

# RIPPLES OF CHANGE









At Galaxy, we believe that even the smallest actions can create significant waves of transformation. In FY 2024-25, we focused on how these ripples of change, born from everyday conscious choices, collectively built momentum towards an innovative, responsible and sustainable future.

Throughout the year, our commitment to sustainability remained steadfast as we concentrated on driving incremental progress and continuous improvement.

We recognise that transformation is a gradual process – one that requires consistent, purposeful actions. Each of our initiatives, no matter how small, played a crucial role in shaping a future where business growth and sustainability advance together.

In line with our FY 2023-24 Sustainability Report, titled 'Transforming the Future, Sustainably', we showcased tangible progress achieved through purposeful innovation and operational enhancements. The impact of those efforts was evident across multiple fronts, reinforcing our commitment to long-term sustainable transformation. While we celebrated these outcomes, we also realised that our journey was far from complete.

The strides made during FY 2024-25 created meaningful momentum and reaffirmed our readiness to embrace greater challenges and opportunities in the years ahead.



## **About the Report**

## **Reporting Period**

Galaxy is pleased to present its 14th Sustainability Report, covering the period from April 1, 2024, to March 31, 2025. The 14<sup>th</sup> Sustainability report is aligned with the Global Reporting Initiative (GRI) Standards 2021, the Sustainability Accounting Standards Board (SASB) framework and the United Nations Sustainable Development Goals (UN SDGs), ensuring transparency and accountability in our sustainability efforts.

As we reflect on the progress made so far, this report demonstrates how the small ripples of change have already begun to create significant momentum in our operations and strategies, goals & performances. 'Ripples of Change' highlights our commitment to continuously improve Environmental, Social and Governance (ESG) KPIs.

This Report focuses on the ongoing impact of our sustainability initiatives, providing an overview of our efforts to create value while safeguarding the environment and communities we serve.

## **Reporting Boundaries**

The 14<sup>th</sup> Sustainability Report covers the collective efforts of Galaxy Surfactants Limited, Galaxy Chemicals Egypt (S.A.E.) and TRI-K Industries Inc., collectively referred to as 'Galaxy' throughout this document. While our financial statements provide a detailed breakdown for each entity, this Report focuses on the combined impact of our sustainability initiatives across all operations.

For this Report, 'Indian operations' refer to the Galaxy Research Centre (Headquarters) in Navi Mumbai, our manufacturing plants in Taloja, Tarapur and Jhagadia, as well as

our sales offices and warehouses across India. 'Global operations' include these Indian operations, as well as our international operations at Galaxy Chemicals Egypt (S.A.E.), TRI-K Industries Inc. (USA) and Galaxy Surfactants Americas Inc. USA (Sales office).

#### **Assurance**

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

#### Restatements

Waste Figures for FY 2021-22 and FY 2022-23 have been restated due to completeness and accuracy. Galaxy Surfactants Limited is publicly listed on the BSE 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. Galaxy prioritises transparency in its reporting. If you have any questions or require further information, please feel free to contact us at: Teamsustainability@ galaxysurfactants.com.

## **Registered Office Address**

C-49/2, TTC Industrial Area, Pawne, Navi Mumbai, Maharashtra, India-400703





As the world progresses towards Net Zero, our Mission 2030 focuses on tackling climate change and promoting circular economy practices. We are committed to achieving a 75% share of renewable electricity by FY 2029-30 and a 40% absolute reduction in Scope 1 and 2 emissions over the same period. Our efforts also include environmental conservation, with a target of planting 5,00,000 trees by FY 2029-30, alongside a 5% reduction in third-party water withdrawal intensity and a 5% reduction in waste generation intensity. We aim to achieve 2x water positivity and 90% waste circularity by FY2029-30, ensuring a sustainable future for generations to come.

Mr. K. Natarajan **Managing Director** 

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## **OUR SUSTAINABILITY DASHBOARD**



**27.76**% Renewable electricity in total electricity mix for

Indian operations

**25,555** MT RSPO MB-certified raw

material procured

**10,377** tCO<sub>2</sub>e Emissions avoided using renewable electricity

Rainwater harvested

48,299 tCO<sub>2</sub>e **Emissions avoided** by using RSPO MB-certified material

**Governance 50**%

**Independent Directors** 

**25**%

Female Directors

100%

Attendance by the Board of Directors in training and awareness programmes

Number of training conducted for key



Zero

Penalties or fines paid on discrepancy

## **Social**

New hires in the workforce

Recycled water used in India operations

**4** (Scale of 5) **Customer Satisfaction Index** 

₹14.22 cr

Investment in safety, health and environment

0.22

1,06,114

**CSR** beneficiaries (Indian operations)



## **Economic/Financial**

₹410.04 cr

Economic value retained

₹**510.2** cr EBITDA

₹15.74 cr **R&D** expenditure

₹**304.91** cr

₹4.92 cr

CSR expenditure





## **MESSAGE FROM OUR** MANAGING DIRECTOR



## ₹4,223.67 cr **66**

Revenue from operations

Our financial performance in FY 2024-25 also demonstrates the strength of this sustainability-driven strategy. We recorded revenue from operations of ₹4,223.67 crore, EBITDA of ₹510.2 crore and a Profit After Tax (PAT) of ₹304.91 crore. These results further reinforce the fact that profitability and sustainability are mutually complementary pillars for long-term growth."

#### Dear Shareholders,

I am pleased to present the Sustainability Report for FY 2024-25, themed 'Ripples of Change', which reflects our ongoing commitment to creating a positive, lasting impact on the planet and society. At Galaxy Surfactants, sustainability is at the heart of our strategy and every action we take today contributes to a broader transformation for the future.

In FY 2024-25, our Company has made significant strides in line with its 'Mission 2030 Sustainability Goals'. Notable progress was achieved in reducing our carbon footprint and enhancing our circular economy practices. The share of renewable electricity in our operations has increased to 20.1%, a step closer to our target of 75% renewable electricity by FY 2029-30. Investments in renewable (solar and wind) energy enabled us to avoid 10,377 tCO<sub>2</sub>e emissions, further supporting our environmental goals.

Water management remains a key focus of our sustainability approach, with 20% of our total water demand being met through recycling and rainwater harvesting. Water 3R (Reduce, Reuse, Recycle) initiatives,

along with rainwater harvesting both across operations and outside the boundary for community projects have contributed and will continue to contribute to Galaxy's target of being 2 times water-positive by FY 2029-30. Additionally, we achieved a 77% waste circularity at our manufacturing sites, positioning us closer to our goal of reaching 90% waste circularity by FY 2029-30.

Sustainable sourcing, particularly of palm-based materials, remains a top priority for us. Our commitment to responsible sourcing is reflected in our achievements of 99.6% traceability to mills and 56% traceability to plantations for palmbased raw materials. As a member of the Roundtable on Sustainable Palm Oil (RSPO), we have enhanced the sustainability of our palm sourcing, resulting in 3,38,933 tCO<sub>2</sub>e emissions avoided since 2015.

During the year under review, we recorded revenue from operations of ₹4,223.67 crore, EBITDA of ₹510.2 crore and a Profit After Tax (PAT) of ₹304.91 crore. These results further reinforce the fact that profitability and sustainability are

mutually complementary pillars for long-term growth.

Our employees continue to play a vital role in driving sustainability forward. Over 2,167 team members actively contributed to various initiatives, enabling us to make meaningful progress in environment, social and governance aspects. The focus on maintaining a safe and healthy work environment remains paramount and regular health checkups and training provided to ensure employee well-being.

Looking ahead, we remain focused on integrating sustainability into every aspect of our operations. Our commitment to green chemistry and sustainable innovation will guide the development of products that meet the needs of our customers and also support a sustainable future for all. I am confident that with the continued support of our employees, customers and partners, we will drive meaningful change, creating a better and more sustainable future.

Sincerely,

## Mr. K. Natarajan

Managing Director

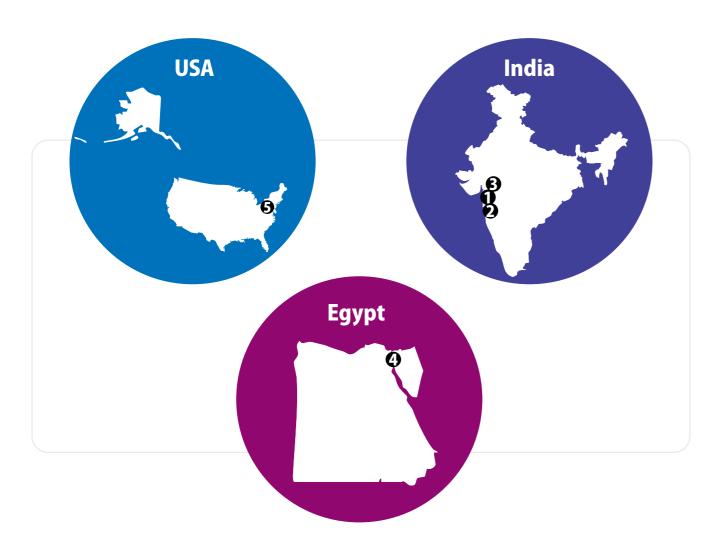
## Gold Supplier to Global Erands

## **ABOUT GALAXY SURFACTANTS**

At Galaxy, we manufacture Surfactants and Speciality chemicals for the personal care and home care products. Operating with a B2B model, we provide innovative solutions to global, regional and local brands.

We have operations in India, Egypt and the USA, working closely with our partners to meet the needs of our markets.

Our commitment to sustainability drives us to deliver reliable solutions to our customers worldwide.



## **Our Operations and Presence**

	India: Parent Entity	Egypt: Galaxy Chemicals S.A.E 100% Owned	USA: TRI-K Industries 100% Owned
Manufacturing	✓	✓	✓
R&D	✓	X	✓
Plants	5*	1	1
Employees	1,785	307	75
Marketing Offices	✓	X	✓

<sup>\*</sup>including one pilot plant.

- 1 Tarapur, Maharashtra
  - 3 | 44,598 MTPA
- 2 Taloja, Maharashtra 1 2,05,000 MTPA
- 3 Jhagadia, Gujarat\* 1 2,03,722 MTPA
- 4 Suez, Egypt\*
  1 | 1,92,000 MTPA
- 5 New Hampshire, USA 1 | 6,000 MTPA

**1,400**+ Customers

220+

80+
Countries

**7**Manufacturing units

\*Environmental clearances for expansion and additional land available.

Number of units

Installed capacity as of FY 2024-25

## **Vision**

Delight Customers; be a Partner of Choice and a Global Leader of Surfactants and Speciality 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.

## **Mission**

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

## 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 organisation 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 professionalisation of all areas of management

## **OUR CORE STRENGTHS**

At Galaxy, the foundation of our success lies in our ability to remain steadfast in our values while navigating a constantly evolving market. As we continue creating long-lasting, positive change, we rely on four Pillars – Character, Competence, Competitiveness, and Comfort – that guide our decisions, foster growth and shape our culture.

These pillars, embodied in the 4Cs, are not just principles; they represent the small, consistent ripples of change that drive us forward, enabling us to meet today's challenges and proactively prepare ourselves to embrace tomorrow's opportunities.

## **Our Four Pillars**



## **Character**

We are committed to integrity, transparency and respect for all people, fostering a culture of trust and accountability.



## **Comfort**

We focus on delivering reliable performance, meeting commitments and ensuring consistent quality and timely delivery.



## Competitiveness

We work hard to adhere to global quality standards, staying agile and responsive to deliver tailored solutions that meet the diverse needs of our customers worldwide.



## Competence

We have a talented team that is proactive in meeting complex and changing business needs, driving innovation and excellence.



At Galaxy, our commitment to sustainability and long-term value creation drives our growth. We focus on short-term and long-term drivers that empower us to adapt and innovate in a constantly changing world. These drive the ripples of change, small, strategic actions, that collectively make a lasting impact and shape our growth. By focusing on the following key drivers, we ensure that our growth remains both responsible and resilient.

## **Sustainability and Safety**

We integrate sustainable practices across operations, ensuring safety and environmental responsibility at every stage.

## Responsible Consumption

We are responsive to the growing demand for tailored, resource-efficient solutions contributing to a circular economy.

## Regulations

Adapting to regulations and compliance standards ensures we stay ahead of industry trends and meet the expectations of our stakeholders.

## **Technological Advancements**

We leverage the latest technologies to drive efficiency, improve product performance and deliver an enhanced customer experience.

#### Innovation

Innovation is at the heart of our strategy, enabling us to develop cutting-edge solutions that meet evolving market needs.

## **Emerging Opportunities**

We continuously explore new markets and opportunities that align with our sustainability goals and enhance long-term business growth.



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## **OUR BUSINESS SEGMENTS**

At Galaxy, we have a diverse portfolio of 220+ products, each designed to cater to the varied needs of our 1,400+ customers worldwide. We are continuously evolving our product offerings across key segments like Personal Care, Home Care, Skin Care, Oral Care and Hair Care.

## **Our Product Portfolio**

Our diverse product portfolio reflects our commitment to innovation and sustainability. Each product contributes to meaningful change in the personal and home care sectors.

## **Performance Surfactants**

Performance surfactants are essential raw materials in consumer products, enhancing foaming, cleansing and effective dirt removal.

- Widely used in personal and home care products for enhanced foaming and cleansing
- Predominantly used in rinse-off formulations like shampoos and dishwashing products
- Accounts for 60% of revenue share, reflecting its significant market demand
- Primarily driven by mass-market consumer goods and FMCG industries
- Large volume consumption is due to the high demand for cleaning products worldwide

**Anionic Surfactants** 

FAES, FAS, LABSA

Non-ionic Surfactants

Ethoxylates

Speciality care products cater to niche markets, offering tailored functionality for premium, low-volume consumer goods.

- Serves niche markets with specialised products like mild surfactants and preservative blends
- Targets premium products in the personal and home care sectors
- Low-volume consumption but high-value offerings in high-end applications
- Includes ingredients that offer specific benefits like moisturising, conditioning and skin protection
- Contributes to 40% of revenue share, driven by tailored customer needs in specialised segments

**Amphoteric Surfactants** 

**Cationic Surfactants** 

**UV** filter

Preservatives, Preservative Blends

**Speciality Ingredients** 

**Viscosity Boosters** 

**Other Care Products** 



**Betaines** 

Quats

Sunscreen Agents (OMC, OCN & Others)

Phenoxyethanol, Preservative Blends

Mild Surfactants (MS), Proteins and Syndet & Transparent Bathing Bar Flakes, Surfactant Blends

Fatty Alkanolamides (FA) and Fatty Acid Easters (FAE)

Conditioning Agents, Polyquats & Amine Oxides

**Consumer Benefits** 

Foam and dirt removal properties

Dermatological properties to reduce skin irritation

Absorb or block the harmful radiation; mild for the skin with moisturising

Mild Surfactants Cleanse adequately without compromising basic function of skin like anti-irritancy and moisturisation

Foam, FA, FAE and pearliser in a formulation

Improves the quality of another material also called as moisturisers, conditioning to the hair

Cosmetics and personal care products as emulsifiers and solubilisers

Effective conditioning aids: substantively to hair and anti-microbial properties

Reduces toxicity and prevents spoilage

Protein: Cosmetic industry for conditioning, protection and strengthening of hair/skin



**Speciality Care Products** 

## Gobal Supplier to Global Brands

## **Our Business Segments**

## **Our Market Segments**

Our focus is on developing innovative solutions within the performance surfactants and specialty care products sectors to meet the evolving demands of our customers. We cater to a wide range of market segments, including hair care, home care, skin care, oral care, cosmetics, personal care and toiletries. In line with our commitment to delivering high-quality, tailored solutions, we ensure that we create lasting value in every product, addressing the specific needs of each market segment.

With operations in India, Egypt and the USA, we are well-positioned to serve customers in over 80 countries. Our products enhance foaming, conditioning and cleaning properties across various applications, meeting the diverse needs of both personal care and home care industries. We focus on serving mass, masstige and prestige markets, ensuring our solutions are relevant and effective for all customers.

Our strong research and development capabilities drive continuous product innovation. By staying ahead of market trends and customer needs, we are able to deliver products that are effective and adaptable. We focus on making incremental improvements to our offerings, ensuring that we maintain our competitive edge and support the changing requirements of every market segment we serve.

Sustainability is at the heart of every stage of our product development. From concept to delivery, we prioritise eco-friendly practices, ensuring our solutions are aligned with long-term environmental and societal goals. This commitment to sustainability reinforces our role as a trusted partner in the specialty chemicals industry, allowing us to meet the needs of our global customers while contributing to a sustainable future.

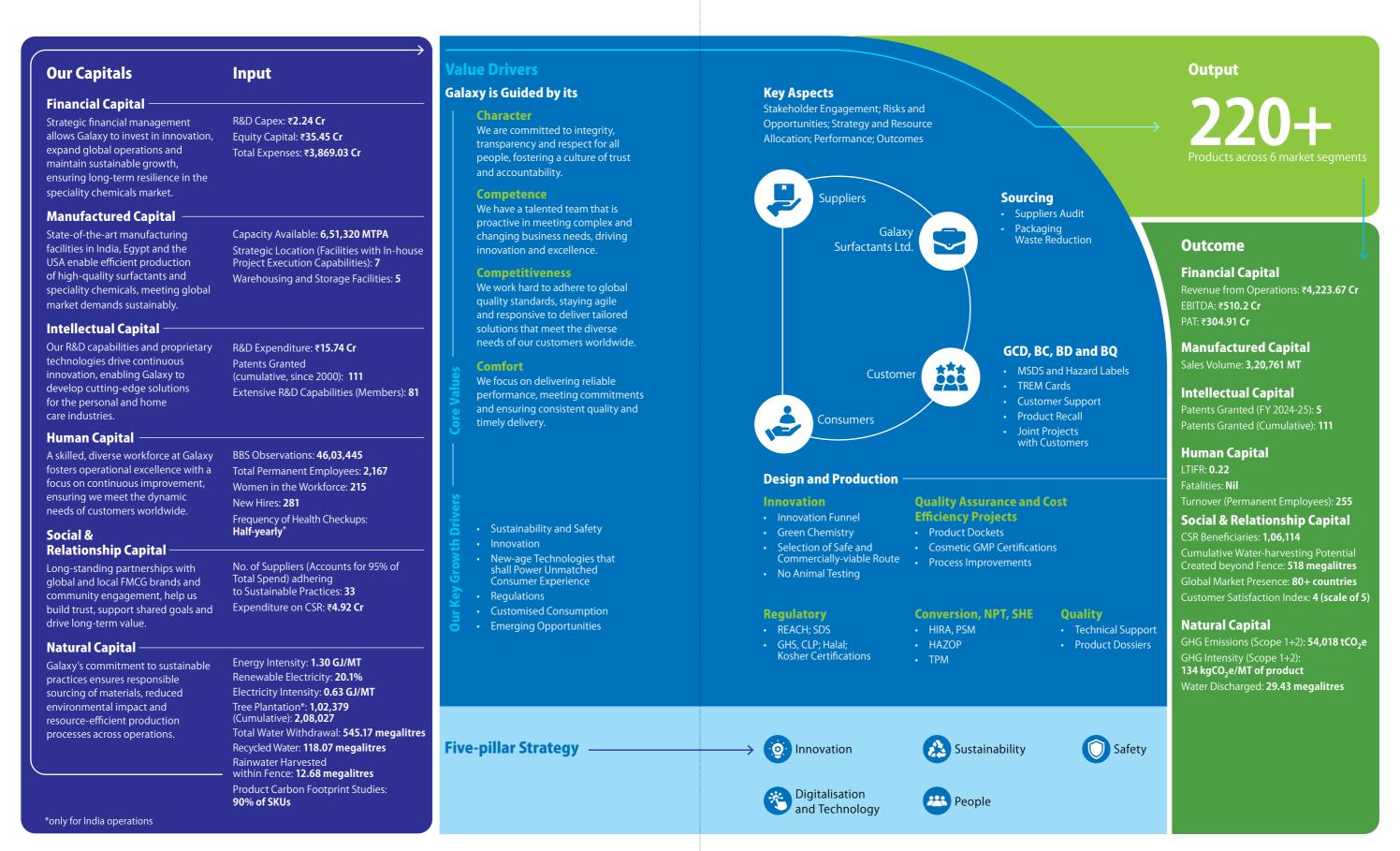
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## **OUR VALUE CREATION MODEL**



## Gold Supplier to Global Brands

## STAKEHOLDER ENGAGEMENT

At Galaxy, we engage with various stakeholders to drive meaningful improvements across our business. We understand that even small actions can lead to significant, long-term impacts.

Our engagement with stakeholders from employees to investors, suppliers, customers and local communities forms the foundation of our growth and success.

Through consistent dialogue, collaboration and transparency, we ensure that each stakeholder's needs are understood and met, fostering trust, sustainability and innovation. We are committed to creating positive change for all, strengthening the mutually beneficial relationships we foster through active and meaningful engagement.



## Stakeholder

Sustainability Report 2024-25

## **Purpose of Engagement**

## How We Seek Meaningful Engagement



- **Employees**
- To foster a productive and motivated workforce that forms the foundation of Galaxy's success
- To encourage transparency, participation in decision-making and build a culture of trust
- To ensure employees concerns and suggestions are listened through regular feedback mechanisms
- Conduct monthly feedback meetings and use our internal communication platform, VIBE
- Celebrate employee contributions through events like Foundation Day
- Address concerns via the Employee Welfare Council (EWC), ensuring employees are listened



- To provide transparency and build trust around financial performance and growth
- To ensure alignment with long-term sustainability goals and responsible value creation
- Communicate based on investors queries
- Engage through one-on-one meetings, annual investor conferences and plant visits
- Provide clear and regular updates to strengthen trust and support investor decision-making
- Share insights into growth strategy and sustainability commitments



Government and Regulatory Bodies

- To ensure alignment with legal and compliance frameworks at local and international levels
- To contribute to and stay updated on evolving industry regulations and best practices
- To engage stakeholders identified through regulatory and compliance mechanisms
- Conduct regular compliance checks, licence renewals and policy participation
- Collaborate on environmental and safety regulations and share key compliance information
- Engage quarterly to ensure our practices remain compliant and forward-thinking

The frequency of engagement

Monthly

Quarterly

Y

As Needed



## **Stakeholder Engagement**

## Stakeholder

## **Purpose of Engagement**

## How We Seek Meaningful Engagement



## Local **Communities**

- To foster responsible growth through community support and inclusion
- To address local needs through outreach programmes and partnerships
- To improve community well-being by identifying stakeholders via local initiatives
- Execute CSR projects, community forums and beneficiary feedback loops
- Collaborate closely with community representatives to ensure alignment and effectiveness
- Engage throughout the year based on project cycles and local needs



- Customers
- To ensure customer satisfaction, loyalty and ongoing product/ service improvement
- To gather feedback for innovation and development
- To identify customers through sales channels, surveys and market research
- Collect feedback via surveys, industry events and social media platforms
- Incorporate insights into product development and customer service enhancements
- Engage continuously through multiple touchpoints and feedback channels



- To ensure smooth and sustainable sourcing of materials and services
- To select suppliers based on their value chain contribution and compliance with standards
- To build long-term, quality-focused partnerships

- Conduct regular meetings, reviews and the annual GALSUSTAIN programme
- Conduct annual supplier sustainability Survey and Oil Palm Traceability Survey
- Promote transparency and shared sustainability goals



## Stakeholder

## **Purpose of Engagement**

## **How We Seek Meaningful Engagement**



## Nongovernmental **Organisations** (NGOs)

- To address social and environmental priorities through collaboration
- To enhance the impact of CSR and social responsibility efforts
- To identify NGOs aligned with our values and community impact
- Collaborate on CSR needs and project planning throughout the year
- · Maintain regular communication and gather execution feedback
- Engage NGOs quarterly to ensure responsiveness and effectiveness



## **Industry Associations** and Trade Unions

- To stay informed about industry standards, regulatory shifts and employee rights
- To advocate for fair working conditions and ethical practices
- To engage stakeholders influencing sector-wide developments
- Attend meetings, participate in training and collaborate with industry associations
- Engage in dialogues related to employee welfare and workplace fairness
- Involve trade unions as needed to ensure transparency and fair treatment

The frequency of engagement

20



Quarterly

Year As Needed

The frequency of engagement

Monthly

Quarterly

As Needed

Galaxy Surfactants Limited Sustainability Report 2024-25

## Global Supplier to Global Brands

## MATERIALITY ASSESSMENT

At Galaxy, we understand that identifying and addressing material topics is essential for sustainable growth. Our materiality assessment helps us focus on areas where strategic actions can create a significant, positive impact for our business and stakeholders.

Through active stakeholder engagement, detailed ESG risk assessments and thorough supply chain analysis, we identify and prioritise the most critical environmental, social and economic issues impacting both Galaxy and our partners. This collaborative approach ensures transparency and alignment with our long-term sustainability goals, enabling us to focus on areas of greatest impact and opportunity across our value chain.

To support this, we capture short- (1-2 years), medium- (3-5 years) and long-term (5-10 years) risk assessments covering our direct operations, upstream and downstream value chains and end-of-life product stages. These assessments are guided by CDP frameworks with medium-term targets serving as key checkpoints in our sustainability journey.

## **Assessment Process**

Define Scope and Stakeholders

Identify and Assess Impacts

Prioritise Material Topics

**Materiality Matrix** 

Validation and Communication

Continuous Improvement We define the scope of the assessment, including product lifecycle and business relationships and identify key stakeholders such as suppliers, employees, customers and investors.

Through stakeholder input and internal expertise, we identify positive and negative impacts on the economy, environment and people, including human rights issues.

We prioritise ESG topics based on their significance, considering business impact and stakeholder importance. We are informed by industry trends and feedback from key stakeholders.

We map the material topics using a matrix, evaluating their relevance based on their potential impact on our business and their importance to our stakeholders.

We internally review, validate, and, where appropriate, externally assure drafted material topics before communicating them to stakeholders for feedback.

Considering the evolving sustainability landscape and business dynamics, we regularly revisit our materiality assessment to ensure it remains relevant.

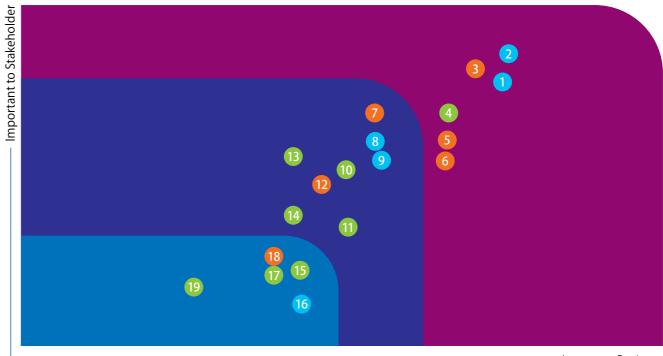
## **Material Topics in Order of Priority**

- 1 Compliances
- 2 Business Ethics and Transparency
- 3 Employee Health and Safety, Well-being
- 4 Water Security Being Waterpositive at the Respective Operational Sites
- 5 Labour relations Fair Labour Practices
- 6 Customer Privacy
- 7 Customer Complaints Resolution

- 8 Data Security
- 9 Risk Management
- 10 Increase in use of % of renewable sources of energy in overall energy consumption
- 11 Net-zero Carbon
- 12 Engagement with Suppliers
- 13 Sustainable Palm Oil
- 14 Circular Economy
- 15 Product Sustainability Lifecycle Assessment Approach

- 16 Digitalisation
- 17 Efficiency Projects
- 18 Diversity and Inclusion at the Workplace
- 19 Biodiversity Impact

## **Materiality Matrix**



Impact to Business



**GRI 3-2** 







**GRI 3-1** 



## **Materiality Assessment**

## **Management of Material Topics**

## **Economic Impact**

- Galaxy's management contributes to economic progress through economic growth, job creation and contributions to innovation and technological advancements.
- Potential negative economic effects, such as unfair competition.
- We prevent or mitigate negative impacts through strict compliance with business ethics, transparency and risk management. We ensure compliance with local laws and international standards to promote fair business practices.

## **Material Topics Mapped**









## **Environmental Impact**

- Galaxy promotes sustainable practices that reduce carbon emissions, conserve resources and preserve the environment through energy efficiency and waste management.
- As a chemical industry player, Galaxy's operations involve handling complex chemicals, which demand specialised expertise. This necessitates hiring professionals with highly technical skill sets and investing in their continuous training, sometimes leading to higher training costs.
- Actions to manage environmental impacts include increasing the use of renewable energy, striving for net-zero carbon emissions and working towards a circular economy.

## **Material Topics Mapped**













## **People Impact**

- Galaxy provides fair labour practices, equal employment opportunities and a healthy work environment that promotes wellbeing.
- Unsafe working conditions, low wages and job insecurity can harm workers' well-being and livelihoods.
- We mitigate negative impacts by ensuring fair wages, improving working conditions and maintaining a commitment to health and safety standards.

## Material Topics Mapped 3







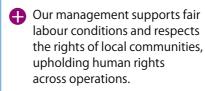






GRI 3-3 Positive Impacts Negative Impacts Management Actions

## **Human Rights Impact**



- Exploitative labour practices, child labour and disregard for indigenous rights can lead to violations of human rights.
- We commit to adhering to human rights policies and provide training on ethical practices, ensuring the elimination of forced and child labour.

## **Material Topics Mapped**





## **Customer and Data Impact**

- Galaxy prioritises customer privacy and satisfaction, ensuring that customer information is handled responsibly and securely.
- Failure to protect customer data can lead to privacy violations and erosion of trust.
- We implement secure data protection measures, ensure compliance with privacy laws and resolve complaints promptly.

## **Material Topics Mapped**









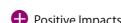
## **Supply Chain Impact**

- We build enduring supplier relationships to ensure transparency and sustainability across our supply chain, driving mutual growth.
- Poor supplier practices can result in unethical sourcing and adverse environmental or social impacts.
- We conduct regular audits and engage with suppliers to align on sustainability goals and performance metrics, improving supply chain transparency.

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## Material Topics Mapped 12







Positive Impacts Negative Impacts Management Actions



# EMBEDDING SUSTAINABILITY INTO SURFACTANTS

At Galaxy, sustainability is at the core of everything we do. We are driving change by embedding sustainability into our surfactants, ensuring every product we develop is designed with environmental and social responsibility in mind. From sourcing raw materials to final delivery, we aim to make a positive impact at every step.

Our efforts are the beginning of a ripple effect that spreads across the industry, fostering long-lasting benefits for people and the planet. By reducing our carbon footprint, embracing circular economy principles and innovating in green chemistry, we are committed to creating change that grows and evolves, leaving a meaningful impact on future generations.

## **Key Linkages**

## **Material Topics**

- 14 Circular Economy
- 15 Product Sustainability Lifecycle Assessment Approach
- 17 Efficiency Projects

## Stakeholders Impacted

- Suppliers
- **a** Customers

## **SDGs**







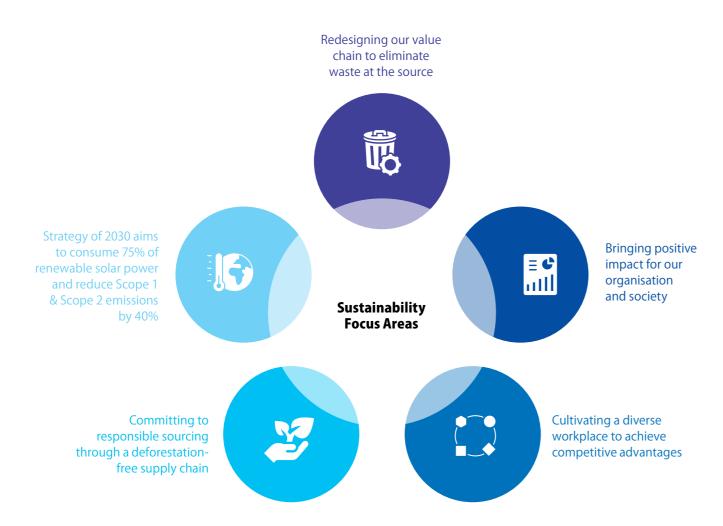
## **Embedding Sustainability into Surfactants**

## **Our Approach to Sustainability**

As the surfactant domain evolves, we recognise that even small, deliberate actions can create ripples of positive change. Our approach to sustainability is built on a foundation of responsible sourcing, reducing carbon footprint and ensuring that we develop our products with sustainability at their core. By focusing on renewable materials and minimising waste, we contribute to a more sustainable industry.

Our sustainability efforts extend beyond raw material sourcing to encompass key ESG considerations. We are committed to addressing climate change, managing water resources and driving circular economy practices. Our green supply chain management ensures we embed sustainability throughout the value chain. Fostering diversity and inclusion within our workforce also helps create a more equitable and just environment for all.

We aim to create a lasting impact through these five focus areas—Climate Change, Circular Economy, Water Stewardship, Green Supply Chain and Diversity and Inclusion. By aligning our sustainability strategy with these critical goals, we ensure that each ripple contributes to a future where environmental and social responsibility are at the heart of our business.



## **Sustainability Governance**

Sustainability is embedded within our core strategy, supported by a robust governance framework that operates through a three-tier model integrated across the organisational levels.

## **Sustainability Governance Framework**



#### **Steering Committee**

The Steering Committee, led by the Board of Directors, defines the strategic direction, mobilises resources and approves key sustainability initiatives. This highlevel body ensures sustainability remains central to all decisions, guiding the Company to align with global standards and drive consistent progress.

## **Working Pillar**

Process heads and leaders bring domain and functional expertise to implement sustainability practices across all functions. They ensure alignment with organisation-wide sustainability goals while focusing on delivering impactful results and turning strategy into actions that create long-term value.

## **Working Groups**

Working Groups execute specific sustainability projects at all locations. By maintaining operational efficiency, and driving local impact and continuously improvement, they ensure the successful implementation of our sustainability initiatives, contributing to our overall goals.

The Sustainability Taskforce, an initiative led by the Sustainability Team, drives key sustainability actions across our operations. While the taskforce provides strategic direction and oversight, factory managers and

operational teams are responsible for on-ground execution. We work collaboratively as single team to advance our goals of a 40% absolute reduction in Scope 1 and 2 emissions, 5% reduction in water withdrawal intensity, 90% waste circularity, a transition to renewable energy and increased employee engagement in sustainability programmes.



## **Embedding Sustainability into Surfactants**

## **Sustainable Innovation**

Innovation is the key to sustainable growth for us at Galaxy. We focus on developing impactful products that meet consumer needs while mitigating or reducing the ecological impact of our operations. Our innovation philosophy revolves around creating solutions that minimise our environmental footprint while enhancing product performance and safety.

Environmental and social considerations drive every step of our innovation journey, ensuring we contribute positively to the industry and the planet.

## **R&D Highlights**

Our Innovation team comprises over 81 enthusiastic and talented industry experts dedicated to driving sustainable innovation. With a keen emphasis on research and development, we aim to create biodegradable, environmentally friendly and effective ingredients that contribute to sustainability. In FY 2024-25, Galaxy filed patent applications of three inventions and have secured grant for 111 patents (cumulative, since 2000) across multiple regions, including the USA, Europe, China, Brazil, Russia, Japan and India. We currently have 29 pending patents at various patent offices.

## **Key Focus Areas**

- Developing safe, biodegradable ingredients for personal care formulations
- Exploring bio-based solutions through processes such as enzyme catalysis and fermentation
- Creating energyefficient products for cold processing helps customers reduce their energy consumption



## **Collaborations and Training Initiatives**

Collaborations with external consultants and research bodies bolster Galaxy's innovation engine. These partnerships help us solve complex technological challenges and bring new ideas to life. These

partnerships strengthen our technological capabilities and accelerate the development of sustainable solutions.

We also prioritise continuous learning and development for our Innovation

team. We attend conferences, exhibitions and internal training programmes to stay updated on the latest research trends, market dynamics and emerging challenges.

## **Innovative Product Development**

Our products are designed to meet pressing consumer needs, while contributing to environmental sustainability.



Case Study

## TRI-K's Sustainable R&D Process

Galaxy has been focusing on a Sustainable R&D Process that utilises natural raw ingredients, ensuring responsible sourcing and adopting upcycling practices wherever possible. Sustainable approach minimises the environmental impact while maximising product performance.

At TRI-K, sustainability in the R&D has been a key factor considered at the planning stage itself. A key aspect of TRI-K's sustainability efforts is the Natural Origin Index (NOI) of the products, which reflects the percentage of ingredients sourced from natural origins. For example, Moringa-based formulations in the product line achieve an NOI of 0.99, indicating that 99% of the product's composition comes from natural, renewable sources.

This high NOI is particularly impressive because the upcycled Moringa Seed Cake used in the formulation is a by-product of the food industry, repurposed in an environmentally friendly way. This process also supports ethical sourcing by benefitting the local farming communities in India, with a Profit Sharing Model that promotes fair economic growth.

Similarly, products like Rice Tein NPNF®, derived from upcycled rice grains, have an NOI of 0.98. This product uses rice husks and also takes advantage of cogeneration technology, which recovers energy, making the entire production process more energy-efficient and sustainable.

TRI-K's commitment to sustainable sourcing is exemplified by products

such as Baobab Tein Z NPNF®, made from upcycled Baobab Biomass, a by-product of the baobab fruit and seed oil production. With an NOI of 0.98, this product shows the Company's dedication to using every part of the raw material, reducing waste and promoting the sustainability of the baobab tree, which is an important resource for local economies in Africa.

Through these practices, TRI-K's sustainable R&D process delivers products that meet high performance standards and also contribute to a more sustainable and responsible supply chain. By focusing on upcycling, responsible sourcing and energy-efficient manufacturing, TRI-K is leading the way in environmentally responsible product development in the beauty and personal care industry.

## Galaxy Global Substitute to Global Spands

## **Embedding Sustainability into Surfactants**



**Our Recent Innovations** 



## Galseer® DermaGreen

A sustainable, safe, oil-based cleanser for personal care applications, free from harmful effluents and toxic impurities that threaten marine life.



**GalMol KCP** 

A sustainable, solvent-free emollient for personal care, produced without hazardous solvents or impurities.



## Galseer® Flexcon

A solid conditioning bar for hair care, providing colour and UV protection while reducing plastic packaging waste.



Hearth® Fabcon

A biodegradable, ester-free fabric softener that enhances fabric feel. It is 76% natural and is available in a cold-processable format.

## **Awards and Recognitions for Sustainable Innovation**

Awards motivate us to keep pushing the boundaries of innovation, encouraging us to advance towards creating impactful change. They reaffirm our team's hard work and dedication and inspire us to continue developing innovative solutions that contribute to a more sustainable future.

## **Notable Awards and Recognitions**



Best Functional Ingredient Award – Silver (in Cosmetics Global)

For Galseer® DermaGreen, a 100% green oil-soluble surfactant and foaming agent that aligns with our sustainability values.



Bronze Innovation Award (Detex Jordan, 2024)

For Hearth® Fabcon, a groundbreaking ester-free fabric conditioning ingredient that provides long-lasting freshness and prevents yellowing.



Great Indian Sustainable IP Practice Award (The Great Indian IPR Summit & Award, 2024)

Recognising our commitment to sustainable intellectual property practices and responsible innovation.



**Best Home Care Innovation Award – Gold (CIE Chennai)** 

For Hearth® Fabcon, a revolutionary product in the fabric softening category that supports sustainability and enhances fabric quality.



## **Embedding Sustainability into Surfactants**

Galaxy develops innovative, sustainable solutions, by integrating sustainability at every step of the product lifecycle, right from raw material sourcing to the final finished product. All our products are designed to enhance user experience while reducing environmental impact and we achieve this by keeping both sustainability and the needs of consumers at the core of our operations.

## **Key Focus Areas**

#### **Sustainable Raw Materials**

Wherever possible and available we carefully select raw materials that are biodegradable, non-toxic and responsibly sourced. Ensuring sustainable sourcing creates a positive ripple effect, reducing environmental degradation and supporting biodiversity.

## **Energy-efficient Products**

We design products that promote energy efficiency, reducing energy consumption during usage. These products enable consumers to lower their environmental footprint.

#### **Green Chemistry**

Emphasising bio-based solutions, we explore processes like enzyme catalysis and fermentation, which offer more sustainable alternatives to traditional chemical processes.

## **Green Chemistry at Galaxy**

Green chemistry is deeply embedded in our approach to product development and manufacturing. We actively apply green chemistry principles to reduce waste, enhance biodegradability and minimise the use of hazardous substances. By using renewable feedstocks and energy-efficient processes, we create surfactants that are safer for both people and the planet. These principles guide our efforts across traceable palm-based ingredients, real-time process monitoring and product design that supports our sustainability goals and meets the rising demand for ecoconscious formulations.

A significant breakthrough in this space is our patented Green Catalyst Process for manufacturing Fatty Acid Chlorides—a key intermediate in our amino acid surfactant portfolio. This innovation uses the final product itself as a catalyst, eliminating the need for distillation and waste disposal, thereby reducing

environmental impact and improving cost efficiency. Applied across Glycinates, Sarcosinates, Taurates and Glutamates, this innovation exemplifies how we continue to engineer sustainable chemistry solutions while challenging conventional practices in the global surfactant industry.

Green chemistry principles applied across our amino acid surfactant portfolio

Our patented Green Catalyst Process eliminates distillation and waste in Fatty Acid Chloride production





**Case Study** 

# Extending Shelf Life for Sustainable Product Management

## The Challenge

We faced a recurring challenge with the short shelf life of key products, which led to frequent recertifications, limited export opportunities and unnecessary waste. For example, a product group initially had a six-month shelf life, leaving insufficient time for export after dispatch. Similarly, Product Y and Product Z had a 12-month shelf life. which created supply chain inefficiencies. To minimise waste and improve logistics, we needed a scientific approach to extend product longevity without compromising quality.

#### The Solution

We conducted a stability study to assess pH levels, storage conditions and packaging. For Product X, increasing the pH count extended its shelf life from six to twelve months, reducing the need for frequent recertification. Stability trials for Product Y and Product Z showed that extending their shelf life from 12 to 18 months was achievable without compromising quality. To strengthen our supply chain resilience, we also improved the stability of other products.

#### The Impact

## **Reduced Re-certification Needs:** Less frequent revalidation saved

## **Increased Export Viability:**

time and resources.

A longer shelf life has made global distribution more feasible.

## **Minimised Waste Generation:**

We significantly reduced product disposal and reprocessing, supporting our sustainability goals.

## Enhanced Customer Satisfaction: Customers benefitted from better inventory management and smoother supply chain operations.





## **Embedding Sustainability into Surfactants**

## **Sustainable Manufacturing**

Galaxy's commitment to sustainability goes beyond product development and innovation. We continuously monitor and upgrade our manufacturing processes to minimise environmental impact and optimise resource utilisation.

In FY 2024-25, we continued to invest in quality improvement programmes such as Total Productive Maintenance (TPM) and quality circles, engaging employees in process enhancements that boost quality and sustainability.

## **Total Productive Maintenance (TPM)**

Through the implementation of TPM practices, we ensure optimal equipment performance and minimise downtime. Proactive maintenance and preventative measures help us extend equipment lifespan, reduce energy consumption and lower our carbon footprint. The adoption of Kaizen, a philosophy of continuous, incremental improvements, has allowed us to drive consistent changes that lead to significant advancements in sustainability.

## **PARIVARTAN WESAP**

Through PARIVARTAN Waste Elimination Suggestion Award Programme, we encourage employee-led innovation in sustainability. The programme recognises and rewards ideas that contribute to waste reduction, resource efficiency and overall environmental performance at our manufacturing sites.

## **Cost Efficiency Projects (CEP)**

CEP is our plant-level initiative aimed at improving processes and reducing operational waste. These small-scale, targeted projects foster a culture of practical problem-solving and continuous environmental improvement.

## PDCA (Plan, Do, Check, Act)

This structured approach enables us to drive improvements in a systematic and measurable way. PDCA supports consistency, learning and alignment with our quality and sustainability goals.

## **Right the First Time (RTFT)**

Our RTFT philosophy underpins our commitment to precision and accountability in operations. By aiming to get processes right from the outset, we reduce errors, minimise waste and maintain high product quality with lower environmental impact.

# Improving Processing Efficiency at TRI-K

#### Challenge

TRI-K's enzymatically hydrolysed proteins production process traditionally included an ageing step after hydrolysis. During this step, batches were removed from the tank and stored in IBC totes for 10+ days. The ageing process, combined with older equipment, resulted in inefficiencies and increased operational costs. Given the advancements in hydrolysis and filtration technologies, TRI-K focused on determining if this aging step was still necessary.

#### Solution

In line with TRI-K's strategy to modernise operations, the Company began replacing 50+ year-old reactors with more efficient, modern models. The newly installed tanks, equipped with insulation, significantly reduced heat loss, improving heating and cooling efficiency. This improvement decreased the amount of steam required.

In addition to the reactor upgrades, the removal of the ageing step has led to improved processing efficiency, reducing the time required for production and lowering operational costs.



## **Impact**

Operations, including the elimination of the ageing step.

Following annual reductions were achieved:

## **Electricity**

1,887 kWh of energy saved annually, contributing to a 460 kg reduction in  $CO_2$  emissions.

## **Natural Gas**

The removal of the ageing step and installation of new reactors led to a 510 SCM reduction in natural gas use annually, avoiding 980 kg of  $CO_2$  emissions.

#### **Water Usage**

Water usage was reduced by 110 kilolitres annually, resulting in significant environmental savings.

## **Quality Assurance**

Our quality assurance processes seek to minimise waste, optimise resource use and ensure that all products are safe, effective and environmentally responsible. Our key quality practices comprise:

## **Automated Testing**

We implement automated testing systems to reduce chemical usage and improve testing efficiency. This automation helps streamline quality checks, saving both time and resources.

## **Process Optimisation**

We focus on continually improving our processes to enhance product quality while reducing waste and energy consumption. By minimising impurities and improving yields, we maximise the sustainability of our products.



## ISO 9001 Certification

Our commitment to quality is reinforced by our ISO 9001 certification, ensuring that our processes meet global standards of quality. This certification demonstrates our dedication to continuous improvement and customer satisfaction.

## Sustainability Awards

Recognition for maintaining exceptional standards in quality practices, including the Johnson & Johnson Quality Award for zero complaints over three consecutive years.



# UPHOLDING OUR GREEN SUPPLY CHAIN

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

## **Key Linkages**

## **Material Topics**

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

## **Stakeholders Impacted**



**SDGs** 





## Gobal Supplier to Global Brands

## **Upholding Our Green Supply Chain**

## **Building Trust through RSPO-certified Palm Sourcing**

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

By 2014, we secured RSPO Mass Balance (MB) and Segregation (SG) certification for our Indian sites, later expanding to Mass Balance (MB) certification at our Egypt facility. RSPO certifications are backed by robust quarterly reconciliations of certified raw materials and finished goods and regular audits both internal and third-party. Our progress is consistently documented through RSPO's Annual Communications of Progress (ACOP), reinforcing transparency in our sourcing efforts.

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

building traceability across our palm value chain.

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

**81.3**Sustainable Palm Index

3,38,933 tCO<sub>2</sub>e

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

**2,300** hectares Land saved through certified sourcing in FY 2024-25

All relevant sites are RSPO-certified

## **Certifications and Compliance**

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



## **Sustainable Palm Oil Policy**

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

Limited, Galaxy Chemicals Egypt and TRI-K Industries. It is publicly accessible and shared with suppliers and customers alike, serving as a transparent commitment to traceability, NDPE (No Deforestation, No Peat, No Exploitation), grievance handling and certification standards such as RSPO. It also aligns with emerging regulations such as the EU Deforestation Regulation (EUDR) and supports our participation in global disclosure platforms, including CDP and RSPO ACOP.

## **Guiding Principles**

#### **NDPE Compliance**

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

## **Human Rights**

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

## **Transparency and Traceability**

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

#### **Supplier Code of Conduct**

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

## Supplier Evaluation and Engagement

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

## **Grievance Mechanism**

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

#### **Smallholder Engagement**

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

#### **Biodiversity, GHG and Water**

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

## Certification

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

#### **Goals and Reporting**

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

## **Upholding Our Green Supply Chain**

## **Oil Palm Traceability**

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

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

**56**% Traceability to Plantation

99.6% Traceability to Mill

## **Supplier Sustainability Questionnaire**

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

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

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

## **Key Areas Covered in** the Ouestionnaire

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

- monitoring mechanisms
- redressal mechanisms

## **Driving Supplier Excellence with GALSUSTAIN**

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

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

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

## **CDP Forest Security Disclosure:** Strengthening Transparency in Palm Sourcing

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

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

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

## **Management level CDP Forest Security** Disclosure Rating

## **Sustainable Palm** Index (SPI)

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

81.3 SPI Score



## Galaxy Global Supplier to Global Seauch

## **Upholding Our Green Supply Chain**

## **Grievance Mechanism**

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

# Verified Deforestation-Free (VDF)

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

## **NDPE Commitments**

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



# Risk Management in the Palm Oil Value Chain

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

## Resilient Sourcing Practices

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

## **Solidarity Sourcing**

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

## Broadening Our Scope: ISCC PLUS Certification

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



## Strengthening

**Supplier Capability** 

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

# Upholding Standards: Supplier Code of Conduct

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

# Delivering on Our Green Supply Chain Goals

We set and monitor annual targets to strengthen our green supply chain, including increasing deforestation and conversion-free raw material share, improving traceability and aiming for zero deforestation.

Performance is reviewed quarterly and reported through recognised platforms such as CDP and RSPO ACOP.

# Shaping the Conversation: Industry Participation

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

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

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

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





## C Galaxy

## **Climate Resilience**

We are strengthening our climate resilience at Galaxy by reducing greenhouse gas emissions and transitioning to sustainable energy. We systematically track and report emissions across our global operations, adhering to international standards. Our commitment to

renewable energy is expanding through solar installations and Power Purchase Agreements (PPAs), alongside energy efficiency measures to minimise environmental impact. Climate risk assessments are embedded in our strategic planning, supported by continuous emissions monitoring for transparency and accountability. By prioritising low-carbon strategies and fostering a culture of sustainability, we are building resilience and aligning our operations with global climate goals.

## **Energy Management**

Every action we take creates ripples of change, shaping a more sustainable future. As a responsible organisation, we optimise energy use and integrate renewable energy sources to amplify our positive impact.

9,877.89 kWp

Renewable power capacity

## **Energy Management Initiatives**

## Accelerating Renewable Energy Adoption

We are expanding hybrid wind and solar projects and securing power purchase agreements with solar suppliers to increase our renewable energy share. We installed rooftop solar panels, achieving a total of 673.89 kWp across our corporate office and manufacturing facilities in Taloja, Tarapur and Jhagadia. The emissions reduced due to renewable electricity usage was 10,377 metric tonnes of CO<sub>2</sub>e.

## **Enhancing Energy Efficiency**

Our operations benefit from highefficiency equipment to minimise energy wastage.

#### Systematic Energy Audits

We conduct regular energy audits to identify and implement new energy conservation measures.

#### **Industry Recognition**

Our Taloja facility has received the CII 'Excellent Energy Efficient' award for the third consecutive year, showcasing our commitment to sustainable energy practices.

## ISO 50001 Certification

Our energy management system aligns with global best practices, driving continual improvement in energy performance and environmental impact reduction. Our Taloja plant is ISO 50001-certified, while work is currently underway at our Tarapur and Jhagadia plants to achieve this certification as part of our ongoing sustainability efforts.

#### **Comprehensive Energy Mix**

We leverage a diverse energy mix comprising natural gas, diesel, grid electricity and an increasing proportion of renewable energy, enabling us to balance operational efficiency with our sustainability goals.



## Earth Day and Earth Hour Celebrations

Our employees celebrated Earth Day by participating in green activities, such as planting saplings. During Earth Hour, they switched off the lights at their homes for one hour and engaged in creative activities along with their families for honouring the planet.

#### **Moments of Celebration**

## National Energy Conservation Week

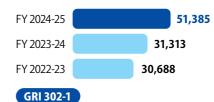
We held activities like quizzes, poster competitions, one-minute talks, debate competitions and awareness sessions to promote energy efficiency.

## Zero Emissions Day (21st September)

We organised campaigns focused on raising awareness about carbon emission reduction and promoting sustainable practices. As part of the initiative, we asked employees to share how they incorporate sustainability into their daily lives at home. From energy conservation and waste segregation to mindful consumption and eco-friendly choices, their responses reflected a strong sense of environmental responsibility. These stories were shared internally to inspire the rest of the employees and foster a deeper culture of sustainability that goes beyond the workplace.

## **Energy Consumption**

Total Energy Consumption through Renewable Sources (GJ)



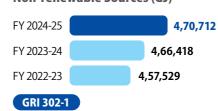
FY 2022-23

GRI 302-3

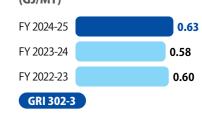
FY 2024-25

FY 2023-24

## Total Energy Consumption through Non-renewable Sources (GJ)



Specific Electricity Consumption (GJ/MT)



**Energy Intensity (Per Unit of** 

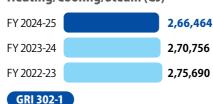
1.30

1.25

1.36

Production/Output GJ/MT)

Total Fuel Consumption for Heating/Cooling/Steam (GJ)



64 56







**Case Study** 

The Impact

The system will reduce TRI-K

Derry's CO<sub>2</sub> emissions by 152

MT CO₂eq/year, equivalent

to removing 33 cars off the

road. The transition to solar

environmental impact.

power will not only cut costs

but will also make a significant

## Sustainable Energy Transition at TRI-K (Derry Solar Panels)

## The Challenge

TRI-K's Derry site sources its electricity from Eversource Energy. With Eversource Energy sourcing 76% of its electricity from non-renewable fossil fuels, TRI-K had a carbon footprint of 132 MT of CO<sub>2</sub>e in CY 2023 from grid electricity use. In 2023, TRI-K Derry faced high energy costs, spending over USD 65,000 on electricity. Although typical for businesses in New Hampshire, TRI-K Derry lacked sustainability metrics and needed a solution to reduce energy costs and environmental impact.

#### **The Solution**

TRI-K Derry installed a 294.15 kW solar power generation system on its roof, comprising 555 panels and two inverters. This system has been designed to meet the Derry site's 90% of electricity demand for CY 2023, generating 3,41,944 kWh annually, with a payback period of eight years.

## 3,41,944 kWh Solar power will be generated





**Case Study** 

## **Energy Efficiency Projects**

## The Challenge

In sulfonation operations, reducing emissions during specific phases such as startup and stabilisation is critical. Previously, key equipment continued to operate even when not required, leading to avoidable energy consumption and emissions.

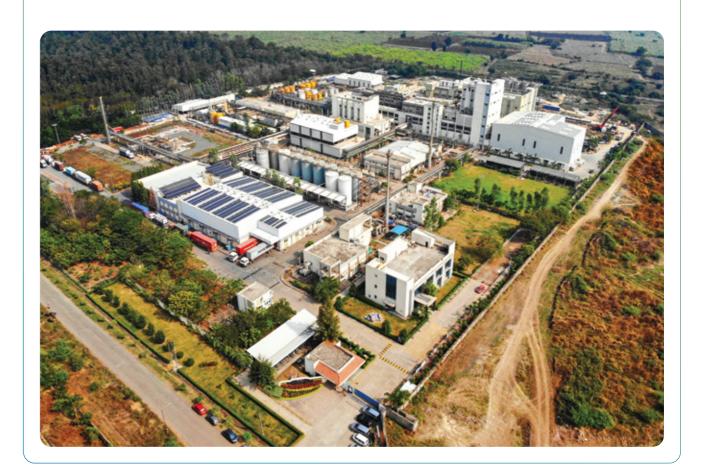
#### The Solution

We implemented a smart interlock system that automatically synchronises equipment operation with actual process demand. This ensures energy is used only when necessary, significantly reducing wastage.

## The Impact

This automation initiative has led to measurable improvements in energy efficiency and emissions reduction, aligning with our broader sustainability goals.

This initiative optimises energy use, cuts emissions and supports sustainability, proving that minor process improvements can drive significant results.



Galaxy Surfactants Limited Sustainability Report 2024-25



## C Galaxy

## **GHG Emissions**

The urgency of climate action calls for urgent innovation. Addressing Scope 1, 2 and 3 emissions is vital for regulatory compliance, investor expectations and mitigating climate change. Reducing these emissions helps curb global warming, align businesses with emission reduction commitments and build resilience against climate risks. Our proactive approach ensures that every small change contributes to a significant positive impact.

## B

## Management level

CDP Climate Change Disclosure Rating

## **Sustainability Goal: Mission 2030**

40%

Absolute reduction in Scope 1 & 2 GHG emissions

**75**%

Renewable electrical energy

## **GHGs Emissions Management Initiatives**

- Continuous Monitoring and Reporting: We have a transparent and structured approach to tracking and reporting GHG emissions across all our facilities, aligning with established protocols. Our GHG dashboard tracks emissions across Scope 1, 2 and 3 with monthly reporting
- Decarbonisation Strategies: Implementing carbon pricing, product carbon footprints and

- emission reduction initiatives, including CEP and PARIVARTAN WESAP initiatives
- Renewable Energy Integration:
   We expand our reliance on
   clean energy sources to lower
   operational emissions
- Industry Transparency:
   We disclose our climaterelated risks and opportunities
  through CDP reporting,
  reinforcing accountability

## **Our Carbon Footprint By Scope**

Parameters	Unit	FY 2022-23	FY 2023-24	FY 2024-25
Scope 1 Emissions (GRI 305-1)	tCO <sub>2</sub> e	20,637	19,520	18,385
Scope 2 Emissions (GRI 305-2)	tCO <sub>2</sub> e	34,704	38,034	35,634
Scope 3 Emissions (GRI 305-3)	tCO <sub>2</sub> e	6,56,475	9,52,622	7,56,664
Reduction of GHG Emissions due to Energy Efficiency Projects (Scope 1&2) (GRI 305-5)	tCO <sub>2</sub> e	454	855	873
Emissions reduced Due to Solar Energy Usage	tCO <sub>2</sub> e	7,800	7,158	10,377

## **Scope 3 Emissions**

Same 2 Catamanu	Cohomony		Emissions	(tCO <sub>2</sub> e)
Scope 3 Category	Category	FY 2022-23	FY 2023-24	FY2024-25
Category 1	Purchased Goods And Services	6,12,596	9,06,791	6,41,409
Category 2	Capital Goods	11,206	6,077	26,370
Category 3	Fuel and Energy-related Activities	Not reported	15	17,698
Category 4	Upstream Transportation and Distribution	7,260	8,250	35,251
Category 5	Waste Generated in Operations	Not reported	330	566
Category 6	Business Travel	582	909	1,437
Category 7	Employee Commuting	918	968	739
Category 9	Downstream Transportation and Distribution	23,913	29,283	28,253
Category 12	End of Life of Sold Product	Not reported	Not reported	4,940

## Reduction in Energy Consumption (GJ)

Amount of reductions in energy consumption due to conservation and efficiency initiatives

**292** MWh

Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all

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

Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it

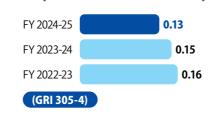
Energy savings are tracked by comparing plant operating data before and after implementing specific projects.

Standards, methodologies, assumptions, and/or calculation tools used

We calculate energy conversion by utilising the calorific value of the respective fuel to convert it into GJ. The calorific values are sourced from a published chapter by the Bureau of Energy Efficiency, as well as from invoice references for coal and natural gas. The conversion factors used for these calculations are derived from reliable online sources.

GRI 302-4

## Scope 1 and 2 Emission Intensity





## **Internal Carbon Pricing**

At Galaxy, we have implemented an internal carbon pricing (ICP) scheme to embed climate considerations into strategic and financial decision-making. The price is applied across Scope 1, 2 and 3 greenhouse gas (GHG) emissions and reflects the financial impact of our mitigation initiatives undertaken during the financial year. It is determined by evaluating the cost of measures required to meet our climate targets,

including the procurement of renewable energy, green raw materials and investments in energy and resource efficiency.

This ICP supports the development of a carbon offset budget and incentivises low-carbon investments while enabling cost-benefit analyses of climate actions. It also guides procurement strategies and operational planning

by integrating sustainability considerations across our value chain. By accounting for initiatives that reduce emissions and resource consumption, such as efficiency improvements in fuel usage, energy conservation measures, and responsible resource management, the ICP strengthens our transition pathway towards longterm climate resilience and sustainable growth.





To optimise fuel utilisation and reduce greenhouse gas emissions, we transitioned our steam generation from an underloaded 3 TPH boiler to a more efficient 1.1 TPH boiler. The 3 TPH boiler, which ran on natural gas, was operating at below 30% capacity due to shifts

in production demand. To enhance efficiency, we installed a dual-burner system in the 1.1 TPH boiler, enabling it to operate primarily on natural gas, with Light Diesel Oil (LDO) used only as a backup during natural gas supply shutdowns. This strategic shift improved energy efficiency and also contributed to emission reduction.

#### This strategic shift resulted in:

- A significant improvement in the steam fuel (SF) ratio from 9.8 to 12.85
- A total decrease of 61,200 kg of CO<sub>2</sub>e emissions
- An increase in boiler efficiency from 68% to 85%
- This initiative contributed significantly to our decarbonisation efforts

## **Scope 2 Emissions Reduction: Energy-efficiency in Cooling Systems**

We identified key inefficiencies in our cooling systems, increasing energy consumption. To address this, we undertook two major interventions:

## Replacement of Overdesigned Primary Circulation Pump

- The existing pump was overdesigned, operating at twice the required system head, leading to excessive energy use
- By replacing it with a correctly-sized pump, we achieved:
- A reduction of 31.7 tonnes of CO₂e annually
- A decrease in power consumption, providing a payback period of 5.3 months

## **Cooling Tower Optimisation**

Installation of a pneumatic on/off valve at the cooling water inlet, integrated with a PLC controller, allowing for better control over energy use.

- 70% reduction in energy consumption
- 58,602 kWh of electricity saved annually
- Emissions reduction of 118 kg CO₂e per year

## **Details of Energy-efficiency Projects**

Project Description	Scope	GHG Emissions Savings (tCO <sub>2</sub> e)
Elimination of Solid Raw Material (RM) with Liquid RM	Scope 2	484.41
Elimination of Furnace Oil-fuelled Backup Power Generator	Scope 2	98
Energy Saving in Heating	Scope 1	76
Installation of Dual-fuel Burner for Boiler	Scope 1	61.2
Energy-saving in WHRB	Scope 1	44.48
Reduction of Steam in Heating	Scope 1	27
Optimisation of Pump Head at Chilling Plant	Scope 2	21.5
Power Reduction in Hydropneumatic Pumping System	Scope 2	15.88
Batch Cycle Time Reduction	Scope 2	7.93
Power Reduction in Reactor	Scope 2	7.36



## **Air Emissions**

Air pollution poses risks to both climate stability and public health. At Galaxy, we adopt a responsible and data-driven approach to air quality management. We consider factors such as gas flow rate, molecular weight and plant operating hours when calculating total emissions,

ensuring we remain well within statutory norms while striving for continuous improvement.

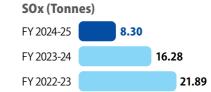
To uphold air quality standards, we maintain a rigorous emissions monitoring system across our Indian manufacturing facilities. At our Jhagadia plant, stack emissions are monitored monthly, while monitoring is conducted quarterly at our Taloja, Tarapur and Galaxy Research Centre (GRC). All measurements are carried out by authorised third-party agencies to ensure accuracy and full regulatory compliance.

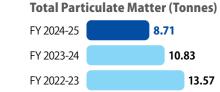
## **Air Emission Management Initiatives**

- Installing bag filters, scrubbers and retrofit emission control devices (RECDs) reduce air pollution by capturing harmful particles and gases
- Monitoring of sulphur oxides (SOx), nitrogen oxides (NOx) and
- total particulate matter (TPM) emissions regularly
- Conducting monthly and quarterly external measurements to ensure compliance with air quality standards
- Implementing process improvements to reduce reliance on high-emission fuels
- Increasing employee awareness and training on air emission control measures

#### Air Pollutants







**Case Study** 

## Cleaner Emissions with RECDs

## The Challenge

Diesel generators are vital but major pollution sources, emitting particulate matter (PM), hydrocarbons (HC) and carbon monoxide (CO). Stricter regulations demand effective emission control.

#### The Solution

The RECD retrofitted diesel engine up to 800 kW (1,000 kVA), cutting emissions by 70-90% while maintaining optimal performance. This intervention led to significant benefits, including:

- Significant PM, HC and CO reduction
- Easy installation on existing generators
- · No impact on power output

#### The Impact

A manufacturing unit installed RECDs on 1,000 kVA generators, achieving:

- 85% lower PM emissions
- Drastic carbon monoxide and hydrocarbons reductions
- Noticeable air quality improvement

RECD delivers a cost-effective, regulatory-compliant solution for cleaner diesel power.

**Galaxy Surfactants Limited** 



## **Material Management**

Effective material management is crucial to our sustainability efforts. Palm oil, a key raw material for our products, has raised environmental and social concerns. To address these risks, we source palm oil and its derivatives from RSPO certified supplier as per customers demands. Our commitment to sustainable sourcing began in 2012 when we joined the Roundtable on Sustainable Palm Oil (RSPO).

## Sustainability Goal: Mission 2030

100% Traceability to Mill

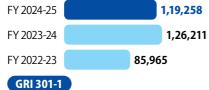
**60**% Traceability to Plantation

3 Suppliers
To be supported up

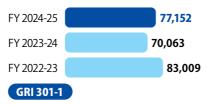
To be supported under solidarity sourcing and smallholder inclusion

## **Material Usage**





Total Non-renewable Material Used (MT)



We are committed to optimising material use and implementing sustainable sourcing strategies. Our major material management measures comprise:

**Upcycling Initiatives:** Extracting peptides from waste materials like moringa seed cake to reduce waste and add value to byproducts.

**Sustainable Sourcing:** Prioritising raw materials such as RSPO-certified palm oil and responsibly sourced petrochemical derivatives.

**Supplier Sustainability Assessments:** Conducting annual evaluations to ensure ethical and environmental compliance across our supply chain.

## **Water Management**

Water is one of our most critical natural resources, essential for utility needs, production processes and water, sanitation and hygiene (WASH)-related services. We primarily source water from third-party suppliers, which we treat on-site to meet quality standards before use.

**Sustainability Goal: Mission 2030** 

**5**%

Reduction in third-party water withdrawal intensity by FY 2029-30

2x

Water positivity by FY 2029-30

1.4x

Water positivity achieved in FY 2021-22





## Water Management Initiatives

Galaxy focuses on optimising water efficiency through structured initiatives like:

 Water Efficiency Management: Implementing water efficiency management standards across all operations, resulting in reduced water usage

Additional initiatives include rainwater harvesting, ensuring access to potable drinking water, revitalising wells, improving sanitation facilities, constructing check dams, desilting water bodies and installing patented Kedia Farm Pattern rainwater harvesting structures on farmers' fields

- Rainwater Harvesting: Rainwater harvesting contributes to approximately 2-3% of our total water needs, depending on the local climatic conditions and seasonal rainfall patterns, providing a sustainable water source
- Process Optimisation: We employ best-in-class cooling technologies in our processes, significantly reducing water consumption by optimising cooling operations and enhancing efficiency in water use across production activities

Cost Efficiency Projects (CEPs): Our CEPs focus on small-scale initiatives aimed at improving water efficiency across various operations, reducing wastage and optimising usage without compromising operational performance

## Water Withdrawal by Source (ML) in FY 2024-25

	All Area	as	Areas with Wa	ater Stress
	Freshwater (≤1,000 mg/L total dissolved solids)	Other Water (>1,000 mg/L total dissolved solids)	Freshwater (≤1,000 mg/L total dissolved solids)	Other Water (>1,000 mg/L total dissolved solids)
Surface water (RWH)	12.68	0	0	0
Groundwater	0	0	0	0
Seawater	0	0	0	0
Produced Water	0	0	0	0
Third-party Water	532.49	0	345.20	0
Total	545.17	0	345.20	0
Total Water Withdrawal	545.17		345.20	
Total Water Withdrawal	545.17		345.20	

## **GRI 303-3**

## Water Discharge by Destination (ML) in FY 2024-25

Discharge by Freshwater (≤1,000 mg/L total	Discharge by Other Water (>1,000 mg/L total	Discharge by Freshwater	Discharge by Other Water
dissolved solids)	dissolved solids)	(≤1,000 mg/L total dissolved solids)	(>1,000 mg/L total dissolved solids)
0	0	0	0
0	0	0	0
0	0	0	0
25.92	3.51	22.95	0
25.92	3.51	22.95	0
29.43		22.95	
_	dissolved solids)   0     0     0     25.92     25.92	dissolved solids)         dissolved solids)           0         0           0         0           0         0           0         0           25.92         3.51           25.92         3.51	dissolved solids)         dissolved solids)         dissolved solids)           0         0         0           0         0         0           0         0         0           25.92         3.51         22.95           25.92         3.51         22.95

#### **GRI 303-4**

#### Water Consumption (ML)

	All Areas	Areas with Water Stress
Total Water Consumption	515.74	322.26

GRI 303-5

Galaxy Surfactants Limited







Case Study

## Towards Water Positivity: Tarapur Site

In a world where water resources are increasingly strained by population growth and climate change, innovative solutions have become more crucial than ever. Galaxy has responded to this challenge by embedding water stewardship into its core values, in alignment with UN SDG 6 and our commitment to upholding human rights. This commitment ensures that all stakeholders, including employees, communities and neighbouring regions, have access to a safe and healthy environment.

Recognising our significant reliance on freshwater for operations, we devised a comprehensive strategy to achieve water positivity. This strategy includes maximising operational water efficiency, enhancing effluent management and boosting recycling capacity.

We have launched water harvesting projects in water-stressed areas and tapped into the rainwater potential within our facilities and surrounding areas.

A notable example of our efforts is the Tarapur manufacturing facility. In FY 2021-22, Tarapur achieved an outstanding water positivity index of 1.34. This remarkable performance was instrumental in helping Galaxy attain an overall water positivity index of 1.4 across all operations, surpassing our goal of replenishing more freshwater than we consume. This achievement was independently verified by a third-party agency.



## **Water Risk Assessment**

At Galaxy, we recognise water as a vital and shared resource essential to both our operations and the ecosystems around us. With increasing climate variability and local water scarcity, we proactively assess and address water-related risks across our value chain. We have identified sites located in water-stressed regions and implemented strategic actions such as rainwater harvesting, improving water use efficiency and exploring alternative sources. These efforts help us reduce our water dependence and enhance operational resilience in regions most vulnerable to water stress.

To guide our risk management approach, we use tools like EcoVadis, WRI Aqueduct and the WWF Water Risk Filter. These platforms help us identify and evaluate physical, regulatory and reputational water risks. Physical risks include scarcity or declining quality, while regulatory risks may arise from changing governance or compliance issues. Reputational risks emerge when unsustainable practices affect community trust, especially in highrisk areas. By addressing these risks, we strengthen our long-term water stewardship and maintain alignment with sustainable business practices.

Our assessment follows globally accepted methodologies, using the WWF Water Risk Filter and WRI Aqueduct. We evaluate risks in three key areas:

- Physical Risk: Water scarcity, flooding and ecosystem impact
- Regulatory Risk: Governance, infrastructure and policy frameworks
- Reputational Risk: Cultural significance, biodiversity and public perception

## **Internal Water Pricing**

At Galaxy, we have developed an Internal Water Pricing (IWP) methodology that enables the economic valuation of water resources by factoring in the operational costs associated with water treatment, effluent treatment and other utility operations. This integrated pricing mechanism supports our commitment to sustainable water use and also strengthens our compliance with evolving environmental standards.

- · Water costs are expected to rise due to increasing regulatory requirements, the complexity of treatment processes and the adoption of advanced technologies. The need for regular maintenance and upgrades of utilities further adds to this trend. Coupled with the impacts of climate change and growing water scarcity, these factors make efficient water management critical for long-term operational resilience and responsible environmental stewardship. This pricing model helps us quantify the financial risks associated with water scarcity at high-risk sites, facilitating better decision-making
- By assigning an economic value to water, we prioritised investment in water efficiency projects and conservation measures
- This approach aided in stakeholder engagement, allowing local communities to participate in water management initiatives

We aligned the internal pricing strategy with our broader sustainability goals, ensuring that water remains a valued resource within our operations.

## **Wastewater Management**

Galaxy prioritises responsible water management, integrating innovative treatment solutions to minimise pollutants and optimise water reuse. We are committed to reducing our water footprint through rigorous monitoring, advanced treatment technologies and strategic partnerships while ensuring compliance with local regulations.



- Zero Liquid Discharge (ZLD) and Water Recycling: All our manufacturing sites in India operate as Zero Liquid Discharge (ZLD) facilities, enabling us to recycle and reuse wastewater effectively. At the Group level, this closed-loop system helps us meet 18% of our operational water needs, while within our Indian operations, this figure rises to 26.43%. These efforts significantly reduce our reliance on freshwater sources and reaffirm our commitment to responsible and sustainable water management
- Effluent Treatment: Our facilities employ cutting-edge treatment processes, including effluent treatment plants (ETPs) and reverse osmosis (RO). RO rejects are directed to multi-effect evaporators (MEE) and agitated thin-film dryers (ATFDs) for further treatment

- Strict Monitoring: We continuously monitor key parameters like biochemical oxygen demand (BOD), chemical oxygen demand (COD), soluble salts and suspended solids to ensure water quality remains within permissible limits
- Regulatory Adherence:
   Treated effluents from non-ZLD facilities are safely discharged to third-party common effluent treatment plants (CETPs), ensuring compliance with relevant local environmental standards

CDP Water Security Disclosure Rating

A-Leadership level





**77%** 

Waste circularity achieved

Proper waste management is essential for minimising environmental damage, conserving vital resources and promoting a circular economy. As a responsible manufacturer, we at Galaxy strive to reduce waste, improve resource efficiency and achieve 90% waste circularity by 2030. Our sustainable waste management initiatives aim to safeguard ecosystems and contribute to a cleaner future.

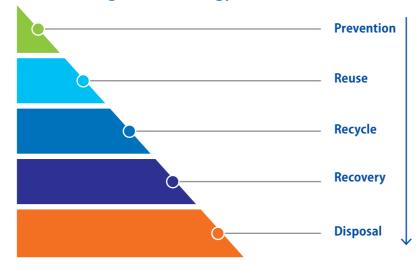
We implement a comprehensive waste management plan guided by the waste hierarchy, focusing on waste prevention and reduction as priorities. We emphasise reuse, recycling and recovery, only resorting to responsible disposal when necessary. Our strategy targets diverting waste from landfills and incineration through innovative practices, careful tracking and reliable partnerships.

## Sustainability Goal: Mission 2030

90% Waste circularity

5% Reduction in waste generation intensity

## **Waste Management Strategy**



## **Waste Management Initiatives**

We are steadily progressing towards a Zero Waste to Incineration model by shifting away from conventional disposal methods such as incineration and landfilling. Instead, we prioritise co-processing, reuse and recycling as preferred end-of-life solutions. High-calorific-value hazardous waste is repurposed for energy recovery through co-processing in cement kilns, aligning with our circular economy goals.

We also collaborate with authorised vendors to ensure environmentally responsible disposal and recycling of hazardous and non-hazardous waste. These partnerships help us meet regulatory requirements while closing material loops. Together, these efforts reflect our commitment to reducing our environmental footprint and promoting sustainable waste management across our operations.

#### **Noteworthy Celebrations**

- World Environment Day (June 5)
  - Beach Clean-up (Chinchani): 190 kg of waste collected and sent for recycling
  - Tree Plantation (Colaba, Mumbai): 2,000 trees planted in collaboration with the Indian Army and Hariyali
  - Galaxy Kids Initiative: Employees' kids receive saplings and participate in eco-awareness activities
- International E-Waste Day (October 14): Awareness campaigns on responsible e-waste disposal and recycling
- Zero Waste Day (March 30): Initiatives promoting waste reduction and sustainable disposal practices



## Types of Waste Generated\*

Waste Type	Unit	FY 2022-23	FY 2023-24	FY 2024-25
Plastic Waste	MT	468	529	687
E-waste	MT	8.68	2.90	2.77
Construction and Demolition Waste	MT	6,382	5,260	6,493
Biomedical Waste	MT	0.39	0.14	0.06
Battery Waste	MT	9.29	10.58	22.10
Other Hazardous Waste	MT	8,277	7,414	8,536
Other Non-Hazardous Waste	MT	1,840	1,702	1,850
Total Waste Generated	MT	16,986	14,919	17,591

#### GRI 306-3

## **Waste Diverted From Disposal**

Parameters	Unit	FY 2022-23	FY 2023-24	FY 2024-25
Recycled	MT	4,565	4,822	3,981
Reused	MT	8,299	6,398	8,062
Other Recovery Operations	MT	435	0	1,519
Waste Diverted from Disposal	MT	13,298	11,220	13,562

## GRI 306-4

## Waste Disposed by Nature of Disposal Method

Parameters	Unit	FY 2022-23	FY 2023-24	FY 2024-25
Incineration	MT	2,354	3,024	3,268
Landfilling	MT	741	675	762
Other Disposal Operations	MT	592	0	0
Total Waste Directed to Disposal	MT	3,688	3699	4,030

## GRI 306-5

## Fulfilling Our EPR Commitment in Plastic Waste Management

At Galaxy Surfactants, we adhere to India's Plastic Waste Management Rules through a well-established **Extended Producer Responsibility** (EPR) framework. In partnership with authorised Producer Responsibility Organisations (PROs), we ensure that the plastic packaging we introduce into the market is responsibly collected, transported and processed at end-of-life. Our compliance is fully digitised through the CPCB EPR Portal, where we report our obligations and track fulfilment. This proactive system allows us to maintain zero non-compliance risk while supporting circularity in packaging waste management.



Case Study

# Waste Reduction Initiatives in New Projects

- Use of MixIT software for agitator selection and motor selection for best efficiency
- Selection of IE3 (premium efficiency) motors made by default for all projects
- Extensive use of variable frequency drives (VFD) for variable load to reduce energy consumption
- Lifecycle cost assessment -TCC sheet
- Maximise the use of in-line vertical pumps for better efficiency
- Maximise the seal flushing plan selection as Waterless cooling
- 100% recycling of condensate water
- Air-cooled chillers instead of water-cooled ones

<sup>\*</sup>Waste figures for FY 2022-23 and FY 2023-24 have been restated due to completeness and accuracy.

Galaxy Surfactants Limited Sustainability Report 2024-25







Case Study

## Turning Waste into Wealth: A Circular Approach

## The Challenge

Our facility produces key ingredients that previously required imported raw materials. To enhance self-sufficiency, we began producing these materials in-house, resulting in the generation of certain byproducts. In the upcoming period, we anticipate generating significant quantities of these byproducts, which were initially treated as hazardous waste and required costly disposal. Additionally, reliance on external suppliers for other production materials continues to contribute to higher procurement costs and increased carbon emissions.

## **The Solution**

A lab study revealed that sodium bisulphite from acid chloride manufacturing could replace sodium meta bisulphite in betaine production, improving product colour while maintaining effectiveness. As a result, a significant quantity of sodium bisulphite was redirected for internal use, reducing waste and procurement needs. For hydrochloric acid, we identified local buyers, ensuring that all generated hydrochloric acid was sold instead of being disposed of.

#### The Impact

- Reduction in emissions through the reuse of significant quantities of byproducts
- Elimination of emissions by selling by-products

By transforming waste into value, reducing emissions and reinforcing sustainable manufacturing, we turn a challenge into a game-changing opportunity.

#### **Parivartan WESAP**

Galaxy has adopted the Waste Elimination Suggestion Award Programme (WESAP), which empowers our employees to drive sustainability by identifying and reducing waste across eight key areas.



Defects

Overproduction

Transportation

**Excess Inventory** 

**Waiting Time in Hand** 

**Not Utilising Talent** 

**Motion Waste** 

**Over-processing** 

Through structured training and an efficient review process, we welcome ideas from employees and implement the feasible ideas at the site level. In FY 2024-25, employees submitted 2,370 suggestions, of which 1,659 were feasible, leading to the implementation of 372 ideas. These efforts contributed to significant operational improvements. By recognising and rewarding employees, PARIVARTAN WESAP fosters a culture of continuous improvement, helping us achieve our ambitious waste reduction goals, by making it a collective endeavour of the Company as a whole.

## **Preserving Biodiversity**

Biodiversity is the backbone of a healthy planet, sustaining ecosystems that support life and ensuring long-term environmental resilience. Responsible land use is critical to preserving natural habitats and reducing ecological impact. We take a prudent approach to biodiversity conservation, embedding sustainability into our operations.

**21,000** trees

of 104 species planted throughout Galaxy Biodiversity Forest

## **Biodiversity Management Initiatives**

 Thoughtful Land Use: Our facilities are strategically located in industrial zones to avoid ecologically sensitive areas. Every new project undergoes rigorous sustainability assessments to mitigate environmental impact.

• Miyawaki Forests for Rapid Greening: We create lush green spaces that nurture diverse plant and animal life through initiatives like the Galaxy Biodiversity Forest (GBF) at our Jhagadia site. Using this high-density afforestation method, we have transformed two acres of land into a thriving ecosystem. With 21,000 plants from 104 species, including medicinal herbs, fruit-bearing shrubs and native trees, the GBF project fosters rich biodiversity.

Sustainable Operations:

 Our commitment goes beyond
 a single initiative. To strengthen
 ecological balance, we continue
 expanding tree plantations and
 developing green belts at our sites.

## **Biodiversity Risk**

We assess biodiversity-related risks using the WWF Biodiversity Risk Filter, which evaluates a range of environmental and ecological factors. Key aspects include water scarcity, soil health, forest productivity, landslide resistance, extreme heat, marine fish availability and the presence of vital life forms. The tool also considers ecosystem services such as climate regulation and cultural values—as well as proximity to markets. Pressures on biodiversity, including tree cover loss, pollution and degraded ecosystem conditions, are also analysed. This comprehensive assessment helps us understand and manage the potential impacts on biodiversity across our value chain and make more informed. responsible business decisions.



#### Goal

**Tree Plantation** 

Cumulative **5 lakh tree plantation** by FY 2029-30

Progress

FY 2023-24 (Cumulative)

1,05,648 trees

FY 2024-25 (Cumulative)

2,08,027 trees

# WORLD'S FIRST

of our initiatives.

100%. Green Gil-Soluble Cleanser







## Material Topics

- Employee Health and Safety, Well-being
- Labour Relations Fair Labour Practices
- **Customer Complaint Resolution**
- 12 Engagement with Suppliers
- 18 Diversity and Inclusion at the Workplace

## Stakeholders Impacted

- Government and Regulatory Bodies
- industry Associations and Trade Unions
- Local Communities

























## **Commitment to Our People**

At Galaxy, our people drive our success. We cultivate an inclusive, growth-focused workplace through engagement, learning and retention initiatives. We promote equal opportunities. We have embedded continuous development in our culture with leadership training and e-learning. Safety is paramount, reinforced by rigorous standards, digital tools and proactive initiatives. Our wellness programmes support physical and mental well-being, while

our recognition schemes celebrate the excellence and dedication of our employees.

## **Our Workforce**

We at Galaxy deploy a globally distributed workforce across India (Taloja, Tarapur and Jhagadia), Egypt and the USA. We emphasise digitalisation and automation, leveraging and HRMS software like Darwinbox to manage the employee

lifecycle—from recruitment to retirement. We prioritise employee engagement through initiatives such as the Galaxy Premier League (inter-site sports competitions) and the Galaxy Sports Club, which cultivates teamwork and wellness. In GSL, the workforce attrition rate stands at 5.6%, significantly below the industry average of 20.5%, which can be attributed to proactive retention strategies like stay interviews and post-exit feedback mechanisms.

#### **Total Workforce**

			Male			Female		
Em	ployee Category	>50 Total years	30-50 years	<30 years	>50 Total years	30-50 years	<30 years	Total Count
	Per	manent and Ot	her Than Per	manent En	nployees			
Α	Top Management (Governance Bodies)	5	4	0	0	0	0	9
В	Senior Management	11	10	0	0	1	0	22
C	Middle Management	12	48	1	4	16	0	81
D	Junior Management	6	48	2	0	11	3	70
Ε	Other than Management Positions	56	433	382	5	62	113	1,051
F	Total Permanent Employees (A+B+C+D+E)	90	543	385	9	90	116	1,233
G	Total Other Than Permanent Employees	0	32	1	1	9	1	44
•		***************************************	Workers		•	•		
Н	Permanent Workers	68	586	280	0	0	0	934
I	Other Than Permanent Workers	***************************************	998		***************************************	35		1,033
J	Total Workers (H+I)		1,932			35		1,967
	Total Workforce (F+G+J)		2,983			261		3,244

FV 2024 2F		L	ocations	
FY 2024-25	_	GSL	GCE	TRI-K
Permanents/Full-time	Male	1,623	292	37
Employees and Workers	Female	162	15	38

EV 2024 25		Locations				
FY 2024-25		GSL	GCE	TRI-K		
Temporary/Part-time	Male	794	235	02		
Employees and Workers	Female	38	05	03		

GRI 2-7 and 2-8



Local Hiring of Senior Management*	
Percentage of senior management at significant locations of operation that are hired from the local community	74%
Define senior management in organisation's context	Upto two levels away from CEO
Define geographical definition of 'local' in organisation's context	Permanent address is in the same state of 'significant locations of operation'
Define 'significant locations of operation' in organisation's context	All the manufacturing locations and corporate offices
	GRI 202-2 (a, b, c, d)

GJL

#### New Hires By Age, Gender and Region

Age Group	GSL FY 2024-25		GCE FY 2024-25		TRI-K FY 2024-25	
	Male	Female	Male	Female	Male	Female
<30	108	30	23	2	6	11
30-50	49	08	22	1	10	7
>50	01	00	0	0	2	1

## **Employee Attrition By Age, Gender and Region**

Age Group	GSL FY 2024-25		GCE FY 2024-25		TRI-K FY 2024-25	
	<30	64	30	28	1	5
30-50	61	6	14	1	7	8
>50	12	0	0	0	5	1



## **Diversity, Equity and Inclusion**

At the heart of our success is a commitment to cultivating a diverse and inclusive workplace where everyone has the equal opportunity to excel. Diversity strengthens our teams, drives innovation and enhances our decision-making. By promoting an environment where talent is recognised and nurtured without bias, we ensure that everyone, regardless of background, can thrive and contribute to our shared goals. We have woven our dedication to DEI into our recruitment, development and organisational practices. Our recruitment process is free from

gender bias and focuses on skills, competencies, knowledge and potential. Diversity is crucial to building a reliable talent pool. From entry-level to senior positions, our workforce reflects a merit-based promotion system. Women enjoy representation at all levels, including staff roles across our units. We are committed to tracking and reporting progress on this in future updates.

- **Gender Equity:** We aim for 25% female representation in leadership by 2030. Our job postings and policies ensure equal opportunities for all
- Inclusive Hiring: We promote the recruitment of people with disabilities through partnerships with the National Society for Equal Opportunities for the Handicapped (NASEOH) and the Helen Keller's Institute
- Safe Workplace: We enforce a zero-tolerance policy against discrimination and harassment through a dedicated Internal Complaints Committee (ICC). We also ensure psychological safety by providing access to counselling services and anonymous grievance channels

## **Women Representation across Workforce**

Women Representation	GSL	GCE	TRI-K
In the Workforce	9%	4%	51.7%
In All Management Roles, including Junior, Middle and Top Management (As a share of Total Management Positions)	14.6%	8%	46.5%
In Top Management Roles, i.e., in Governance Bodies	0%	0%	0%
In Senior Management Roles, i.e., Maximum Two Levels Away from the CEO or Comparable Positions (as a share of Total Top Management Positions)	0%	0%	0%
In Junior Management Roles, i.e., First Level of Management (as a share of Total Junior Management Positions)	18%	13%	50%
In STEM-related Positions (as a share of Total Employees)	6%	2%	17.5%

#### **Talent Attraction and Retention**

The ongoing development of our employees is a core driver of our success. We foster a continuous learning-centric environment that enables our staff and operators to acquire the skills and knowledge needed to excel in their roles and contribute to our broader objectives. Our commitment to talent attraction and retention revolves around ensuring that employees are well-equipped from day one and supported throughout their careers.

Recruitment and Onboarding: Our recruitment process is fully digitised, allowing for a smooth and efficient experience from job posting to onboarding. We are conducting KYG (Know Your Galaxy) programme for more than 2 decades, a three-day induction for new hires that introduces them to the Company's history, values and leadership, fostering a sense of belonging and purpose.

Attrition Reduction: We focus on employees within their first three months by providing regular check-ins at 30, 60 and 90 days. Post-exit surveys conducted by third parties, which help us gather feedback to improve retention strategies.

**Employee Engagement:** Initiatives like the Galaxy Premier League and quarterly pulse surveys help maintain high employee engagement, satisfaction and morale.





#### **New Hires**

Particulars	Male				Cuand Tatal		
	<30 Years	30-50 Years	>50 Years	<30 Years	30-50 Years	>50 Years	Grand Total
Top Management	0	1	0	0	0	0	1
Senior Management	0	0	2	0	1	0	3
Middle Management	1	9	1	1	5	1	18
Junior Management	1	5	0	0	2	0	8
Trainees	50	0	0	22	0	0	72
New Hires at Non-management Level	85	66	0	20	8	0	179
Total New Hires	137	81	3	43	16	1	281

## GRI 401-1

#### **Employee Turnover**

Particulars	Male				Cuand Tatal		
	<30 Years	30-50 Years	>50 Years	<30 Years	30-50 Years	>50 Years	Grand Total
Top Management	0	0	1	0	0	0	1
Senior Management	0	3	2	0	0	0	5
Middle Management	0	3	3	1	4	0	11
Junior Management	1	4	1	0	2	0	8
Trainees	9	0	0	9	0	0	18
Turnover at Non-management Level	87	72	10	33	9	1	212
Total Employee Turnover	97	82	17	43	15	1	255

#### GRI 401-1

## Percentage of Employees Receiving Regular Performance and Career Development Reviews

Particulars		Male		Female		
	GSL	GCE	TRI-K	GSL	GCE	TRI-K
Regular Performance	100%	91%	89%	100%	87%	92%
Career Development Review*	93%	91%	89%	88%	87%	92%

<sup>\*</sup>Applicable for confirmed employees





### **Learning and Development**

We aim to continuously drive the professional growth of our employees by offering them tailored training opportunities at every level. From recent graduates to seasoned professionals, our development programmes ensure that employees gain the expertise needed for ensuring career progression and attaining leadership roles.

Management Development Programmes: Our Soonicorn and Unicorn initiatives aim to sharpen leadership and management skills, supporting succession planning and creating an extensive leadership pipeline.

**Data Literacy:** New modules focused on data analytics and visualisation empower our employees to make more informed, datadriven decisions.

**E-Learning Expansion:** Our e-learning platform has seen significant growth, with over 50 modules introduced, focusing on areas such as sustainability, waste management and behavioural skills. These modules boast a completion rate of over 55%, indicating visible employee engagement in self-paced learning.

**Leadership Programmes:** The Unicorn programme offers senior management personnel with two

years of in-depth leadership training, complemented by coaching and strategic off-site sessions.

#### **Staff Development Programmes:**

Our Supervisory Development Programme (SDP) and Management Development Programme (MDP) provide employees with essential skills for their supervisory and managerial roles. These training programmes saw impressive participation, with completion rates exceeding 98%.

#### **Star Recognition Programme**

Our Employee Recognition
Programme stands as a
testament to the excellence and
commitment of our workforce,
celebrating achievements across
various categories such as 'Star
Operators' and 'Rising Star.'
These prestigious awards boost
morale and motivate employees
to consistently deliver their best,
driving our collective success.

The programme also includes long-service awards, which honour employees for their years of dedication, reinforcing a culture of appreciation, loyalty and pride within the organisation. These awards highlight the contributions of our team, fostering an environment where hard work and perseverance are celebrated.

In addition, we proudly recognise and reward those who have spent at least two years with Galaxy, marking the milestone as a significant moment in their journey with us.







#### **Succession Planning**

Succession planning ensures the long-term success of our organisation by developing a ready pipeline of leaders. We focus on identifying and nurturing high-potential individuals, preparing them to step into key roles as needed. Our approach depends on regular talent reviews, clear career development pathways and leadership readiness programmes that equip employees with the skills and experience required for future leadership positions.



#### **Talent Pipeline**

To ensure leadership continuity, we conduct quarterly talent reviews to assess the readiness of potential successors at the n-1 and n-2 levels. These reviews are then presented to the Executive Board to ensure alignment with our long-term leadership needs.



#### **Career Pathways**

We implement Individual Development Plans (IDPs) for each employee, addressing competency gaps identified during annual performance reviews. This personalised approach helps them develop the skills required for future leadership roles, ensuring they are prepared to take on more responsibility.



#### **Leadership Readiness**

We prioritise leadership development through initiatives like Unicorn alongside peer-to-peer recognition programmes. These programmes seek to identify and nurture high-potential employees, providing them with the tools and experiences to step into advanced roles.

#### **Employee Incentive Linked to Environmental Sustainability**

At Galaxy, employee incentives are directly linked to contributions toward our environmental sustainability goals. We reward efforts in identifying and managing climate-related risks, improving transparency in environmental reporting and driving waste reduction through recycling and resource efficiency.

Employees are also recognised for innovations that develop low-carbon solutions and support continuous improvement through initiatives like Kaizen and Total Productive Maintenance achieving GHG reduction targets.

Water-related efforts such as ensuring safe discharge of wastewater and

enhancing water efficiency are also rewarded. The Chief Operating Officer is directly accountable for water-related risk resolution, with specific KPIs driving performance in this area. These incentives foster ownership and embed sustainability across all levels.





### **Health and Safety**

At Galaxy, we strive to ensure a safe and healthy work environment. We maintain a robust safety culture, proactively mitigating workplace risks and continually improving safety standards. We intend to create a safer workplace for all through training, technological advancements and a capable safety management system. Our significant health and safety management initiatives comprise:

#### **Competency Assurance Programme**

We recognised that most of incidents stem from non-compliance with procedures. In response, we launched the Competency Assurance Programme, which maps functional, safety and leadership competencies across various roles. This approach ensures that all employees receive on-the-job validation to adhere to safety protocols and best practices.

#### ISO 45001 and 14001 Certification

We are proud to maintain ISO 45001 Occupational Health and Safety Management System and ISO 14001 Environmental Management Systems certifications. These certifications reflect our ongoing commitment to meeting global safety and environmental standards.

#### Process Safety Management (PSM) Enhancements

 Project Mission Shunya at Jhagadia site: Aiming for zero harm, this 30-month-long initiative focuses on hazard identification, risk assessment and targeted training to safeguard people, infrastructure and the environment.

- Process Hazard Analysis (PHA) and Safety Reviews: We have enhanced our hazard assessment practices by implementing rigorous PHA studies and pre-startup safety reviews (PSSR)
- Management of Change (MOC): We ensure that all operational changes undergo systematic risk evaluations before implementation, reinforcing safety in every process

# **Safety Training** and Awareness

In FY 2024-25, we achieved an average of 18.79 hours safety training hours per employee. Some of the trainings included are Safety drills, incident investigations and various site awareness programmes. We also introduced training modules, such as Barrier Health Management (BHM) and Behavioural-based Safety (BBS), to enhance our safety practices. Safety training is mandatory for all employees, including fire drills, hazard management and general workplace safety.

# Incident Reporting and Digitisation

We have a digital safety portal, to streamline incident reporting, root cause analysis and corrective action tracking. Employees are encouraged to report unsafe conditions, with a structured governance model in place to ensure timely interventions. As of FY 2024-25, two cases of lost-time injuries (LTIs) have been recorded across our operational sites.

# Infrastructure and Engineering Controls

We have improved our safety systems by introducing vertical fall arrest systems for ladders, enhanced fire safety measures (such as improved sprinkler systems) and better work-atheight protection facilities.

# **Employee Health and Wellness Initiatives**

Our wellness programme monitors and improves employee health, reduces occupational health risks and promotes overall fitness. We also provide awareness sessions on lifestyle diseases, such as cardiac health and the risks associated with tobacco use.

#### Centre of Excellence for Safety and Automation

Established in 2024, this initiative strives to build standardised safety protocols, enhance process automation and benchmark best practices across industries to improve our safety measures continuously.

#### **SHE Performance**

KPIs	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Fatalities	0	3	0	0	0	0
Lost Time Injury Frequency Rate (LTIFR)	0	1.11	0.52	0.41	0.39	0.22
Behaviour-based Safety (BBS) Observations*	6,14,871	15,22,179	32,79,196	54,39,750	67,63,930	46,03,445
Training man-hours	15,065	18,131	28,483	19,888	23,445	61,496
Expenses of Safety, Health and Environment (SHE) Process (₹ Cr.)	3.58	1.19	1.41	3.22	10.26	14.22

Fatalities	LTI	LTIFR	MTC
FY 2024-25	FY 2024-25	FY 2024-25	FY 2024-25
0	0	0	2
0	0	0	2
0	0	0	2
0	0	0	4
0	2	2.06	2
0	0	0	0
_			FY 2024-25         FY 2024-25           0         0           0         0           0         0           0         0           0         0           0         0           0         0           0         0



#### Labour Relation – Fair Labour Practices

At Galaxy Surfactants, we maintain a strong focus on promoting fair labour practices across all our manufacturing locations and business operations. We ensure that our workplaces uphold safety, dignity and equity, with strict compliance to applicable labour laws and international standards. Our internal policies prohibit child and forced labour, encourage equal opportunity and support fair wages and reasonable working hours. We extend these expectations to our suppliers through our Supplier Code of Conduct, reinforcing our commitment to ethical and responsible employment across the value chain.





#### **Safety Measures and Performance**

We measure our safety performance using leading and lagging indicators. Leading indicators, such as training hours and audits, help us identify potential risks before incidents occur, while lagging indicators, like the lost time injury frequency rate (LTIFR), help us assess the effectiveness of our efforts. Our major safety initiatives include:

 Increased focus on Behaviourbased Safety (BBS) data to identify risk behaviours, implement spot corrections and address unsafe conditions.

- Conducting audits for high-risk activities to ensure adherence to standard operating procedures
- Maintaining a comprehensive risk register and assigning monitoring responsibilities for high-risk activities
- Strengthening our incident investigation process to gain deeper insights and implement preventive measures
- Enhancing employee engagement in safety initiatives to foster a culture of ownership and accountability

#### **Audits and Inspections**

We conduct regular safety audits and inspections to identify and mitigate potential hazards. In FY 2024-25, we implemented the following measures:

- External Safety Audits: Statutory audits were carried out for our Taloja and Jhagadia sites in line with IS 14489 standards
- Internal Audits: Our trained personnel carried out internal audits according to a defined schedule, using established checklists
- Specialised Audits: We conducted additional audits based on incidents that occurred to prevent future occurrences

**Case Study** 

We track the closure of identified issues through safety committee meetings.

#### **Employees and Operators Benefits**

Our employees are our most valuable asset and we prioritise their health, well-being and financial stability. We provide a package with wide-ranging benefits to ensure our team members feel appreciated, respected and empowered. With

over 30 benefits on offer, we work hard to create an environment where everyone can succeed.

We make substantial contributions to support the financial security of our employees. We, the Parent Company, contribute to EPF and ESIC for eligible employees, while our subsidiaries contribute to 401K and Social Security. We also provide gratuity following the Gratuity Act and employment agreements.

#### **What Makes Galaxy a Great Place to Work**

#### Compensation and Recognition

- Competitive salaries and benefit packages
- On-time salary disbursement on the 26<sup>th</sup> of every month
- Performance-based incentives and recognition programmes
- Profit-sharing bonus exceeding industry average (20% vs. 8.3%)

#### **Health and Wellness**

- Medical insurance coverage for employees and their families
- Cashless medical scheme with tieups with renowned hospitals
- 24/7 emergency medical support for employees and their families
- Executive health checkups for senior management
- Subsidised healthy meals provided through on-site Canteen (menu decided by operator committees)

# Great Place To Work® Certified FEB 2024-FEB 2025 INDIA

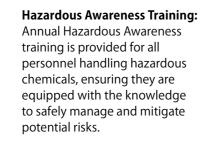
## Safety at TRI-K

TRI-K has worked 2,837 days without an OSHA recordable incident and 3,217 days without lost time incident. In an effort to strengthen safety at TRI-K, the Company implemented several key initiatives to improve safety awareness and reduce workplace hazards:

#### **Incident Reporting App:**

Employees are encouraged to report safety observations using the incident reporting app. This has led to 87 reports in FY 2024-25, fostering proactive safety management and preventing accidents before they occur.

**CPR and AED Training:** In 2024, TRI-K provided on-site CPR and AED training, certifying the majority of employees at the sites to respond effectively in emergencies.





#### **Unique Initiatives**

- Open-door policy with easily accessible suggestion boxes and direct communication channels with senior management
- Sahakari Mitras senior operator representatives who address employee grievances and concerns
- Monthly canteen and transport committee meetings involving operators for feedback and improvement
- Celebrating retirements with personalised messages, gifts and dinners

#### Financial Security

- Emergency loans with quick processing and minimal interest
- Housing loan, renovation loan and vehicle loan options
- Employee trust that provides financial assistance to families of deceased employees
- Educational assistance for employees children (up to two children) pursuing higher education

#### Work-life Balance and Support

- Leave travel allowance to support employee vacations
- Paid leave policies, including paternity leave
- Subsidised transportation facilities
- Uniforms provided for all factory-based employees and contract workers (where applicable)
- Raincoats and umbrellas provided during the rainy season
- Employee assistance programme (EAP) for confidential counselling and support
- On-site daycare facilities (availability may vary by location)









#### **Physical and Mental Wellness**

- We offer annual executive health checkups for employees aged over 35 years, with coverage for their spouses over 50. In addition, we provide guarterly sanitary checkups and nutritional guidelines in our cafeterias.
- Our partnership with psychological health institutes offers counselling services and our wellness portal provides resources on stress management and seasonal health to support mental well-being.

#### **Parental Leaves and Return To Work**

Particulars	Male	Female
Employees Entitled to Parental Leave	1,660	204
Employee Who Availed of Parental Leave	57	13
Employees Who Returned to Work after Parental Leave ended in the Reporting Period	57	13
Employees Retained for 12 Months after Resuming from Parental Leave	55	13

#### GRI 401-3

#### **Gender-wise Average Training Hours**

Subsidaries	No. of Empl	loyees	Total Ho	urs	Average H	ours
	Male	Female	Male	Female	Male	Female
GSL	1,623	162	77,012	4,280	47.45	26.42
GCE	292	15	2,870	110	9.83	7.33
TRI-K	37	38	29.15	43	0.79	1.14
Total	1,952	215	79,911	4,433	40.93	20.62

### **Commitment to Our Customers**

At Galaxy, we prioritise building long-lasting customer relationships through trust and transparency. We achieve this by providing customers with on-demand declarations of raw material sources, empowering them to make informed choices. Our commitment to customer satisfaction is at the heart of everything we do, ensuring excellence in our business.

#### **Customer Satisfaction**

Customer satisfaction and safety are non-negotiable aspects of our development process. We go beyond operations to furnish customers with comprehensive safety data sheets (SDS) that detail the environmental and health hazards associated with our products. This crucial information is also clearly labelled on our products. The SDS provides clear instructions on safe use and proper disposal following relevant regulations.

We conduct a customer satisfaction survey (CSS) every two years to gather valuable insights. The survey covers five key areas:

- · Product and packaging
- Sales support
- Order execution and logistics
- Technical services and documentation
- · Sustainability initiatives

Additionally, we have a real-time feedback system where customers rate our responses to regulatory and technical documentation requests. In cases of dissatisfaction, we promptly investigate and implement corrective actions to improve service quality. To further strengthen customer engagement, we actively participate in industry events and exhibitions, which serve as valuable platforms for gathering feedback, understanding evolving needs and deepening relationships.

#### **Product Quality and Safety**

We enforce rigorous controls to assess the environmental impact of products and processes at every stage. Our products undergo thorough quality checks, with dedicated teams and top management regularly reviewing compliance with quality and cosmetic Good Manufacturing Practices (GMP). This method ensures strict adherence to operational plans and product development protocols. Supported by these practices, we reported zero incidents of non-compliance during FY 2024-25.

**Zero**Instances of non-compliance in FY 2024-25



Our business quality process ensures compliance with technical and regulatory requirements by:

- Providing technical and regulatory documents to customers
- Following global product safety and compliance regulations, such as Globally Harmonised System (GHS), Classification, Labelling and Packaging (CLP) and Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulations in Europe
- Maintaining and updating safety data sheets (SDS) according to global standards
- Ensuring labels comply with regional and international regulations for proper handling, transport and storage safety





#### **On-time Delivery**

Timely delivery is crucial to our customers success. Our automated production monitoring systems, robust logistics network and efficient packaging solutions enable timely deliveries. By optimising batch manufacturing processes and implementing real-time tracking, we minimise delays and ensure customers receive their orders as scheduled.

- We assess order execution and logistics efficiency through the customer satisfaction survey
- Our Salesforce system tracks and manages customer requests for documents and regulatory compliance
- If delays occur in customer responses, we analyse them and implement steps to improve response times

We seek to proactively resolve

customer complaints. Our dedicated

team swiftly investigates concerns,

conducts root cause analyses and

implements corrective actions to

prevent recurrences. We engage

necessary, providing solutions and

complaint handling system manages

technical support. Our customer

sites. We categorise and address

complaints under the customer

78

directly with customers when

complaints globally across all

**Customer Complaints Resolution** 

#### **Customer Privacy**

We ensure data protection and customer confidentiality. Our Business Quality Process ensures that all customer information, including product formulations and order details, is handled with the utmost security. We comply with global data protection standards and continuously enhance cybersecurity measures to protect sensitive information. Customer requests for technical and regulatory documents are handled securely via e-mail and internal Salesforce systems. We ensure compliance with regulatory requirements while maintaining confidentiality when sharing product information.

experience management process.

identifying areas for improvement.

We follow a structured approach

while investigating and rectifying

complaints, including follow-ups with

satisfaction remain at the forefront of

customers for effective resolutions.

By engaging with customers, we

continually enhance our value

and ensure their privacy and

our initiatives.

A real-time CSS system tracks

and resolves dissatisfaction by

### Commitment to Our Supply Chain Partners

At Galaxy, we focus on building a resilient and responsible supply chain. We recognise the impact our sourcing decisions have on the environment and communities. Our next steps involve thoroughly evaluating the environmental risks associated with our supply chain. This comprehensive assessment will allow us to develop targeted strategies to mitigate risks, ensuring a more sustainable future for our partners and the planet.

As part of our ongoing commitment to environmental responsibility, we assessed 33 suppliers for their potential environmental impact. We remain committed to:

- Supplier Assessment: We evaluate and manage suppliers based on a robust set of criteria that considers not just economic aspects but also sustainability factors
- Sustainability Integration:
   We have embedded our
   sustainability standards into
   our procurement strategies and
   activities, ensuring responsible
   sourcing at every stage
- Vendor Onboarding Excellence:
   We maintain a systematic vendor
   onboarding process that equips
   new partners with the necessary
   knowledge and tools to excel
   within the Galaxy network
- Focus on MSMEs: We are streamlining the onboarding process for micro, small and medium enterprises (MSMEs), making it easier for them to participate in our supply chain and contribute to a more inclusive and sustainable ecosystem

MSME supplier engagements (Raw materials)

MSME supplier engagements (Packaging)

# Supplier Screening and Audits

 Third-party Audits: We uphold the highest standards, conducting regular audits aligned with RSPO, VDF and ISCC+ to ensure adherence to sustainable sourcing commitments

# Engaging with Key Suppliers

- Collaborative Events: Our annual GALSUSTAIN Forum, now in its seventh year, brings together suppliers, customers and industry experts to enable knowledge exchange
- Grievance Mechanism:
   We maintain a transparent,
   publicly accessible grievance
   system to swiftly address concerns
   related to deforestation, labour
   rights, or environmental risks



We empower our suppliers through capacity-building workshops on GHG accounting, circular economy principles and sustainable sourcing. This approach helps them meet evolving regulatory and customer expectations while strengthening our collective impact. We conduct regular training sessions based on supplier feedback.

#### **Logistics and Multi-mode Transport**

We continue to enhance our logistics and transportation strategy with a focus on sustainability, safety and efficiency.

- Emission Reduction: We prioritise rail transport for long-haul shipments and utilise ISO tank containers to reduce the number of trips, minimise CO<sub>2</sub> emissions and optimise load efficiency
- GPS Tracking: Real-time vehicle monitoring is employed to ensure greater delivery efficiency, route optimisation and supply chain transparency

- Recognition for Excellence: Our efforts in safety and performance were recognised with the 'Best in Class Logistics Safety Initiatives' Award at the Express Logistics and Leadership Awards
- National Supply Chain
  Distinction: We also received
  the prestigious SCALE (Supply
  Chain and Logistics Excellence)
  Award at the CII SCALE Awards,
  underscoring our leadership
  in sustainable and efficient
  logistics practices

#### Driving Digital Transformation in Supply Chain Management

We are also exploring IT integration for supply chain transparency, assessing real-time traceability tools like Global Forest Watch and SPOTT to mitigate risks. We aim to transition from manual tracking to an automated, software-based system that provides instant insights into supply chain performance.





### **Commitment to Community**

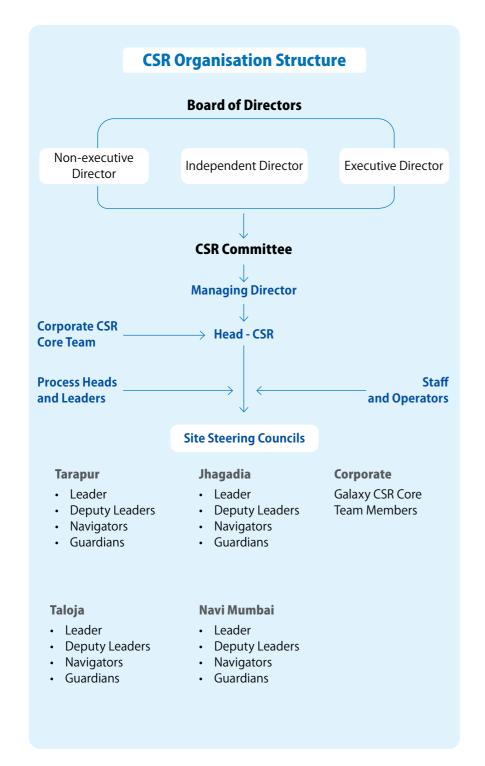
At Galaxy, we are committed to making a positive impact on the communities around our operational areas. Corporate social responsibility (CSR) is not just a regulatory requirement for us; it is an integral part of our values and business philosophy. Our commitment to CSR goes beyond compliance we see it as our duty to contribute meaningfully to society. Before CSR became a mandated practice, we laid the foundation for healthcare, education, environmental sustainability and community development initiatives. By embedding social responsibility into our core strategy, we aim to drive lasting and meaningful change.

#### **Community Upliftment**

Community upliftment is about creating long-term, sustainable improvements rather than providing short-term aid. We work towards building self-reliant communities by focusing on critical areas such as healthcare, education, sanitation and skill development. Our efforts include enhancing educational infrastructure, providing medical assistance, constructing sanitation facilities and offering vocational training. By engaging directly with communities and understanding their needs, we ensure that our interventions make a tangible difference in their lives.

#### **CSR Structure**

Our CSR initiatives are structured to maximise impact and ensure accountability. Our dedicated CSR team collaborates with site-specific steering councils, each led by our factory managers. These councils are responsible for identifying community needs, proposing initiatives and overseeing implementation. Our structured approach ensures that every CSR project aligns with our corporate objectives and community requirements. Each project undergoes thorough evaluation and approval before execution, allowing us to optimise resources and create meaningful social impact.



#### **CSR Project Domains**

#### Health and Hygiene (Aarogya Vardheeni)

**15,797** individuals have benefited from our Aarogya Vardheeni project, which focuses on improving the health and well-being of rural and tribal communities. Galaxy, through accessible and affordable healthcare initiatives, has made a significant impact in these communities, ensuring better health outcomes and enhanced hygiene practices.





### Community and Rural Development (Samajik Utthan)

**17,885** lives have been uplifted through our Samajeek Utthaan initiative, which aims to foster transformative change in rural and tribal communities. Through strategic support and collaborations, Galaxy has worked to improve livelihoods and contribute to sustainable development in the areas surrounding our operations.











**22,623** individuals benefited from our Gyan Sanjeevani initiative, which has greatly impacted education in Maharashtra and Gujarat. Through comprehensive support to schools and communities, Galaxy has positively transformed the educational experience, particularly for 12,119 students across 90 schools.





#### **Women Empowerment (Stree Unnati)**

**1,120** women and girls have benefited from our Stree Unnati initiative, which focuses on driving transformative change through education, skill development and awareness programmes. This initiative empowers women to lead independent lives, fostering self-reliance, confidence and active participation in their communities.





#### **Environment Protection (Paryavaran Suraksha)**

**48,689** beneficiaries have been positively impacted by our Paryavaran Suraksha initiative, focusing on environmental protection and sustainability. Through a combination of tree plantation, renewable energy projects and water conservation, Galaxy has significantly contributed to a greener, more sustainable future.









#### Calamity Relief (Aapada Rahat)

Through our Aapada Rahat initiative, we have successfully provided crucial support to communities affected by natural disasters and crises, offering disaster relief and rehabilitation to those in need.





Our CSR philosophy revolves around the belief that businesses must contribute to societal development. We are proud to lead initiatives that contribute to a more sustainable and inclusive future, ensuring that our impact extends beyond our operations and into the lives of those who need it most.

#### **Unfolding Stories of Our CSR Projects**

#### Key Projects under Aarogya Vardheeni

#### **Primary Healthcare Access**

In partnership with Paryavaran Foundation, Galaxy operates a Primary Health Centre (PHC) in Talodara village and the surrounding areas of Bharuch, Gujarat. In FY 2024-25, the PHC provided initial treatment and medicines to 8,589 people. Our employees also played an active role, donating 866 units of blood through eight blood donation camps.

#### **Eye Care Project**

Galaxy conducted four eye checkup camps in Tarapur, Palghar, Maharashtra, screening 364 individuals. Of these, 75 cataract surgeries were successfully performed, restoring vision and improving the quality of life for the affected individuals.

#### **Preventive Healthcare**

Galaxy distributed 350 MCH Kits to expectant mothers and 75 HIV Kits to affected patients to improve their nutrition and reduce mortality rates. Additionally, our employees conducted hand hygiene awareness sessions in 28 schools, educating almost 2,000 students.

#### **Cancer Support**

Galaxy provided medical aid and shelter to cancer patients from across India, offering economic relief and ensuring they have a safe space during their treatment period in Mumbai, Maharashtra.

#### **Child Welfare**

Galaxy supported destitute children in Raigad, Maharashtra, by providing them with nutritional support and a library, promoting both health and educational development.

#### **Safe Drinking Water**

To address waterborne diseases, Galaxy installed safe drinking water facilities in two schools in Palghar, Maharashtra and Bharuch, Gujarat.

#### **Hygiene Facilities**

Galaxy constructed and renovated toilet blocks for both boys and girls in schools across Palghar, Maharashtra and Bharuch, Gujarat, promoting better hygiene practices.



#### **Impact of the Project**

- 50% reduction in disease rates within the targeted villages.
- 30% savings in community medical expenses through better healthcare access.
- 50% reduction in school absenteeism, thanks to improved hygiene facilities and nutritional support.





## Community Dialogue and Risk Management

Galaxy Surfactants actively engages with local communities to understand, manage and address water-related risks and opportunities associated with its operations.

Engagement begins with ground-level need assessments and direct consultations involving gram panchayats, farmers' groups, women's self-help groups and local health workers. These dialogues help us identify critical community priorities and design appropriate interventions.

Insights from this process have guided projects such as pond rejuvenation to improve local water availability, large-scale rainwater harvesting infrastructure, and the

construction of household and institutional sanitation facilities. During project implementation, we hold relevant follow-up meetings and feedback sessions with beneficiaries and local stakeholders to monitor outcomes and address concerns.

Additionally, we collaborate with local NGOs and authorities to co-develop and adapt solutions, ensuring alignment with community expectations and ecological considerations.

This structured, participatory approach helps mitigate potential social and water-related risks, unlock shared value and strengthen long-term community resilience in our operational sites.



**Case Study** 

## 'Dhristi' – Eye Care Project

In Palghar, many villagers suffer from poor vision, especially due to cataracts, but avoid treatment due to the high cost and distance to eye care facilities. With over 10,000 to 15,000 people requiring cataract surgery every year, untreated conditions often lead to blindness and financial hardships.

To tackle this, Galaxy partnered with Sri Chaitanya Healthcare for the 'Dhristi' project. In FY 2024-25, four eye checkup camps screened 364 individuals and 75 cataract surgeries were performed, restoring their vision and improving their quality of life.

One of the success stories is of Madhu Prasad, a 47-yearold from Pam, Boisar, who struggled with deteriorating vision affecting her daily life. Through the Dhristi initiative, she received cataract surgery at Bhaktivedanta Hospital, Mumbai rthat restored her sight and gave her a renewed sense of independence and hope.







#### Key Projects under Gyan Sanjeevani

#### **IT Lab Support**

Galaxy supported the BMC school in Mumbai, Maharashtra through the Muktangan NGO, providing 25 desktops, two printers and one projector. This enabled students to access digital education, bridging the gap in technological resources.

#### **Infrastructure Support**

We provided 130 school benches to three Zilla Parishad schools (including two tribal schools) in Taloja, Maharashtra, improving seating arrangements and posture, reducing health risks for students in schools with limited infrastructure.

#### **School Renovations**

Galaxy renovated the ZP School in Ghot village, Maharashtra, which was in a dilapidated condition. The school received essential structural repairs and an electrical revamp, providing a safer and more conducive learning environment.

#### **Classroom Construction**

Agarwadi School in Palghar, Maharashtra lacked sufficient classrooms to accommodate students. Galaxy constructed seven new classrooms, addressing the space constraints and facilitating better learning conditions for students.

#### **Science Lab Equipment**

Galaxy provided science lab equipment to three Zilla Parishad schools in Taloja, Maharashtra, enabling students to gain hands-on experience and understand scientific concepts through practical learning using various science models and equipment.

#### **Community Library**

Galaxy established a Community Library cum Resource Centre in Talodara, Bharuch, Gujarat, offering access to reading materials and government schemes through improved digital infrastructure, benefitting the villagers and promoting continuous learning.

#### **Sports Centre**

In addition to the library, Galaxy built a sports centre in Talodara village, providing indoor sports facilities to youth and encouraging physical activities for their overall development.

#### **Non-infrastructure Support**

Galaxy employees distributed over 37,000 notebooks and 6,000 school kits to around 90 schools in the Maharashtra and Gujarat regions, supporting the educational needs of thousands of students.



#### **Impact of the Project**

- Improved learning infrastructure in 90 schools, enhancing student engagement and comfort.
- Access to technology and practical learning through the provision of IT labs and science lab equipment.
- Increased educational resources with the distribution of notebooks and school kits.







Case Study

## Agarwadi School, Palghar, Maharashtra

The Agarwadi School in Palghar faced overcrowding issues, with 1,031 students studying from the 1st to 10th Standards. The existing facilities had insufficient classrooms, making it difficult to accommodate all students and conduct classes effectively.

To address this, Galaxy collaborated with the school and local community to identify available space

on the school premises. Galaxy proposed and successfully constructed seven new classrooms, resolving the space constraints and ensuring better learning conditions for the students. These new classrooms enhanced the overall educational experience of the students.





**Case Study** 



#### **Key Projects under Paryavaran Suraksha**

#### **Tree Plantation**

In FY 2024-25, Galaxy planted 1,02,379 trees across Maharashtra, Gujarat and Rajasthan, enriching the green cover and preserving biodiversity. We also partnered with the armed forces to enhance the green cover in Alwar, Nasirabad, Bhuj and Colaba Cantonment areas and conducted large-scale plantations at the Food Corporation of India in Panvel, Maharashtra.

### Renewable Energy Projects (Ujjala Initiative)

Galaxy installed rooftop solar systems in sevens schools and hostels across

Raigad, Maharashtra, Surendranagar, Gujarat and Bharuch, Gujarat. We also set up a rooftop solar system at the community centre in Talodara village, Bharuch, Gujarat and installed 100 solar streetlights in Limbdi village, Surendranagar, Gujarat, benefitting 17 villages.

#### **Water Conservation**

Galaxy has empowered hospitals with state-of-the-art sewage treatment plants, recycling nearly 90 million litres of water annually, contributing significantly to water conservation efforts in the region.



#### **Impact of the Project**

- Enhancing green cover and promoting biodiversity through large-scale tree plantations
- Mitigating climate change by absorbing carbon dioxide through plantation initiatives
- Reducing carbon footprint through renewable energy projects





# Project 'Ujjala'

In the Zilla Parishad schools across various regions, frequent power outages severely disrupted learning. Schools such as ZP School Dundre, Dundrepada, Nagzari and Morbe experienced limited power availability, ranging from two to six hours a day. This instability affected classroom activities, attendance and the use of digital learning tools. The lack of reliable electricity was hindering the overall educational experience and diminishing student participation.

Galaxy's Project 'Ujjala' aimed to address these challenges by installing rooftop solar systems and solar streetlights to provide reliable and sustainable energy. Following a comprehensive survey and site inspections, the project was implemented across the

identified schools. The outcomes were remarkable: after installation, power availability increased from 2-4 hours/day to 8+ hours/day, eliminating power outages. Student attendance improved from 30-40% to 80-95% and the use of digital tools in classrooms increased to 90%. The switch to solar energy also reduced electricity costs to zero and reduced CO<sub>2</sub> emissions by 9.4 metric tonnes in FY 2024-25.

The solar installations not only provided stable electricity but also improved the learning environment significantly, enabling uninterrupted education. The annual electricity savings for the schools totalled ₹80,000, showcasing the long-term financial and environmental benefits of renewable energy in underserved communities.



R.Z.P School Morbe 7 kWh





#### **Key Projects under Samajeek Utthaan**

#### **Farmer Empowerment**

Galaxy collaborated with the Farmbridge NGO to implement the Farmer Empowerment Project in five villages of Bharuch, Gujarat. We provided training on modern farming techniques, farm diversification, new high-yielding seeds and new farming tools. Additionally, farmers were introduced to Hydrogel, which saves water, reduces input costs and improves soil health and productivity.

#### **Water Supply Project**

Galaxy constructed an underground storage tank with a water pumping facility in Khumbavali, Palghar, Maharashtra, providing household water to the villagers, improving access to clean water for daily use.

#### **Aanganwadi Construction**

Galaxy built an Aanganwadi in Ashwe village, Palghar, Maharashtra, benefiting expectant mothers and infants with better facilities and care.

#### **Senior Citizens Support**

Galaxy continued to support senior citizens by arranging annual expenses for them, as well as providing air coolers, beds and mattresses. We supported old age homes in Palghar, Thane, Maharashtra and Bharuch, Gujarat to ensure the well-being and comfort of the elderly.

#### **Support for Specially-abled Children**

Galaxy extended its support to five organisations working with specially-abled children by providing infrastructural support and financial assistance.



#### **Impact of the Project**

- 30% increase in agricultural productivity for farmers due to modern farming techniques and water-saving practices
- 30% rise in farmers' income through improved farming practices and support
- 50% water savings for farmers through efficient harvesting practices, enhancing sustainability











Case Study

### Farmer Empowerment Project

In Limbet and Kadvapalav villages, farmers faced numerous challenges, including water scarcity, labour shortages and a lack of modern farming practices and technologies. These issues, along with financial constraints and unpredictable weather, led to reduced incomes and many farmers abandoning their lands for factory jobs in GIDC.

To address this, Galaxy, in partnership with Farmbridge Social Support Foundation, launched the 'Farmer Empowerment Project' in five villages in the Jhagadia block. The project aimed to increase incomes through sustainable farming, improve soil health with advanced technologies, enhance water management and promote eco-friendly practices, helping farmers improve productivity and sustain their livelihoods.







#### **Key Projects under Stree Unnati**

#### **Capacity Building**

Galaxy supported self-help groups to encourage community engagement and promote economic independence among women. This initiative provides women with the tools to enhance their livelihoods and improve their quality of life.

#### **Self-defence Training**

Galaxy equipped women with selfdefence training, providing them with essential skills for personal safety and empowerment, boosting their confidence to navigate daily life with greater security.

#### **Awareness Programmes**

Galaxy conducted awareness programmes to educate women on vital issues, fostering informed decision-making and empowering them to take charge of their lives and well-being.



#### **Impact of the Project**

- Economic Independence:
   Empowering women
   to achieve financial
   self-reliance through
   skill development and
   community-based support
- Self-esteem and Decision-making: Boosting confidence and encouraging women to participate actively in both personal and communal decisions
- Community Participation: Enhancing women's involvement in community decision-making processes, promoting leadership and representation



#### **Key Projects under Aapada Rahat**

#### **Flood Relief**

Galaxy distributed food and ration kits to flood-affected victims in Ankleshwar and Bharuch, Gujarat, ensuring that essential supplies reached those impacted by the devastating floods.

#### Prime Minister's Relief Fund

Galaxy actively contributes to the Prime Minister's Relief Fund, supporting national disaster management efforts to provide relief in times of crisis.

#### **Reconstruction Assistance**

Galaxy employees personally delivered rations to affected communities and assisted in the rehabilitation process, helping reconstruct damaged houses and provide long-term relief to flood victims.



#### **Impact of the Project**

- Immediate relief provided through the distribution of food and ration kits to disaster-affected communities
- Supporting frontline workers with essential supplies during the pandemic
- Reconstruction efforts and long-term rehabilitation for flood victims









### Leadership

At Galaxy, leadership goes beyond managerial roles. It is about guiding the Company through strategic, sustainable transformations.
Our leadership team fosters a forward-thinking, innovation-driven culture where every decision reflects our commitment to creating value for all stakeholders. With a unified approach, we steer the Company toward its long-term goals while remaining true to our values of sustainability and ethical responsibility.

#### **Board Structure**

Galaxy maintains a balanced and transparent Board structure comprising Executive and Non-Executive Directors. The Non-Executive Directors include independent professionals who bring diverse expertise to the table and contribute to the Company's governance and strategic direction.

The Board plays a key role in safeguarding the interests of all stakeholders by ensuring that Galaxy's operations align with long-term sustainability objectives. It works collaboratively with the senior leadership to set the strategic direction, approve major decisions and ensure accountability across operations.

In addition to its governance responsibilities, the Board of Directors oversees our CSR initiatives and sustainability practices. Through regular reviews, the Board evaluates the business's performance and its impact on the environment, society and economy. This commitment to transparency and responsible governance ensures we remain leaders in sustainable business practices, fostering positive change across our operations.



#### **Board of Directors**





K. Natarajan Managing Director

Vaijanath Kulkarni COO & Executive Director

Appointed

October 1, 2016

October 1, 2016

Qualifications

- B. Com (University of Mumbai)
- Cost accountant from The Institute of Cost and Works Accountants of India
- Advanced Management Programme (Harvard Business School)
- Global Advance Management Programme: ISB (India) and Kellogg School of Management, USA
- Advance Management Programme (Harvard Business School)

Experience

- 25+ years experience in diverse leadership across finance, IT, business and supply chain
- 25+ years at the Company working in projects, manufacturing and logistics

Committee Memberships









**CSR Committee** 

R Risk

Risk Management Committee

Nomination & Remuneration Committee

Stakeholders Relationship Committee







**Kanwar Bir Singh Anand Chairman, Non-Executive Independent Director** 



**U. Shekhar Promoter & Non-Executive Director** 



Sangeeta Kapiljit Singh **Non-Executive Independent Director** 



**Nandita Gurjar Non-Executive Independent Director** 



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



**Madhavan Hariharan Non-Executive Independent** Director

Appointed
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August 5, 2022

May 20, 1986

February 10, 2025

February 1, 2015

May 20, 1986

May 23, 2023

- Qualifications
- B. Tech from IIT Bombay
- P.G Diploma in Business Management from the IIM Calcutta
- BE Chemical Engineering (University Dept. Of Chemical Technology, Mumbai)
- PGDM (IIM Calcutta)
- · Master's Degree in Behavioural Psychology from University of Mumbai
- Certification in Strategic Human Resource Management from Harvard Business School, Boston

- M. A. (Psychology)
- · Advanced Management Programme (Harvard **Business School**)
- CA
- CMA
- CS

- Chartered Accountant (ACA)
- Company Secretary (ACS and CISA)
- Multiple leadership programmes at Harvard Business School, Wharton School and IIM

#### Experience

- · Joined Asian Paints Ltd. in 1979, worked in the sales and marketing function of the architectural coating and chemical business, industrial products manufacturing
- · Head of the Decoratives Business in 2009
- 40+ years of experience in the chemical industry
- 35+ years in human resources, employer branding, corporate communications (internal and external) and operations

- 20+ years of experience in IT and HR
- 40+ years of experience at Galaxy in personal and home care strategy, marketing, sales and HR
- · CFO and Head of Strategy at the CK Birla Group
- Around two decades at Royal Philips in various CFO roles and global positions
- Also worked in finance and strategy roles at Ashok Leyland Limited, PepsiCo, Tata SIA Airlines Limited and a telecom startup

#### **Committee Memberships**



























**Audit Committee** 



**CSR Committee** 

Stakeholders Relationship Committee



Nomination & Remuneration Committee



Management Committee



# Governance

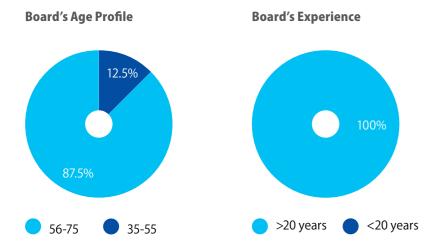
#### **Board's Size and Composition**

As of March 31, 2025, there are total eight Directors on the Board, including two Independent women Directors.

Directors	Number of Members
Executive Directors	2
Independent Directors	4
Other Non-Executive Directors	2
Total Board Strength	8

#### **Board's Diversity**

Gender	Number of Members
Male Directors	6
Female Directors	2



In all its activities and processes, the Company is committed to the highest levels of corporate governance. It considers corporate governance the foundation for long-term management performance as well as a responsibility to all stakeholders and society. The idea of transparency and openness in the successful working of the Management and Board is at the heart of the Company's Corporate Governance Policy.

The Board of Directors is organised in 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).

The Board of Directors operates as a whole or through various committees. The Company's senior management regularly shares performance reports to the Board of Directors.

The Board had 8 members as of March 31, 2025, with 4 Independent Directors (including two female Directors), 2 Executive Directors and 2 Non-Executive Directors. All other Directors, apart from the Independent Directors are subject to retirement through rotation.

#### **Board Level Committees**

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

### **Business Ethics and Transparency**

At Galaxy, we uphold the highest standards of business ethics and transparency across our operations. We recognise that ethical conduct is vital for our business and the broader impact we have on society and the environment. In the surfactants industry, where innovation, sustainability and stakeholder trust are paramount, our ethical approach strengthens our brand and ensures that we reinforce our identity as a responsible market leader.

#### **Zero Tolerance Policy**

Our ethical framework hinges on our Code of Conduct and Human Rights Policy, which underscore our commitment to integrity and ethical practices. We take a firm stance against corruption and anti-competitive behaviour, recognising that these practices harm fair competition and jeopardise environmental sustainability and human rights. Our policies ensure that all employees, contractors and business partners align with our values and ethical standards. maintaining trust and accountability throughout our supply chain.

# Nomination and Remuneration Policy

We are committed to responsible governance and long-term value creation through a structured and transparent nomination and remuneration framework. Our process identifies leaders with integrity, diverse experience and strategic vision. Performance evaluation and compensation for Directors, KMP and Senior Management are aligned with business objectives and stakeholder expectations, as detailed further in the Annual Report FY 2024-25.

#### **Whistleblower Policy**

Galaxy has a robust Whistleblower Policy that empowers employees, suppliers and other stakeholders to report unethical behaviour, including corruption, fraud and violations of the Company's policies. This policy ensures that whistleblowers are protected from retaliation and their concerns are addressed promptly and thoroughly. It is an integral part of fostering an ethical culture within the organisation.

Nature/Types of Breaches	FY 2023-24	FY 2024-25
Corruption and Bribery	0	0
Discrimination and Harassment	0	0
Customer Privacy Data	0	0
Conflict of Interest	0	0
Anti-competitive Practices, Anti-trust and Monopoly	0	0
Money Laundering or Insider Trading	0	0
Employee Misconduct	0	0
Workplace Harassment and Discrimination	0	0
Health, Safety and Environment Safety, Health and Environment (SHE) Breaches	0	0

#### **Grievance Redressal Policy**

We address employee or stakeholder grievances fairly and efficiently. Our Grievance Redressal Policy provides a structured framework for employees to report concerns and seek resolution. This policy promotes transparency, timely resolution and continuous improvement in our workplace practices.

### **Anti-corruption Policy**

Our comprehensive Anti-corruption Policy establishes clear guidelines for preventing corruption and bribery. This policy applies to all employees, contractors and business partners and sets expectations for ethical behaviour. Regular training and audits ensure compliance and any policy violation is met with immediate and stringent action.

### **Anti-competitive Behaviour**

At Galaxy, we uphold the principles of fair competition in our business activities. We strictly adhere to anti-competitive regulations, ensuring that our operations are free from practices that could distort the market. By promoting responsible business practices, we foster a competitive and transparent marketplace which benefits our stakeholders.







### **Board Diversity Policy**

The Board Diversity Policy at Galaxy ensures a balanced mix of Executive, Non-Executive and Independent Directors with diverse expertise. It aims to enhance decision-making, foster creativity

and improve corporate governance. The Nomination and Remuneration Committee oversees the selection of Directors, considering skills, experience and diversity. The policy mandates at least 50% Non-Executive Directors, a minimum of one woman Director and compliance with relevant regulations. The policy is reviewed periodically for updates.

and leaders and working teams

sustainability performance and

term environmental goals.

business responsibilities, ensuring

continuous progress towards long-

tasked with executing initiatives. The

Sustainability Cell meets quarterly

to assess and review the Company's

### Highest Governance Body for Sustainability and Incentives Linked to Environmental Issues

Board-level monetary incentives

environmental issues. Sustainability

at Galaxy is governed by a three-tier

which includes a Steering Committee

at the top, comprising the Board of

are tied to the management of

structure, the Sustainability Cell,

The highest committee responsible for sustainability at Galaxy is chaired by the Managing Director (MD) and Chief Operating Officer (COO), who are accountable for driving the Company's sustainability efforts. To ensure alignment with these objectives, 5% of total C-suite and

Directors, followed by process heads

#### **Employee Code of Conduct Conflict of Interest**

Our Code of Conduct lists the ethical principles and professional standards that guide our employees behaviour. This Code covers aspects such as respect for human rights, compliance with laws, sustainability and corporate social responsibility. We expect our employees to act with integrity, avoid conflicts of interest and uphold the Company's reputation in every aspect of their work.

We have a system for managing conflicts of interest, ensuring that our Directors and employees disclose potential conflicts annually. This transparency guarantees that we make our business decisions in the Company's and stakeholders' best interests, without undue influence. Any changes to disclosed interests are promptly communicated to the Board for review.

#### **Committees**

We have established various committees to oversee different aspects of governance, ethics and compliance. These committees play a crucial role in ensuring that Galaxy operates with the highest level of accountability. Our Audit Committee, CSR Committee, Risk committee, NRC Committee and Stakeholders Relationship Committee, among others, work together to monitor the implementation of policies, assess risks and promote ethical business practices across the organisation.

### **Training and Awareness**

To foster a culture of integrity, we conduct regular training programmes for our employees, suppliers procuring derivatives of oleo-chemicals as RSPO-certified as

per market demand. By integrating ethical considerations into our daily operations, we promote a sense of responsibility for product development, manufacturing

and sourcing, especially when dealing with raw materials critical to surfactants, such as palm oil and other sustainable ingredients.

#### Training on Compliance Programmes – Galaxy, India

Compliance Programmes	No. of Employees Covered	Percentage of Employees Covered
Policy Awareness (Code of Conduct, Whistleblower, Human Rights and ETI Codes)	1,761	98%
POSH Awareness (A step towards making our workplace safer and better)	1,761	98%
Cybersecurity Awareness Programme	250	14%



#### Transparency and Accountability

Transparency is integral to our operations, particularly in managing financial and environmental reporting. This commitment to transparency extends to our surfactant supply chain, where we work closely with suppliers who share our anti-corruption values. By integrating responsible sourcing practices, such as ensuring that our palm oil-derived products are RSPO certified where relevant to market needs, we contribute to sustainable supply chains that protect both the environment and communities.

#### **Reporting Mechanisms**

We have established clear and confidential channels, including 'Speak-up Boxes' and digital platforms, where employees and stakeholders can raise concerns anonymously. These mechanisms ensure that any issues related to ethical conduct, including potential misconduct in raw material sourcing or production, can be reported without fear of retaliation. Our focus on providing a safe space for reporting helps us maintain ethical conduct within our workforce and across business dealings.

#### **Monitoring and Assessment**

To ensure the effectiveness of our ethical initiatives, we regularly assess the progress of our policies. We set measurable goals and use specific indicators to evaluate the success of our actions. Through continuous monitoring, we identify improvement areas, aligning with regulatory standards and organisational values.

#### **No Legal Actions**

We have not faced any legal actions concerning anti-competitive behaviour as of this reporting period. This record reflects our proactive approach to compliance, internal controls and commitment to ethical business practices.





### **Human Rights**

Commitment to human rights is vital for ethical compliance and long-term success. We uphold these values across our value chain, ensuring responsible practices, seamless governance and business sustainability.

# Human Rights in Our Supply Chain

We expect our suppliers and business partners to uphold the same rigorous human rights standards as we do. We have integrated human rights considerations into our supplier selection process and conduct regular audits to ensure compliance with our Supplier Code of Conduct. This Code defines our expectations regarding fair labour practices, non-discrimination and environmental responsibility.

#### **Grievance Mechanism**

We collaborate with stakeholders—including employees, NGOs and industry associations—to communicate openly and address human rights concerns in our operations and supply chain.
Our robust grievance mechanism enables employees, suppliers and other stakeholders to report potential human rights violations. We thoroughly investigate every reported issue for prompt resolution.

#### **Commitment to Improvement**

At Galaxy, we are committed to continually enhancing our human rights practices. We regularly assess our policies and procedures to align with evolving international standards and best practices. We contribute to a fair and sustainable future by fostering responsible business conduct.



#### **Our Key Policies**

#### **Child Labour Policy**

Galaxy maintains a zero-tolerance stance towards child labour. Our people energy process ensures compliance with all national and local labour laws regarding minimum working age and verification. We are proud to report that we have not found any cases of child labour in our facilities or supplier audits.

#### **Forced Labour Policy**

We firmly oppose all forms of forced labour, including indentured, enslaved, or bonded labour. All work within our operations and supply chain is conducted under freely agreed and documented employment terms. Our rigorous recruitment practices reinforce our commitment to preventing forced labour.

## Non-Discrimination & Equal Opportunity Policy

Galaxy promotes a diverse and inclusive workplace. We ensure equal opportunity for all employees, regardless of race, gender, religion, age, disability, nationality, sexual orientation, or other protected characteristics.

## Compensation and Benefits Policy

We provide fair, competitive wages that meet or exceed legal requirements and align with industry standards. Our commitment to pay equity ensures equal compensation for equal work, irrespective of gender.

#### **Working Hours Policy**

Galaxy adheres to all working hours and overtime regulations.

#### Harassment and Violence Policy

We maintain a zero-tolerance policy against harassment or violence, including physical, verbal, sexual, or psychological abuse. Our goal is to ensure a safe, respectful workplace for all employees.

#### **Health and Safety Policy**

The well-being of our workforce is a top priority. Our comprehensive Health and Safety Policy reflects our commitment to maintaining a safe, healthy and sustainable work environment.

#### **Freedom of Association Policy**

We fully respect employees' rights to freedom of association and collective bargaining and actively encourage open communication and direct engagement between workers and the management.

### **Memberships of Associations**

We at Galaxy proactively approach regulatory development by working closely with industry and trade organisations. Research, dialogue and advocacy help craft policies that balance business interests with broader stakeholder benefits.

#### **Our Notable Associations and Memberships**

- Indian Chemical Council (ICC)
- American Cleaning Institute (ACI)
- Bombay Chamber of Commerce and Industry (BCCI)
- Basic Chemicals,
   Pharmaceuticals & Cosmetics
   Export Promotion Council
   (CHEMEXCIL)
- Indian Speciality Chemical Manufacturers' Association (ISCMA)

- TPM Club India
- CII Institute of Quality Renewable Energy Demand Enhancement (REDE)
- Taloja Manufacturing Association (TMA)
- Tarapur Industrial Manufacturer Association (TIMA)
- Jhagadia Industries Association (JIA)

- Thane Belapur Industries Association (TBIA)
- Roundtable on Sustainable Palm Oil (RSPO)

These memberships reaffirm our dedication to active engagement with industry peers and to shaping progressive policies and standards across the chemical and speciality chemicals sectors.



Signatory to Responsible Care Global Charter

# Carbon Disclosure Project (CDP)

Climate Change, Water Security and Forest Disclosure



Ordinary member of the Roundtable on Sustainable Palm Oil (RSPO)

The Valuable 500



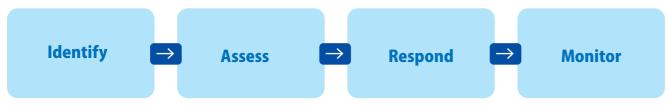
**EcoVadis** 

**Galaxy Surfactants Limited** Sustainability Report 2024-25



### **Risk Management Framework**

We at Galaxy adopt enterprise risk management (ERM) as a comprehensive strategy for proactively identifying, assessing and managing risks and opportunities that could affect the organisation's goals. The process follows these key steps:



#### **Identification of Risks and Opportunities**

The ERM process starts by systematically recognising internal and external factors that could significantly impact the achievement of our strategic objectives. This process includes identifying potential risks and opportunities for positive outcomes.

#### **Risk and Opportunity Evaluation**

After identification, we carefully evaluate each factor on two essential criteria:

#### Likelihood

The probability of the event occurring.

#### Magnitude of Impact

The potential financial and operational consequences for the organisation.

#### **Response Strategy**

Based on the risk and opportunity evaluations, we design tailored strategies, which include:

#### **Risk Mitigation**

Measures to reduce the potential negative impact of identified risks.

#### **Opportunity Maximisation**

Initiatives focused on seizing favourable opportunities to generate stakeholder value.

#### **Ongoing Monitoring and Enhancement**

ERM is a continuous process requiring regular tracking and evaluation. We consistently assess the implementation and success of our strategies, ensuring alignment with strategic goals and flexibility in response to changing market conditions.

### **The Value of Enterprise Risk Management**

Adopting an ERM offers us numerous benefits:

#### **Risk Reduction**

Early identification and mitigation of risks protect our capital and earnings from unforeseen adverse events.

#### **Value Generation**

Our ERM goes beyond avoiding risks. It enables us to seize new opportunities and create sustainable value for stakeholders.

#### **Stakeholder Assurance**

Our ERM focuses on safeguarding the interests of stakeholders, including shareholders, employees, customers, regulators and the communities we serve.

Our ERM is vital to our strategic decision-making framework, helping us navigate uncertainties with clarity and confidence.

#### **Climate Change-related Issues and Compliance** with Current and Future Regulations

#### **Risk Category**

**Mitigation Plan Owner Sustainability Process Head** 

Risk Trend - 🔼

#### **Risk Drivers**

- · Increase in emissions (quantity in absolute numbers due to increase in production quantities)
- Customers and investors seeking response and seeking adherence to minimum CDP Rating

#### **Current Status**

- · Corporate sustainability for 2030 based on four Pillars - Water, Waste, Climate Change and Green Supply Chain
- GHG accounting on a monthly basis
- Product carbon footprint of finished goods and actions wherever required
- Sourced 20% of renewable energy in FY 2024-25
- Shifted to Natural Gas from Coal; Partially shifted from Natural Gas to Bio-Briquettes

#### **Compliance with Circular Economy**

#### **Risk Category**

**Mitigation Plan Owner Sustainability Process Head** 

Risk Trend - 🔷

#### **Risk Drivers**

**EPR Regulation** compliance

#### **Current Status**

- · Reducing GHG emissions, water consumption and waste in FY 2024-25 through CEP projects
- Circular economy waste circularity roadmap and goals declared, many milestones achieved
- During FY 2024-25, suggestions and Kaizen initiatives at Galaxy were reviewed and implemented in a timely manner, with priority given to continuous improvement and operational excellence

#### Revenue Loss

### Risk Category

Mitigation Plan Owner **Business Creation (VP)** 

Risk Trend -

#### **Risk Drivers**

- Delay in know-how of new technologies/ products
- green products
- Increased cost of business continuity

#### **Current Status**

- innovation team
- Changing consumer behaviour - shifting to
- Solution-based Company - in-house project and
- In-house R&D team 111 patents granted to Galaxy since the year 2000
- Use of green chemistry principles

Risk Category External 



Preventable

Decreased

Strategic

Remained Unchanged





#### **Zero Deforestation**

#### **Risk Category**

**Mitigation Plan Owner Sourcing and Sustainability** 

Risk Trend - 🔼

#### **Risk Drivers**

#### · Oil palm traceability till plantation 100%

· Demand of 100% RSPOcertified products by developed market or any new regulations like EUDR

#### **Current Status**

- Galaxy is RSPO-certified since 2014
- Galaxy established oil palm traceability processes in 2016 and traceability till the mill and plantation levels is communicated annually to stakeholders

#### **Water Security**

#### Risk Category

**Mitigation Plan Owner** Conversion (VP)

Risk Trend -

#### **Risk Drivers**

- · Population Growth
- Water Stress
- Rising Temperature

#### **Current Status**

- All our operations in India follow a Zero Liquid Discharge (ZLD) system
- Implemented RWH projects within and outside the boundary

#### **Reputational Risk**

#### **Risk Category**



**Mitigation Plan Owner** 

Risk Trend - 🔼

#### **Risk Drivers**

Negative stakeholder feedback - customers, investors, shareholders, employees, customers, suppliers and environmentalists

#### **Current Status**

- · Allocation of resources
- · ISO compliant
- SEBI listing
- GRI and BRSR reporting
- Great Place To Work®certified Company

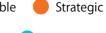
#### Risk Category External

**Risk Trend** Increased



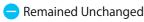






Decreased





### **Digital Transformation and Cybersecurity**

As a part of our broader commitment to environmental responsibility and operational efficiency, we integrate digital solutions that drive innovation, optimise resource utilisation and enhance transparency across our value chain.

Digital transformation is a key enabler of our sustainability strategy at Galaxy. These initiatives are categorised under five digital themes: sustainability and regulatory compliance, stakeholder experience, revenue growth, operational excellence and digital foundation. Our key digital initiatives supporting sustainability include:

#### **Collaborative ESG Platform**

A centralised system to track, monitor and improve Environmental, Social and Governance (ESG) performance in real-time.

#### **Sustainability Data Assessment**

Data-driven insights to enhance decision-making for sustainable operations.

#### **Product Traceability**

Ensuring responsible sourcing and lifecycle tracking to minimise environmental impact.

#### **IoT-enabled Safety** Surveillance

Advanced monitoring to enhance workplace safety and regulatory compliance.

#### **Digital Twin for Asset Lifecycle Management**

Reducing waste and optimising asset performance through predictive analytics.

#### **Operational Excellence** through Digitalisation

We are implementing Al-driven automation, cloud computing and IoT technologies to streamline workflows, reduce inefficiencies and lower our carbon footprint. Our key initiatives in this area include:

#### **Hybrid Integration Strategy**

Ensuring seamless digital transformation by integrating legacy systems with modern platforms.

#### **Intelligent Automation Use** Cases

Automating repetitive tasks to enhance efficiency and reduce resource consumption.

#### **Advanced Planning** and Scheduling

Optimising production processes to minimise energy consumption and waste.



#### **Empowering People and Processes**

Digital transformation is not just about technology—it is about people. Our initiatives focus on enhancing employee productivity, fostering a culture of continuous improvement and enabling informed decisionmaking. Some of our major measures in this area comprise:

#### **Knowledge Management System**

Facilitating seamless knowledge sharing across teams to drive innovation and best practices.

#### **Enhanced Employee Experience** through Metaverse

Exploring immersive technologies to improve employee engagement and training.

#### **Strengthened Project** Governance

Ensuring robust oversight of digital initiatives for maximum impact and accountability.





#### **Cybersecurity**

We have implemented a structured, three-phase cybersecurity roadmap to ensure a secure and resilient IT environment. Our major cybersecurity initiatives comprise:



### Data Security and Incident Response

#### 24/7 Cybersecurity Monitoring

A third party manages continuous threat detection and incident response, ensuring proactive risk mitigation.

#### **DLP (Data Loss Prevention)**

Advanced monitoring tools for networks and endpoints safeguard sensitive data.

#### **Phishing Awareness and Training**

Regular phishing simulations have decreased employee susceptibility from 50% to 20% in the past year.

#### Network and Endpoint Security

#### **Firewall and Network Monitoring**

Galaxy has successfully blocked multiple cyberattacks, including a Russian intrusion attempt.

#### ISO 27001 Compliance

A global cybersecurity policy framework has been implemented across Galaxy locations.

### Digital Transformation and Cybersecurity

#### OT and IT Threat Detection

Our IoT-based cybersecurity project (GIFT) ensures continuous threat detection across OT and IT systems.

### Enterprise-wide Security Framework

Cyber risk assessments are aligned with the organisation's digital transformation strategy, integrating cybersecurity into business growth and innovation.



### **Economic Sustainability**

At Galaxy, the finance department is referred to as the Resource Mobilisation & Utilisation (RMU) process, which plays a pivotal role in managing the Company's financial resources. The RMU process ensures that resources are mobilised and utilised efficiently to support the Company's growth objectives, while optimising financial performance and stakeholder value. By maintaining a strong focus on financial sustainability, the RMU process helps ensure the Company's continued profitability. While not directly responsible for driving sustainability initiatives, the process aligns financial strategies with broader corporate objectives, supporting the overall framework in which Galaxy operates, including environmental and social considerations.

#### **Aligning Finance with Sustainability**

Galaxy's approach to aligning finance with sustainability is grounded in the RMU Policy Statement, which outlines the principles that guide our financial management framework. The policy focuses on enabling sustained growth through effective resource mobilisation and utilisation ensuring that financial decisions support business expansion and sustainability initiatives. Our RMU framework includes:

- Strengthening Budgetary Control Systems: The RMU process ensures that the rolling plan and budgetary control systems provide precise financial planning and decision-making direction. This method enhances accountability and aligns financial outcomes with sustainability objectives
- Risk Management Integration:
  A risk policy framework is integrated within business and operations, helping de-risk the Company from financial uncertainties, including climate-related risks. The RMU process safeguards Galaxy's long-term financial health by identifying and mitigating risks
- Transparency and Data
  Management: The RMU process
  promotes transparency through
  integrated, online validated data
  management systems, ensuring
  accurate financial reporting and
  seamless management control.
  This approach fosters a culture
  of ownership and accountability
  across the organisation

### Financial Implications: Risks and Opportunities Due to Climate Change

Climate change presents risks and opportunities for Galaxy, with significant financial implications for our business operations. The RMU process continually assesses these implications to ensure the Company remains resilient amid environmental challenges.

#### **Key Risks**

#### **Regulatory Risks**

As governments introduce stricter environmental regulations non-compliance may have financial implications. The RMU process monitors these regulations and allocates resources to ensure compliance without disrupting operations.

#### **Supply Chain Disruptions**

Climate change may affect the supply of raw materials, increasing costs and disrupting supply chains. The RMU process collaborates with the supply chain team to identify alternative suppliers and secure sustainable sources of materials, reducing exposure to climate-related risks.

#### **Key Opportunities**

#### **Green Investments**

With the growing demand for eco-friendly products, Galaxy sees opportunities for investment in sustainable technologies. The RMU process ensures that financial resources are allocated to green projects that align with sustainability and business growth.

#### **Cost Savings**

Implementing energy-efficient technologies and reducing waste can lead to cost savings. The RMU process supports these initiatives by allocating funds to energy-efficient infrastructure and sustainable manufacturing practices.

Galaxy Surfactants Limited Sustainability Report 2024-25





#### Economic Performance (in Cr)

		W	ithout Conside	ring Donations						After Considerin	g Donations		
Particulars		Consolidated			Standalone		Particulars		Consolidated			Standalone	
	2024-25	2023-24	2022-23	2024-25	2023-24	2022-23		2024-25	2023-24	2022-23	2024-25	2023-24	2022-23
Total Revenues from Operations	4,223.67	3,794.38	4,464.03	3,001.27	2,745.24	3,178.05	Total Revenues from Operations	4,223.67	3,794.38	4,464.03	3,001.27	2,745.24	3,178.05
Other Income	25.81	35.46	9.85	26.45	23.98	5.98	Other Income	25.81	35.46	9.85	26.45	23.98	5.98
Total Income	4,249.48	3,829.84	4,473.88	3,027.72	2,769.22	3,184.03	Total Income	4,249.48	3,829.84	4,473.88	3,027.72	2,769.22	3,184.03
Operating Expenses (excluding Employee Benefit Expenses)	3,431.98	3,051.80	3,643.25	2,543.18	2,267.43	2,674.49	Operating Expenses (excluding Employee Benefit Expenses)	3,431.98	3,051.72	3,643.23	2,543.18	2,267.35	2,674.47
Employee Benefit Expenses	302.54	275.46	248.05	171.08	154.92	140.58	Employee Benefit Expenses	302.54	275.46	248.05	171.08	154.92	140.58
Interest & Finance Charges	19.25	22.40	21.70	16.59	12.32	12.32	Interest & Finance Charges	19.25	22.4	21.7	16.59	12.32	12.32
Government as Taxes (Income Tax)	75.57	73.07	91.26	51.16	60.39	72.01	Government as Taxes (Income Tax)	75.57	73.07	91.26	51.16	60.39	72.01
Dividends	14.18	14.18	127.64	141.82	14.18	127.64	Dividends	14.18	14.18	127.64	141.82	14.18	127.64
Donations/CSR Expenses	4.92	4.90	4.45	4.92	4.90	4.45	Donations/CSR Expenses	4.92	4.98	4.47	4.92	4.98	4.47
Economic Value Retained	401.04	388.03	337.53	382.61	255.08	140.58	Economic Value Retained	415.22	388.03	337.53	382.61	255.08	152.54
Profit Before Tax	380.45	375.47	472.95	224.77	267.01	287.61	Profit Before Tax	380.45	375.47	472.95	224.77	267.01	287.61
Profit After Tax	304.91	301.47	380.98	173.82	200.34	214.01	Profit After Tax	304.91	301.47	380.98	173.82	200.34	214.01



#### Our Approach to Tax Strategy and Compliance

We adhere strictly to tax laws and regulations in all countries where we operate. The RMU process ensures full compliance with all tax policies, ensuring that the Company upholds fiscal responsibilities while supporting sustainability goals.

The RMU process ensures that reinvestment decisions align with business and sustainability goals, ensuring that financial growth contributes to long-term value creation for our stakeholders. The key principles of our tax strategy include:

#### Compliance with Tax Laws

The RMU process ensures that all financial operations comply with economic and revenue laws in the countries where we do business. This approach includes timely filing of taxes and adherence to local tax regulations.

#### No Tax Avoidance

We maintain a transparent approach to taxation, shunning tax avoidance or aggressive tax planning. We are committed to contributing our fair share to the economies where we operate, building trust with stakeholders and regulators.

#### GRI 207-1, 207-2, 207-3

# Responsible Marketing and Labelling

Galaxy is committed to maintaining the highest standards of transparency in marketing and labelling, ensuring consumers have accurate, clear and comprehensive information about the sustainability aspects of the products they purchase. Our key responsible marketing practices comprise:

#### **Transparent Product Labelling**

We provide clear and honest labelling that highlights our products ecofriendly and sustainable features, such as biodegradable ingredients and recyclable packaging.

#### **Ethical Marketing Practices**

Our marketing initiatives aim to educate consumers on the benefits of sustainable consumption, foster awareness of environmental issues and encourage responsible choices.

110 tax regulations.



# **AWARDS AND RECOGNITIONS**

#### **Best Supply Chain, Logistics** and Distribution **Company of the Year**

3<sup>rd</sup> Edition, Bharat Logistics and Supply Chain Conclave and Awards 2024



16<sup>th</sup> Edition, Express Logistics & Supply Chain Leadership award, Jan 2025.



Supply Chain And Logistics Excellence Award (SCALE) -Confederation of Indian Industry (CII)

#### **Bronze Innovation Award by DETEX**

**DETEX** 

#### **HPCI Innovation Award**

HPCI India (Expo Nova **Exhibitions & Conferences** (India) Pvt. Ltd.

#### **Recognised for The Great Indian** Sustainable IP **Practices**

Transformance

#### **Top 15 Supply Chain Champions**

ISCM (Institute of Supply Chain Management)



2<sup>nd</sup> Edition, The Business **Innovation Conference** & Awards



**EQ** Magazine



Awarded Galaxy for achieving three consecutive years in Audit by J&J

Kenvue (Former J&J)

#### Responsible care certificate

from ICC with logo permission for 3 years valid up to February 2028

ICC



All 13 Kaizen Team under Allied Quality Circle (AQC)

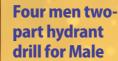
**Annual Convention Chapter** on Quality Concepts (ACCQC - 2024) by (QCFI, Ankleshwar)

### **Best CSR Project**

**UBS Forum** 

### Top 5 Great Places to Work in the **Indian Chemical Industry**

**GPTW** 



Maharashtra Fire Services



5 Kaizen Team under Allied Quality Circle (AQC)

National Convention on Quality Concepts (NCQC) -2024 at Gwalior by QCFI

**Par Excellence Award** 1 Kaizen Team under Allied Quality Circle (AQC)

National Convention on Quality Concepts (NCQC) - 2024 at Gwalior by QCFI



### **GOLD Award**

Innovative Kaizen

50th National Level Kaizen Competition by CII at Chennai in Oct-2024

#### 49th CII – Kaizen Competition

Blends Production capacity improvement at M3-Active section

CII

#### **Golden Award Innovation zone** award

Cosmetic Ingredients International Expo (CIIE), Chennai 2024



In-cosmetics Global 2025



Best **Sustainability** Award

Cavin Care



#### **Supply Chain** Champion

Institute of Supply Chain Management (ISCM)





















## **UN SDG INDEX**

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SDG 2: Zero Hunger	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	81
SDG 3: Good Health and Well-being	Ensure healthy lives and promote well-being for all at all ages	65, 81
SDG 4: Quality Education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	65
SDG 5: Gender Equality	Achieve gender equality and empower all women and girls	65, 81
SDG 6: Clean Water and Sanitation	Ensure availability and sustainable management of water and sanitation for all	47, 81
SDG 7: Affordable and Clean Energy	Ensure access to affordable, reliable, sustainable and modern energy for all	47, 81
SDG 8: Decent Work and Economic Growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	65, 81, 93
SDG 9: Industry, Innovation and Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	27, 39, 81
SDG 10: Reduced Inequalities	Reduce inequality within and among countries	65, 81
SDG 11: Sustainable Cities and Communities	Make cities and human settlements inclusive, safe, resilient and sustainable	65
SDG 12: Responsible Consumption and Production	Ensure sustainable consumption and production patterns	27, 39, 47
SDG 13: Climate Action	Take urgent action to combat climate change and its impacts	47, 81, 93
SDG 14: Life Below Water	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	81
SDG 15: Life on Land	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss	47, 81
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## **GRI INDEX**

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2-4 Restatements of information	About the Report	Restatements	2
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2-19 Remuneration policies		Principle 5	
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2-21 Annual total compensation ratio	BRSR	Principle 5	
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2-23 Policy commitments	Upholding our Green Supply Chain, Leadership BRSR	Sustainable Palm Oil Policy, Business Ethics and Transparency, Board Diversity Policy, Human Rights, Cybersecurity Section B, Principle 5, Principle 9	41, 99, 100, 102, 108



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Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Sustainability Report - Page 52 BRSR Principle 6	Metric tonnes (t) CO <sub>2</sub> -e, Percentage (%)	RT-CH- 110a.1
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets and an analysis of performance	Sustainability Report - 53-54 BRSR - Principle 6	n/a	RT-CH- 110a.2
Air Quality	Air emissions of the following pollutants:	Sustainability Report - Page 55	Metric tonnes (t)	RT-CH- 120a.1
	(1) NO <sub>x</sub> (excluding N <sub>2</sub> O)	BRSR - Principle 6		
	(2) SO <sub>x</sub>	=		
	(3) volatile organic compounds (VOCs)	-		
	(4) hazardous air pollutants (HAPs)	-		
Energy	Types of Energy Management		Gigajoules	RT-CH-
Management	(1) Total energy consumed,	Sustainability Report - 49 BRSR - Principle 6 page 48	- (GJ), Percentage (%)	130a.1
	(2) percentage renewable,	Sustainability Report - 4 BRSR - Principle 6	-	
Water Management	(1) Total water withdrawn	Sustainability Report - 16 BRSR - Principle 6	Thousand cubic metres (m³), Percentage (%)	RT-CH- 140a.1
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Sustainability Report - 57-59	n/a	RT-CH- 140a.3
Hazardous Waste Management	(1) Amount of hazardous waste generated,	Sustainability Report - 61 BRSR - Principle 6	Metric tonnes (t), Percentage (%)	RT-CH- 150a.1
	(2) percentage recycled	Sustainability Report - 61 BRSR - Principle 2, Principle 6	-	

Topic	Metric	Location	Unit Of Measure	Code
Workforce Health & Safety	Fatality rate	Sustainability Report - Page 73	Rate	RT-CH-320a.1
	Description of efforts to assess, monitor and reduce exposure of employees and contract workers to long-term (chronic) health risks	Sustainability Report - 72 BRSR Principle 6	n/a	RT-CH-320a.2
Management of Legal & Regulatory Environment	Discussion of corporate positions on key regulations/policies affecting the industry	Sustainability Report - Page 41	n/a	RT-CH-530a.1



### LIST OF ACRONYMS

ACI - American Cleaning Institute	AMET - Africa, the Middle East, Turkey
APAC - Asia-Pacific	ATFD - Agitated Thin Film Dryers
BCCI - Bombay Chamber of Commerce and Industry	BOD - Biochemical Oxygen Demand
CDP - Carbon Disclosure Project	BSS - Behavioural Based Safety
CII - Confederation of Indian Industry	CHEMEXCIL - Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council
CSR - Corporate Social Responsibility	CMR - Carcinogenic, Mutagenic and Reprotoxic
DISH - Directorate of Industrial Safety and Health	COD - Chemical Oxygen Demand
ECC - Emergency Control Centres	EBITDA - Earnings Before Interest, Taxes, Depreciation and Amortisation
ERM - Enterprise Risk Management	ECHA - European Chemicals Agency
EWC - Employee welfare council	ESG - Environmental, Social and Governance
FAE - Fatty Acid Esters	FA - Fatty Alcohols
GHG - Greenhouse Gases	GRI - Global Reporting Initiative
GMP - Good Manufacturing Practice	GHS - Globally Harmonised System
HAZOP - Hazard and Operability Study	HAC - Hazard Area Classification
HIRA - Hazard Identification and Risk Assessment	IATA - International Air Transport Association
IBCs - Intermediate Bulk Container	ICC - Indian Chemical Council
ILO - International Labour Organisation	IMDG - International Maritime Dangerous Goods
IPCC - Intergovernmental Panel on Climate Change	ISCMA - Indian Specialty Chemical Manufacturers' Association
JIA - Jhagadia Industries Association	ISCC plus-International Sustainability and Carbon Certification
KPI - Key Performance Indicator	JSA - Job Safety Analysis
LITFR - Lost Time Injury Frequency Rate	KRA - Key Result Area
ML- Megalitre	MEE - Multiple Effect Evaporators
MSDS - Material Safety Data Sheets	MSMEs - Micro, Small and Medium Enterprises
NDC - National Drug Code	NGOs - Non-governmental Organisations
NDPE- No Deforestation, No Peat, No Exploitation	ODS - Ozone Depleting Substances
NRC - Nomination and Remuneration Committee	PAT - Profit After Tax
OHS - Occupational Health and Safety	POSH - Prevention of Sexual Harassment
PM - Particulate Matter	R&D - Research & Development
PSSR - Pre-Start up Safety Review	RSPO - Roundtable on Sustainable Palm Oil
REDE - Renewable Energy Demand Enhancement	SDGs - Sustainable Development Goals
SCBA - Self-Contained Breathing Apparatus	SPCB - State Pollution Control Board
SHE - Safety, Health and Environment	tCO <sub>2</sub> e - Tonnes of Carbon Dioxide Equivalent
STK - Safety Training Kiosk	TMA- Taloja Manufacturing Association
TIMA - Tarapur Industrial Manufacturers Association	TRIFR - Total Recordable Injury Frequency Rate
TPM - Total Productive Maintenance	UOM - Unit of Measurement
VDF- Verification and deforestation free	YoY - Year on Year
WASH - Water, Sanitation and Hygiene	ZLD - Zero Liquid Discharge
WESAP - Waste Elimination Suggestion Award Programme	

### **ASSURANCE STATEMENT**

#### 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 was engaged by Galaxy Surfactants Limited (GSL) to perform assessments to provide an independent and limited assurance of its Sustainability Report for the Financial Year 2024-25 (hereafter referred to as "the Report").

#### Intended User

The assurance statement is made solely for "Galaxy Surfactants Limited (GSL) and their stakeholders" as per the governing contractual terms and conditions of the assurance engagement contract between "Galaxy Surfactants Limited (GSL)" and "Bureau Veritas". To the extent that the law permits, we owe no responsibility and do not accept any liability to any other party other than "Galaxy Surfactants Limited (GSL)" for the work we have performed for this assurance report or for our conclusions stated in the paragraph below

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.
- > Verification of existing processes and methods of data collection and reporting
- > Verification, on a sample basis, of evidence supporting the data and information provided in the Report.
- > Verification of the sample data and information on selected material topics reported.
- > Assessment of the consistency between the data for the selected sustainability performance indicators and the related written comments in the narrative of the Report.
- > Assessment of the Company's process for compliance with legal obligations/disclosures.
- > Completion of assurance statement for inclusion in the report, which will reflect the verification of findings and conclusions.
- Review of non-financial, sustainability performance disclosures data carried out based on the review of data provided for respective units along with related backup; site visits and off-site audio-visual meetings through ICT (Information and Communication Technology) tools and discussions and interview with the concerned personnel from respective sites as listed below, and verifying key performance disclosures through the data provided:
- Verifying the reliability and accuracy of data on a sample basis.
- > Reviewing the processes deployed for collection, compilation, and reporting of sustainability performance non-financial disclosures.
- > Confidential interaction with workmen and suppliers.

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- > Gap assessment in the data compilation against each non-financial disclosure and present Sustainability Report w.r.t. GRI Standards Framework
- > Classifying observations and findings and issuance of Assurance Statement.

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Galaxy Surfactants Limited Sustainability Report 2024-25

#### **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 2024 to 31st March 2025 aligned with the GRI Standards performed for their following operations:

- On-site assessments were performed at the corporate office and 4 manufacturing sites as follows:
  - Corporate TTC and MBP Office, Navi Mumbai
  - Manufacturing Site at Taloja, Raigad District
  - Manufacturing Sites at Tarapur, Palghar
  - Manufacturing Site at Jhagadia, Bharuch District, Gujarat
- Off-site assessments were performed for their overseas manufacturing sites, GCE Egypt and TRI-K, Derry (USA).

The review of the non-financial sustainability performance disclosures is limited to the operations of GSL India, GCE (SAE) and Tri-K Industries as described in the reporting boundary in the Sustainability Report.

The 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:

- · Verification, on a sample basis, of evidence supporting the data.
- Verification of the sample data and information on selected material topics.
- Assessment of the suitability between the backup data and the information presented in the sustainability report.
- The general and topic-specific non-financial sustainability standard disclosures are subject to limited assurance based on the extent of information made 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 offered for assurance were as follows:

#### **Universal Standard**

#### **General Disclosures**

Organizational and its reporting practices (2-1 to 2-30)

#### **Disclosures on Material topics**

> Process to determine material topics (3-1 to 3-3))

#### Topic Disclosures

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- > Ratios of standard entry level wage by gender compared to local minimum wage (202-1)
- ➤ Infrastructure investments and services supported (203-1)
- Proportion of spending on local suppliers (204-1)
- > Anticorruption (205-1 to 205-3)
- > Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices (206-1)



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#### **Topic-Specific Standard Disclosures**

Materials (301-2 and 301-3)

#### **Environment**

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

#### Social

- Employment (401-1 to 401-3)
- Minimum notice periods regarding operational changes (402-1)
- > Occupational Health and Safety (403-1 to 403-10)
- > Training and Education (404-1 to 404-3)
- Diversity and Equal Opportunity (405-1,405-2)
- ➤ 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)
- Political contribution (415-1)
- 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
     <a href="https://www.globalreporting.org/standards/download-the-standards/">https://www.globalreporting.org/standards/download-the-standards/</a>
     where the methodology can be found.

#### **Limitations and Exclusions**

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The following elements and any verification of information relating to them are excluded from the scope of

- 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".
- The claim of achieving water positivity index of 1.4 during the year 2021, across its operations, ZLD (Zero Liquid Discharge) at manufacturing plants, made by GSL, is based on an assessment conducted by a third party other than Bureau Veritas.
- Compliance with any Environmental, Social, and legal issues related to the regulatory authority.
- Any of the statements related to company aspect or reputation.
- This Type 2 moderate assurance engagement relies on samples of sustainability data selected using risk-based approach 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.

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# Galaxy Galaxy Global Substitute to Global Stand

#### **Assurance Statement**

#### 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 Type 2 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 moderate 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. Type 2 moderate assurance consists primarily of inquiries and analytical procedures. The procedures used to perform a moderate assurance engagement vary in nature and timing and are less in extent than for a "High" (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.

Responsiveness: Galaxy is responding to those issues it has identified as material and demonstrates this in its policies, objectives, indicators and performance targets. The company has taken various initiatives towards delivering environmentally friendly services along with occupational health and safety, appropriate measures for emergency handling, control and risk management in its operations

#### Impact

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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).
- Reviewing Galaxy Surfactants Limited (GSL) systems for quantitative data aggregation and analysis.
- 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.
  - 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 previous year's values 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
  - reviewing the current sustainability issues that could affect Galaxy Surfactants Limited (GSL) and area of interest to stakeholders.
  - g. reviewing Galaxy Surfactants Limited (GSL) overall approach to stakeholder engagement

#### Conclusions

#### Type 2 moderate assurance

Based on our methodology and the activities described above:

- Nothing has come to our attention to indicate that the selected information under the current 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, employee's training and 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 196 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 Quality Management System 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), across their businesses to ensure that employees maintain integrity, objectivity, professional competence, due care, confidentiality, and high ethical standards in their day-to-day business activities.

The assurance team involved in this work does not have any involvement in implementation or support in preparation of inputs to this assurance for Galaxy Surfactants Limited (GSL).

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Sustainability Report 2024-25

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#### **Assurance Statement**

#### Competence

The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems, and processes and an excellent understanding of Bureau Veritas standard methodology for the assurance of Sustainability Report as per Global Reporting Initiative (GRI) Standards as well as BRSR standard

#### Restriction on the use of Our Report

Our Type 2 moderate assurance report for GSL's Sustainability Report has been prepared and addressed to the Board of Directors of the Company at the request of the company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addresses of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.



Anantha PRABHU Lead Assurer

Bureau Veritas (India) Private Limited

**Date: 23rd June 2025** 

Munji Rama Mohan RAO **Technical Reviewer** Bureau Veritas (India) Private Limited

**Date: 24th June 2025** 



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### **NOTES**


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