and information on selected material topics reported at the above-mentioned operations for the defined reporting period.
- Assessment of the suitability between the backup data for the selected sustainability performance non-financial disclosures and the information presented in the sustainability report.
- The General and topic-specific sustainability non-financial standard disclosures are subject to limited assurance based on the extent of information available for assurance.
- Completion of assurance statement for inclusion in the report reflecting the verification, findings, and conclusion of the disclosure's assurance. Gap assessment as per GRI standards highlights findings during verification of disclosures, draft assurance statement, and final signed assurance statement as per GRI standards compliance.

The Universal and Topic Specific Standard Disclosures of subject to assurance were as follows:

#### Universal Standard

##### General Disclosures

- Organizational and its reporting practices (2-1 to 2-30)
- Activities and Workers (2-6 to 2-8)
- Governance (2-9 to 2-21)
- Strategy, policies, and practices (2-22 to 2-28)
- Stakeholder Engagement (2-29 to 2-30)

##### Disclosures on Material topics

- Process to determine material topics (3-1)
- List of material topics (3-2)
- Management of material topic (3-3)

##### Topic Disclosures

- Direct Economic value generated and distributed (201-1)
- Financial implications and other risks and opportunities due to climate change (201-2)
- Defined benefit plan obligations & other retirement plans (201-3)
- Financial assistance received from government (201-4)
- Market Presence (202-1 to 202-2)
- Indirect Economic Impacts (203-1 203-2) and Procurement Practices (204-1)
- Anticorruption (205-1 to 205-3) and Anti-competitive Behaviour (206-1)

##### Topic-Specific Standard Disclosures

##### Materials (301-301-3)

##### Environment

- Energy (302-1 to 302-5)
- Water and Effluent (303-1 to 303-5)
- Biodiversity (304-1, 304-4)
- Emissions (305-1 to 305-2, 305-6, 305-7)
- Waste (306-1 to 306-5)
- Supplier Environment assessment (308- 1, 308-2))



##### **Social**

- Employment (401-1, 401-2, 401-3)
- Labour Management (402-1)
- Occupational Health and Safety (403-1 to 403-10)
- Training and Education (404-1 to 403)
- Diversity and Equal Opportunity (405-1, 405-2) and Non-Discrimination (406 -1)
- Freedom of association and collective Bargaining (407-1)
- Child Labour (408-1) and Forced or Compulsory Labor (409-1)
- Security Practices (410-1)
- Local Communities (413-1, 413-2) and Supplier Social Assessment (414-1, 414-2)
- Customer health & safety (416-1, 416-2)
- Marketing and Labelling (417-1 to 417-3) and Customer Privacy (418-1)

##### **Reporting criteria**

- Galaxy Surfactants Limited has adopted the below criteria for preparing the report:
  - Global Reporting Initiative (GRI) Standards 2021  
<https://www.globalreporting.org/standards/download-the-standards/>  
 where the methodology can be found.

##### **Limitations and Exclusions**

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined verification period;
- Positional statements (expressions of opinion, belief, aim, or future intention by Galaxy Surfactants Limited (GSL) and statements of future commitment;
- The assurance does not extend to the activities and operations of "GSL" outside of the scope and geographical boundaries mentioned in the report as well as the operations undertaken by any other entity that may be associated with or have a business relationship with "Galaxy, other than that described by the report".
- Compliance with any Environmental, Social, and legal issues related to the regulatory authority.
- Any of the statements related to company aspect or reputation.
- This moderate assurance engagement relies on a risk-based selected sample of sustainability data and the associated limitations that this entails. The reliability of the reported data is dependent on the accuracy of metering and other production measurement arrangements employed at the site level, not addressed as part of this assurance]. This independent statement should not be relied upon to detect all errors, omissions, or misstatements that may exist.

##### **Responsibilities**

The preparation and presentation of the information in the Report are the sole responsibility of the management of Galaxy Surfactants Limited (GSL).

Bureau Veritas was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- providing moderate assurance about whether the assured Information has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the management of Galaxy Surfactants Limited (GSL).

##### **Assessment Standard**



Bureau Veritas conducted assurance process in line with the requirements of the Assurance standard AA1000 AS V3, Type 2 assurance as per the principles of AA1000 AS: inclusivity, materiality, responsiveness and Impact. Under this standard, Bureau Veritas has reviewed the information presented in the report against the characteristics of relevance, completeness, materiality, reliability, neutrality, and understandability. Moderate assurance consists primarily of inquiries and analytical procedures. The procedures performed in a moderate assurance, engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement.

### Alignment with the principles of AA1000AS version 3

#### Inclusivity

There is nothing we came across that would suggest that (GSL) does not have processes in place for engaging with a range of key stakeholders including socially responsible investors, shareholders, suppliers & contractors, Government officials, local community representatives and employees.

#### Materiality

We did not come across any finding to indicate the AA1000 AS V3 assurance does not address the range of environmental, social and economic issues of concern that (GSL) and its stakeholders have identified as being of highest material importance. The identification of material issues has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns. The material issues were identified by a defined process of stakeholder engagement.

#### Impact

There is no finding from our assessment that (GSL) has not monitored, measured or has not been accountable for its actions related to its material topics and their effect on the broader ecosystem

#### Summary of work performed

As part of our independent verification, our work included:

1. Assessing the appropriateness of the Reporting Criteria for the Selected Information;
2. Conducting interviews with relevant personnel of Galaxy Surfactants Limited (GSL);
3. Reviewing the data collection and consolidation processes used to compile Selected Information, including assessing assumptions made, and the data scope and reporting boundaries;
4. Reviewing documentary evidence provided by Galaxy Surfactants Limited (GSL);
5. Reviewing Galaxy Surfactants Limited (GSL) systems for quantitative data aggregation and analysis;
6. Assessing the disclosure and presentation of the Selected Information to ensure consistency with assured information;
7. Other verification activities:
  - a. carrying out site visit to GSL as per scope of audit. This site contributes to over 95% of the Selected Information.
  - b. confirmation of accuracy of information with third parties and/or external stakeholders
  - c. reperforming greenhouse gas emissions conversion calculations
  - d. comparing the Selected Information to the prior year's amounts taking into consideration changes in business activities, acquisitions, and disposals

- e. evaluating the design of internal systems, processes, and controls to collect and report the Selected Information
- f. reviewing the current sustainability issues that could affect Galaxy Surfactants Limited (GSL) and are of interest to stakeholders
- g. reviewing Galaxy Surfactants Limited (GSL) overall approach to stakeholder engagement

#### Conclusion

##### Moderate assurance

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the selected information as well as the reliability of specified performance/information on the sustainability disclosure under assurance has not been properly reported, in all material respects, in accordance with the reporting criteria
- It is our opinion that GSL has established appropriate systems for the collection, aggregation, and analysis of quantitative data such as GHG emissions from the process, electricity and fuel consumption, pollution emissions, water consumption, waste generation and employee's welfare and HSE related data.

##### Statement of Independence, Integrity and Competence

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety, and social accountability with over 185 years of history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical, and health and safety information, systems, and processes.

Bureau Veritas operates a certified Quality Management System which complies with the requirements of ISO 9001:2018 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA)<sup>1</sup>, across the business to ensure that its employees maintain integrity, objectivity, professional competence, and due care, confidentiality, professional behaviour, and high ethical standards in their day-to-day business activities.

The assurance team for this work does not have any involvement in any other Bureau Veritas projects with Galaxy Surfactants Limited (GSL).

##### Bureau Veritas (India) Private Limited

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**Dr. Apurva Srivastava**  
Lead Assurer

Date: 01/12/2023  
Place: Mumbai, India



**Issuer: Anantha Prabhu**

Report ID: V3-13GC2



<sup>1</sup> International Federation of Inspection Agencies – Compliance Code – Third Edition





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