

MISSION

2030



2010

**SUSTAINABILITY REPORT**

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# CONTENTS



03

1. About the report



06

2. Theme of the year



09

3. Awards and accolades



12

4. Message from the MD's desk



15

5. Operating environment



21

6. Company profile



27

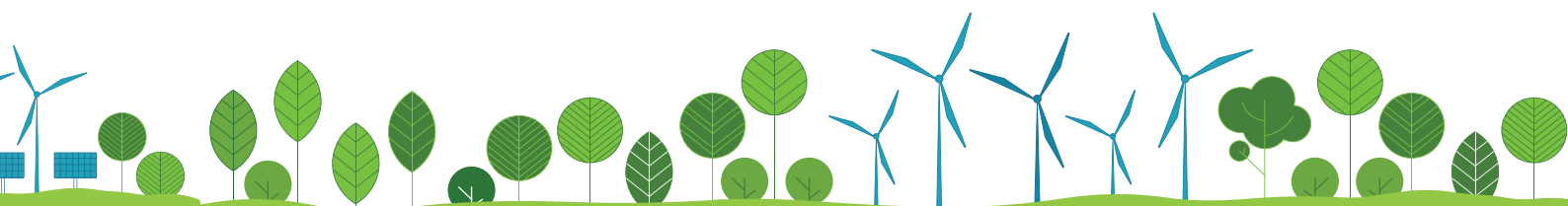
7. Corporate governance



35

8. Key products, applications, markets





|  |  |
|--|--|
|  <p><b>39</b><br/>9. Approach to value creation</p>              |  <p><b>43</b><br/>10. Value creation model</p>                      |
| <p><b>47</b><br/>11. Stakeholder engagement and material issues</p>  |  <p><b>53</b><br/>12. Outlook, strategy and resource allocation</p> |
|  <p><b>57</b><br/>13. Key impacts, risks, and opportunities</p> |  <p><b>61</b><br/>14. Disclosure of key of material issues</p>     |
| <p><b>91</b><br/>15. Annexures - GRI content index, glossary, and assurance statement</p>  |   |









1

# ABOUT THE REPORT

[GRI 102-45, 46, 48-54]





It is our pleasure to present the **11<sup>th</sup> Sustainability Report** in which we share Galaxy's sustainability performance. This report has been prepared in accordance with the **GRI Standards: Core option**. The **GRI content index** is at the end of the report in chapter 17. The report covers sustainability data and information for the identified material topics considering the reporting boundary as the operations in India. Our material topics have been identified through survey and stakeholder engagement process as described in chapter 13.

## Reporting Year and Cycle

This sustainability report follows a one-year reporting cycle. The content is based on our annual reporting year which is from 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022. The previous Sustainability report was published on 21<sup>st</sup> September 2021 based on Global Reporting Initiative (GRI) Standards 2016. Communication of the report is done through print and electronic media. The electronic copy of this report is available on the company website.

## Data Validation and Assurance

During the reporting year, we have sought external assurance of the Sustainability Report. This report is verified and assured by Bureau Veritas (INDIA) PVT. LTD as per the assurance statement mentioned in the last section of the report. The report is prepared by competent team members





of Business Process Excellence, Galaxy Surfactants Ltd. as per the internal procedure of Sustainability Reporting. Inputs for the report are provided by relevant processes of Galaxy Surfactants Ltd. There is no restatement of information in this report. The report is published after review and approval from senior management.

We invite you to share views and feedback at [sustainability@galaxysurfactants.com](mailto:sustainability@galaxysurfactants.com). To know more about our sustainability initiatives, please visit our website link: [www.galaxysurfactants.com](http://www.galaxysurfactants.com)

## Group Sustainability, A Way of Life - Galaxy Surfactants

In legalese: No part of this report may be reproduced, or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording, or by any information storage or retrieval system, without the prior written permission of the organisation.

## Forward-looking statement

Statements in the report describing the company's objectives, expectations, targets, or forecasts may be forward-looking. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'expects', 'target', 'project', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe that we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties, and realisation of assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should bear this in mind.



2

# THEME OF THE YEAR

With a glorious decade of ESG inclusion in its strategy and operations, tall commitments in all the key aspects of Sustainability, and laudable achievements, Galaxy Surfactants chooses to scale further heights in Corporate Responsibility, 2030, being a crucial year in both the national and global agenda of sustainable development, the company has embarked upon its Mission 2030 to serve its customer with value-added products, manufactured responsibly.

In this report, we are sharing our further aspirations of business success in all aspects of the business as “Mission 2030”.





# MISSION

# 20

# 30



# 2010







A hand is holding a silver trophy cup. The cup has a wide, flared rim and a stem decorated with a green and gold braided pattern. The background is a dense forest of green trees with sunlight filtering through the leaves, creating a bokeh effect. The overall scene is bright and celebratory.

3

# **AWARDS AND ACCOLADES**













## Message from the Managing Director

### *Esteemed Stakeholders,*

I am pleased to share our 11<sup>th</sup> Sustainability Report for the Financial Year 2021-22 the year of transformation and exploration of Science Based Targets. For the last decade, Galaxy has integrated sustainability into its day-to-day working.

Currently, the NET ZERO movement started to make positive progress. NET ZERO TARGETS may not be uniform yet it provides an equal opportunity to everyone who would like to contribute towards making a positive change. NET ZERO, Carbon-Offset, Circular Economy, Green Products, Water stewardship, and Life Cycle Assessment provide an opportunity to make a significant positive impact. Organizations need to embrace these initiatives to trace a sustainable growth path.

**Galaxy is one of the few Indian companies which is 1.4x water positive.**



Galaxy's MISSION 2030 is a focused approach on climate change, circular economy, and water stewardship which entails the following goals. Galaxy declared Sustainability Goals for the current decade as Mission 2030. Goals are captured as mentioned below.

- **Climate Change:** Following a pathway of 1.5/2 Deg. Celsius
  - o Renewable electricity Shares: 100% by 2030-31
  - o Implementation of ISO 50001:2018, Energy Management System in India and Egypt Location by FY:2025-26
  - o Planting of 1 lakh tree by FY: 2030-31
- **Circular Economy:** Rethinking and transforming full value chains to create a system in which waste is designed out entirely
  - o 100% waste circularity by FY: 2030-31
- **Water Stewardship:** Bringing positive impact on organization and society
  - o Net water positive by FY: 2021-22 India Corporate level

**INNOVATING SUSTAINABLY:** Our products are designed to be intrinsically safe and sustainable using natural components while following the 12 Principles of Green Chemistry. Our **Green and naturally Advanced Amino Acid Mild Surfactants based on sustainable green chemistry have performed well as they are aligned with the Clean, Conscious, and Circular Beauty trends.**

During the year we launched:

**Galsoft® SLL: A versatile, natural and green multifunctional ingredient** that improves the attributes of personal care products and their applications. This COSMOS-certified product is environmentally friendly and is **100% derived from natural ingredients.**

**Galaxy Hearth® Mix Pods** is a ready mix concentrate for the preparation of Laundry Pods or Capsules. **Powered by plant-based surfactants**, the prepared concoction is carefully crafted to deliver adequate wetting, cleansing, and detergency.

During the year, 3 patents were granted for 3 inventions, and we have filed 4 more patent applications. These products shall form part of our environment-friendly new-age products basket.

## CSR – KEY HIGHLIGHTS

CSR is not mere compliance but an opportunity to serve the community. Galaxy aims at empowering and transforming society through its various CSR projects. The Financial Year

2021-22 saw Galaxy taking rapid strides in water conservation. **Galaxy is one of the few Indian companies which is 1.4x water positive. This means during the calendar year 2021, Galaxy has conserved 1.4x more water than it has consumed.** Every woman is entitled to Dignity, Privacy, and Safety, and as a part of our **Women Empowerment (Stree Unnati) program**, we constructed sanitation facilities for the underprivileged women of Randedi village, Jhagadia. Under the **Environment Protection program (Vatavaran Suraksha)**, Galaxy planted 13,925 trees during the year.

## Organisation's Achievements in FY:21-22

Further, I would also like to highlight some of the key accomplishments during the FY: 2021-22

- Galaxy Surfactants, Taloja plant was conferred with the **CII Excellent Energy Efficient Unit award** and was also conferred with the **CII GreenCo Star Performer Award (Silver level).**
- Bagged the esteemed Indian Chemical Council's Acharya P.C. Ray Award for Development of Indigenous Technology, 2020 for indigenously developing 'Galguard Lipo G' – A patented, non-toxic, antimicrobial preservative technology for personal care products. (Declared in Financial Year 2021-22).
- Awarded for the 3rd time for the coveted Great Place to Work® certification on the strength of achievements made in the areas of Management Competency, Physical Safety at the Workplace, and Contribution to Society.
- Galaxy Surfactants Ltd. is in the **top 30 companies in BW Business World India's most Sustainable Companies** list.
- Galaxy Surfactants Limited's sustainability report received- ESG Report of the Year by Transformance.

As a famous phrase goes by, Earth belongs to those who are living, but it also belongs to those who are dead and to those yet unborn. We must appreciate the differences and try our best to see a future.

I am positive that in another 10 years we will achieve many more things and will be surprised by our own efforts, and success. As time passes evolution takes place and earlier challenges fade away. Let's unite to create a sustainable future.

Thank You, Ladies and Gentlemen. Stay Safe – Stay Healthy.

Yours Sincerely,

**U. SHEKHAR**  
MANAGING DIRECTOR









5

# **OPERATING ENVIRONMENT**



The operating environment of Galaxy is continuously influenced by developments in the Home and Personal Care industry. The company has implemented several sustainability initiatives that have helped in minimizing the environmental impacts of operations and actively contributed to the social and economic development of the communities. For long-term

Sustainability, it is imperative that the business continuously scans its environment and revisits its business priorities with inclusivity from all stakeholders.

The key technological, social, legislative, and regulatory landscapes that affect the business of Galaxy are discussed below.



## Innovation and Technological

As manufacturers and customers shift towards eco-friendly and convenient products, the home, and personal care industry will be modernised in this decade. This is stimulating industrial green innovation. Galaxy anticipated this change

well in advance and is well-equipped to align with emerging trends through a robust innovation process. During the year, the Company launched 2 new products driven by sustainable trends.

Overall, the year has sparked a transition in the home and personal care industry, and over the next decade, the Company expect to witness a paradigm shift in this sector. Galaxy strives to align with the developing needs of the future and set for futuristic breakthroughs.

The innovation philosophy of "Consumer to Chemistry" drives the company to proactively identify consumer insights by analysing market trends and forming strategic intellectual partnerships with our clients.



**Our products are designed to be intrinsically safe and sustainable using natural components while following the 12 principles of Green Chemistry**

## In FY 2021-22, The Company Launched

### Galsoft® SLL

Natural, green multifunction ingredient  
COSMOS-certified product  
Environmentally Friendly  
100% derived from natural ingredients

**81**

Patent Granted  
to Galaxy (since 2000)

**03**

Patent Granted  
In FY 2021-22

### Galaxy Hearth® Mix Pods

Ready mix concentrate for the preparation of Laundry Pods or Capsules Powered by plant-based surfactants  
Deliver adequate wetting  
Excellent cleanser and detergent



## Social

Some of the socioeconomic problems in India are low levels of national income and per capita income; vast inequalities in income and wealth; predominance of agriculture; tremendous population pressure; massive unemployment, among others. The COVID-19 pandemic during the last two years has increased issues of health and livelihood.

It is therefore incumbent that organisations are accountable to society. Galaxy's numerous CSR initiatives strive to empower and transform society. The Company's Corporate Social Responsibility (CSR) policy is formulated keeping in view the holistic development of the community and the environment, which are directly impacted by the Company's operations. Galaxy strives to touch as many lives as possible through the Company's CSR initiatives manifested through upliftment, support, enlightenment, relief, and development work.

The growth of an organisation is determined by the pace of growth of its people. Galaxy is committed to building a high-performance learning culture in which the employees feel challenged and rewarded and have a comprehensive opportunity to demonstrate their skills and abilities. The Company's key focus is on the expansion of cross-functional capabilities, building domain expertise of its people, and also developing leadership at each level.



## Safety and Health

The Occupational Health and Safety (OHS) scenario in India is complex. Unprecedented growth and progress go hand in hand with challenges such as a huge workforce in unorganized sector, meagre public spending on health, inadequate implementation of existing legislation, lack of reliable OHS data, shortage of OHS professionals, the multiplicity of statutory controls, the apathy of stakeholders and infrastructure problems. Some of the major occupational risks are accidents, pneumoconiosis, musculoskeletal injuries, chronic obstructive lung diseases; pesticide poisoning, and noise-induced hearing loss.

The three most important OHS needs in India are

- Legislation to extend OHS coverage to all sectors of working life including the unorganized sector.
- Spreading awareness about OHS among stakeholders.
- Development of OHS infrastructure and OHS professionals. Other issues include the integration of occupational health with primary health care.









## Environment and Climate Change

In line with the global and national commitments towards a decarbonised economy, Galaxy seeks to distinguish environmental and social issues from economic growth. The company's goal is to separate economic expansion from environmental and social issues and move towards a cleaner and greener environment.

With Sustainability - a way of life at Galaxy, we have embarked on a journey of sustainable growth across all geographies of our operations.

Galaxy keeps improving its sustainable performance and practises by using management systems that are applicable worldwide. Galaxy strives to minimize environmental impact by setting long-term sustainability goals. The company has made considerable progress toward sustainability and environmental management goals during the past few years.



## Scaling up Digital Presence

The current digital transformation in India presents immense opportunities for conducting business in a faster, paperless way. Digitalisation of processes also improves accuracy and lowers the carbon footprint, especially related to business travel. Digital adaptability is the norm, and this will have a significant impact on how business is done over the next ten years. While work-from-home opportunities and internet marketing campaigns rapidly spread around the world gained popularity. Galaxy has made considerable investments to increase its digital capabilities and security.

Galaxy constantly endeavours to completely adapt to the technological developments taking place in the fields of digitalization, information, and cyber security. Many operational areas are being examined and converted to digital workflows, which improve efficiency. Galaxy is aware of the risks involved with data loss and cybersecurity due to the rising cybersecurity threats. To strengthen the security environment and extend it to the subsidiaries, applications, and external interfaces, we recruited technological partners. Additionally, we have made provisions for 24-hour surveillance systems to monitor any threats.

Galaxy is committed to uniting all its operating subsidiaries under a single Enterprise Resource Planning (ERP) platform and laterally deploying the digital and security environment to encompass its global business operations.



## Legislative and Regulatory

Galaxy makes sure to abide by all rules and regulations in India and the countries where it operates. The Company upholds the highest standards of professionalism and ethical conduct to manage the operations of its constituents fairly and transparently. Galaxy is dedicated to creating an environment where employees feel comfortable raising concerns about any unethical or improper behaviour.









GALAXY RESEARCH CENTRE

6

# COMPANY PROFILE

[GRI 102-1 to 102-13]





Galaxy Surfactants Limited is one of India's leading manufacturers of surfactants and other specialty ingredients for the personal care and home care industry. Our products find application in a host of consumer-centric personal care and home care products, including, inter alia, skin care, oral care, hair care, cosmetics, toiletries, and detergents. Since our incorporation in 1986, we have significantly expanded and diversified our product profile, client base, and geographical footprint. Our customers include some of the leading multinational, regional, and local players in the home and personal care industries.

Our Mission, Vision and Motto are as shown below.



## Mission

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



## Vision

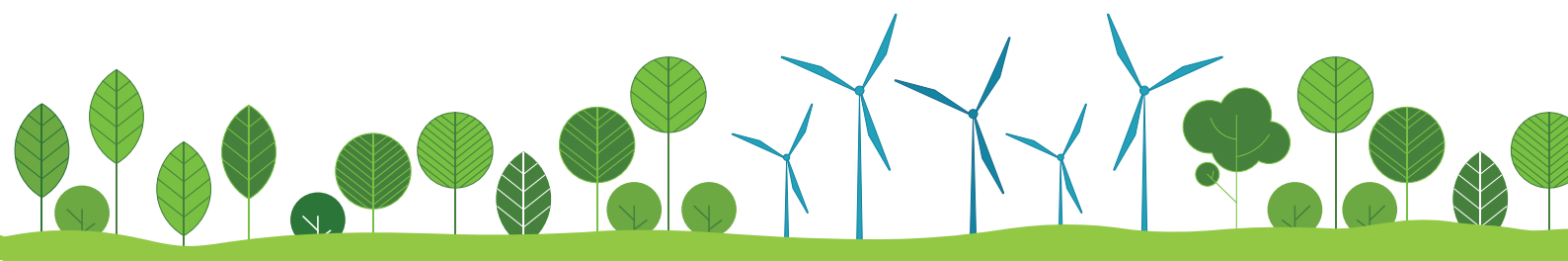
"Delight Customers; be a Partner of Choice, and a Global Leader of Surfactants and Specialty Chemicals to the Personal and Home Care Industry with a commitment to a cleaner and safer environment and delivering consistently above average returns to the investors."



## Motto

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





**Character, Competence, Competitiveness, and Comfort** are the four core strengths that define the performance strategy of Galaxy throughout the past decades and will remain in the future too.



#### CHARACTER

Transparent & Open,  
Respect & Value People,  
Dreaming & Envisioning,  
Conducting Business  
with Integrity



#### COMPETENCE

Talented Team which  
proactively meets  
Complex & Changing  
Business Needs



#### COMPETITIVENESS

Adhering to Global  
Quality Standards,  
Supplying Customers  
Globally, Agile &  
Nimble Footedness



#### COMFORT

Respecting our  
Commitments,  
Consistent Performance  
over the years of Timely  
Delivery & Quality  
Consistency

## Manufacturing facilities

Galaxy's manufacturing excellence is powered by seven strategically located manufacturing facilities – five in India and one each in Egypt and USA. TRI-K has been bringing innovative concepts and products into the cosmetics industry with ISO 9001:2015 certified quality management system.

TRI-K offers a wide variety of cosmetic proteins, natural actives, multi-functional peptides, sunscreen filters, and preservatives. Since 2009, TRI-K has been a member of the Galaxy Group, with sales offices, manufacturing facilities, and partners around the world.

Details of the state-of-the-art manufacturing facilities:

| Location             | No. of units | Installed capacity FY 2021-22 | Key Highlights   |
|----------------------|--------------|-------------------------------|--|
| Tarapur, Maharashtra | 3            | 40,523 MT                     | <ul style="list-style-type: none"> <li>✓ 1 pilot plant for scale up and commercialisation of new products rolling out from R&amp;D activities</li> <li>✓ Easy access to the Jawaharlal Nehru Port Trust, Navi Mumbai</li> </ul>            |
| Taloja, Maharashtra  | 1            | 153,741 MT                    | <ul style="list-style-type: none"> <li>✓ One of the largest sulfation facilities in India</li> <li>✓ Easy access to the Jawaharlal Nehru Port Trust, Navi Mumbai</li> </ul>  |
| Jhagadia, Gujarat*   | 1            | 153,000 MT                    | <ul style="list-style-type: none"> <li>✓ Located close to raw material source ethylene oxide</li> </ul>  |
| Suez, Egypt*         | 1            | 186,750 MT                    | <ul style="list-style-type: none"> <li>✓ Located in the Attaqa Public Free Zone, exempt from all direct and indirect taxes</li> <li>✓ Access to the Suez Canal, can address AMET, Europe and Americas (North and South) markets</li> </ul> |
| New Hampshire, USA   | 1            | 600 MT                        | <ul style="list-style-type: none"> <li>✓ Step-down Subsidiary - Tri-K Industries owns and operates for different grades of proteins for cosmetic applications</li> </ul>   |

\*Environmental clearances for expansion and additional land available



## Growing global footprint

Led by a robust network of sales and representative offices, Galaxy has developed a strong presence in both the developed and emerging markets of India, America ( North &

South), Europe, AMET and APAC. The future endeavour of the company is to grow the global footprint strategically, focusing on the opportunities in markets across the world.



| India: Parent Entity |      | Egypt: 100% Owned |     | USA: TRI-K Industries-100% Owned |         |
|----------------------|------|-------------------|-----|----------------------------------|---------|
| Manufacturing        | ✓    | Manufacturing     | ✓   | Manufacturing                    | ✓       |
| R&D                  | ✓    | R&D               | ✗   | R&D                              | ✓       |
| Plants#              | 5    | Plants            | 1   | Plants                           | 1       |
| Employees            | 1546 | Employees         | 240 | Employees                        | 81 nos. |
| Marketing Office     | ✓    | Marketing Office  | ✗   | Marketing Office                 | ✓       |

#Including one pilot plant

## Nature of ownership and legal form

Galaxy Surfactants Limited is a public limited company listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. For the detailed shareholding

pattern, please see the Annual Report on the Company website. The Company Registered Office is at C-49/2, TTC Industrial Area, Pawne, Navi Mumbai, Maharashtra, India.

## Memberships and Associations

Galaxy is a member of several industry and trade bodies and regularly participates in industry events and stakeholder consultation/ dialogue leading to policy formulation by various regulatory bodies. Some of key associations of which Galaxy is an active member includes:

1. Indian Chemical Council (ICC)
2. American Cleaning Institute (ACI)
3. Bombay Chamber of Commerce and Industry (BCCI)
4. CHEMEXCIL - Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council
5. Indian Specialty Chemical Manufacturers' Association (ISCMA)
6. CII TPM Club
7. Renewable Energy Demand Enhancement (REDE) initiative
8. Taloja Manufacturing Association (TMA)
9. Tarapur Industrial Manufacturing Association (TIMA)
10. Jhagadia Industries Association (JIA)



## External Initiatives

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

## Supply Chain

Galaxy Surfactants Ltd. is one of India's leading manufacturers of surfactants and other speciality ingredients for the personal care and home care industries. Galaxy customers include some of the leading multinational, regional and local players in the home and personal care industries. The upstream supply chain consists of two broad categories, natural chemicals and petrochemicals. Natural chemicals, primarily palm oil and palm kernel oil derivatives, e.g. Fatty Alcohols & Fatty Acids, are sourced from Southeast Asia and India while petrochemicals, e.g. Ethylene Oxide and Phenol, are sourced primarily from USA, Europe, China, and India. The company's products are manufactured across sites in India (Taloja, Tarapur and Jhagadia), Egypt (Suez) and USA (New Hampshire). The downstream supply chain includes supplying products (Performance Surfactants and Specialty Chemicals) to major MNCs in India and world, in more than 80 countries through our logistic partners.

Despite the hurdles, Galaxy has delivered consistently due to its high-quality workforce, continuous process improvement, product innovations, and strong company philosophy which makes it a Partner of Choice for its customers

## Precautionary Approach

Galaxy has been proactive in terms of setting the right controls and channels in place to categorically evaluate the impacts of products and process at each stage of its development. Product quality and safety is a significant topic for us as the company's products are widely used in personal and home care industry globally. The company's products are checked for quality to ensure that they adhere to defined standards. the company prefers to be ahead of markets and proactively keep impurity levels way below industry standards and keep on improving the performance on quality standards. Compliance to quality and cosmetic GMP standards are regularly reviewed by dedicated teams and top management. Relevant checks are done in order to ensure that operational plans and product development meets all the applicable criteria and conditions before taken forward. The company strives to develop products that are safe and less toxic to humans and ecosystem while using efficient manufacturing processes. Recycling/reusing of raw materials, byproducts is one of the ways by which the company lowers the environmental impact of manufacturing process.

## Impact on Supply Chain

The impact of COVID-19 continued in the financial year 2021-2022. The company had to traverse a highly volatile supply chain environment during the year that was affected by feedstock interruptions, raw material shortages, logistical problems, delays, and regulatory barriers.





Loading



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|---|---|---|---|---|

Corporate

Governance





7

# **CORPORATE GOVERNANCE**

[GRI 102-16, 18, 22]



**Ethical practices, long term profitability and Sustainability, responsibility towards all stakeholders, Risk Management, guarding against any malpractices or non compliance is ensured by a diverse and accomplished Board of Directors at Galaxy Surfactants.**



Ethical practices, long term profitability and Sustainability, responsibility towards all stakeholders, Risk Management, guarding against any malpractices or non compliance is ensured by a diverse and accomplished Board of Directors at Galaxy Surfactants who have clearly defined roles and responsibilities. The Board meets regularly to review the company's performance and to provide long term guidance in all aspects of business.

The Board of Directors is constituted in compliance with the Companies Act, 2013 ("the Act") and Regulation 17 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (SEBI (LODR) Regulations).

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. Company's executive management provides the Board of Directors detailed reports on its performance periodically.

As on 31<sup>st</sup> March, 2022 the Board of Directors consisted of 12 Directors, comprising 4 Independent Directors (including one female director), 3 Executive Directors, and 5 Non-Executive Directors. Other than Independent Directors and Managing Director, all other directors are liable to retire by rotation. The Board has constituted the following Committees to assist itself in carrying out its functions:

| Committees                                | Members   |
|---|---|
| Audit Committee                           | 3 Independent Directors and 1 Non-Executive Director  |
| Nomination and Remuneration Committee     | 4 Independent Directors   |
| Stakeholder's Relationship Committee      | 1 Independent Director, 1 Non-Executive Director, 1 Executive Director  |
| Corporate Social Responsibility Committee | 2 Executive Directors and 1 Independent Director  |
| Risk Management Committee                 | 2 Executive Directors, 1 Non-Executive Independent Director, Chief Risk Officer, Head-Conversion and NPT, Head-RMU and CG |



## Board of Directors:



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



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



**U. Shekhar**  
Promoter & Managing  
Director



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



**K. Ganesh Kamath**  
Executive Director (Finance)  
& Chief Financial Officer



**Vaijanath Kulkarni**  
Whole-time Director  
(w.e.f. October 16, 2021)



**Subodh Nadkarni**  
Non-Executive Independent  
Director



**Nandita Gurjar**  
Non-Executive  
Independent Director



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



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



**Uday K. Kamat**  
Non-Executive Director  
(till September 8, 2021)

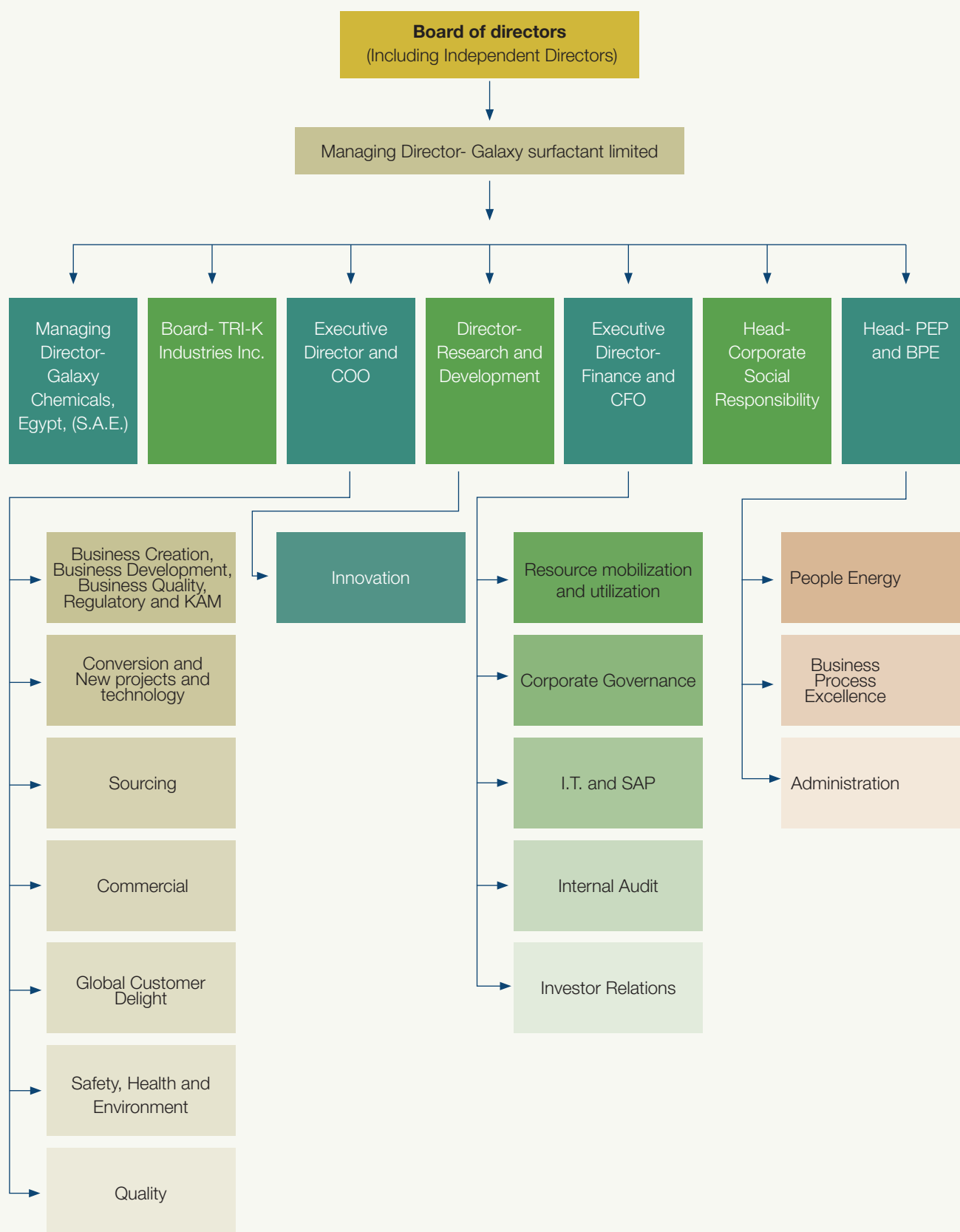


**Dr. Nirmal Koshti**  
Non-Executive Director  
(till October 7, 2021)





## Organization structure:





## Ethics and Integrity:

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adapting highest standards of professionalism and ethical behavior. The Company is committed to developing a culture where it is safe for all directors / employees to raise concerns about any malpractice and any event of misconduct. Accordingly, the Company has a Whistle Blower Policy in place under which Directors / employees are free to raise concerns.

The company has a policy for addressing sexual harassment at workplace (<https://www.galaxysurfactants.com/pdf/corporate-governance/policies/Sexual-Harassment-Policy.pdf>) which has been formulated keeping in view the provisions under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and for the prevention and redressal of complaints in relation to sexual harassment.

**The whistle blower and sexual harassment policies are applicable to all stakeholders of Galaxy and are communicated to them through the company website.**

Whistle Blower Cases (Nos) during FY 2021-22

| Received | Open | Closed |
|----------|------|--------|
| Nil      | Nil  | NI     |

Sexual Harassment Cases (Nos) during FY 2021-22

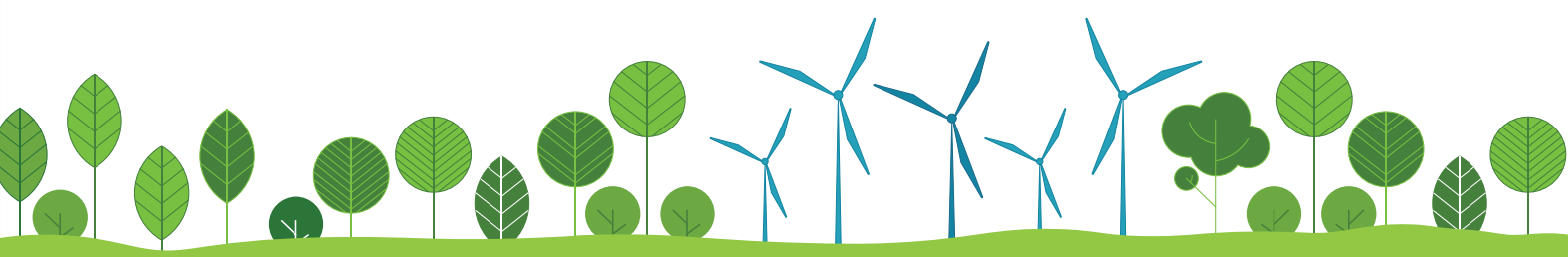
| Received | Open | Closed |
|----------|------|--------|
| 1        | 0    | 1      |

**Average training per person 2021-22 in India – 17.36 hr./ employee.**

| Program  | Program   | Program   |
|--|---|---|
| Policy Awareness (Code of Conduct, Human Rights, ETI Code, Whistleblower policy) | PoSH Awareness                                  | Cybersecurity Awareness Program                 |
| <b>172</b><br>Total- 2021-22   | <b>376</b><br>Total- 2021-22                    | <b>171</b><br>Total- 2021-22                    |
| <b>11%</b><br>Coverage 2021-22 (India location)                                  | <b>24%</b><br>Coverage 2021-22 (India location) | <b>23%</b><br>Coverage 2021-22 (India location) |

For more details: Corporate governance policies ([galaxysurfactants.com](https://www.galaxysurfactants.com))

To sensitize all employees, awareness programs about the whistleblower policy are held regularly. To minimize dangers to its brand and reputation, Galaxy promotes, safeguards, and rewards "Whistle Blower." To ensure rigor and communication, there is zero tolerance for statutory non-compliance and ethical norms are immediately exhibited. "Value Workshops" are held to make sure that the connections between values and behaviours are clearly understood while facing problems, competing options, and paradoxes while bringing the "Galaxy Code of Conduct" into the discussion sphere.





## Employee count (GSL)

| Location/Age | Gender |        | Age Wise |               |          | Total |
|--------------|--------|--------|----------|---------------|----------|-------|
|              | Male   | Female | Age < 30 | Age (30 - 50) | Age > 50 |       |
| India        | 1419   | 127    | 584      | 812           | 150      | 1546  |

## Employee count (GCE)

| Location/Age | Gender |        | Age Wise |               |          | Total |
|--------------|--------|--------|----------|---------------|----------|-------|
|              | Male   | Female | Age < 30 | Age (30 - 50) | Age > 50 |       |
| Egypt-GCE    | 228    | 12     | 116      | 122           | 2        | 240   |
| Outsource    | 288    | 7      | 149      | 138           | 8        | 295   |
| Total        | 516    | 19     | 265      | 260           | 10       | 535   |

## Employee Count (USA)

| Location/Age | Gender |        |
|--------------|--------|--------|
|              | Male   | Female |
| Tri K (USA)* | 38     | 34     |

\*9 didn't disclose their gender

# Sustainability Governance:

Sustainability at Galaxy is driven through a three-tier structure called the Sustainability cell. It has a Steering Committee at the apex comprising of Board of Directors, working pillars comprised of process heads and leaders and working teams to carry out projects. The Sustainability Cell meets thrice in a year to assess and review the sustainability and business responsibility performance.

To drive new and focused initiative of Mission 2030 Sustainability journey, a core committee is being formed to act as an advisory group for long term projects which may have significant impact on our business. The governance structure, shown below, comprises of core committee, execution team and implementation team.



### Steering Committee

#### Board of Directors

Provide direction, mobilize and approve resources



### Working Pillars

#### Process Heads and Leaders

Provide domain and functional expertise



### Working Group

#### Working teams

Monitor and work on projects and initiatives at all locations





The agenda for the Core Committee and the status against each of them for FY 2021-22 was:

| Agenda  | Initiative   |
|---|--|
| <b>SBTi</b> <ul style="list-style-type: none"> <li>Assessing the change required for transitioning to low carbon economy.</li> <li>Looking for opportunities in long run</li> </ul>   | Committed to SBTi for setting target in-line with climate science  |
| <b>Environmental and Social Goals</b> <ul style="list-style-type: none"> <li>Provide directions to execution team to establish robust and proper goals for Galaxy. Restructuring the current approach towards sustainable business</li> </ul> | Goals on Climate Change, Water Stewardship, Waste Management and Diversity and Inclusion   |
| <b>Product Stewardship</b> <ul style="list-style-type: none"> <li>Sustainability - included as one factor for Innovation</li> <li>Engagement with stakeholders for driving sustainability</li> </ul>  | <b>Completed study of LCA of 43 products.</b><br>ECOCERT, a voluntary certification system, ensures that a product is natural and environmentally friendly throughout its life cycle and satisfies the minimum threshold of natural and organic ingredients. It thoroughly analyzes the complete production process of a product, beginning with the sourcing of its raw materials, the manufacturing process, and the final finished product and its packaging. 17 products have ECOCERT attestation. 5 products have COSMOS attestation. |







8

# KEY PRODUCTS, APPLICATIONS, MARKETS



















9

# APPROACH TO VALUE CREATION





The value creation approach at Galaxy Surfactants is based on the concept of inclusivity and sustainable growth, i.e., value creation for both the organization and the society at large. Galaxy understands that its ability to create value for itself is connected to the value that it creates for all its stakeholders.

The key pillars of inclusive and sustainable growth at Galaxy have been People, Planet, Profit, and Partnerships, as shown below:

**The vision at Galaxy strikes a balance between the economic aspect of being a partner of choice, global leader of surfactants, and providing reliable returns to investors, with a commitment to a safer and cleaner environment. The welfare of all our key stakeholders is reflected in our motto.**





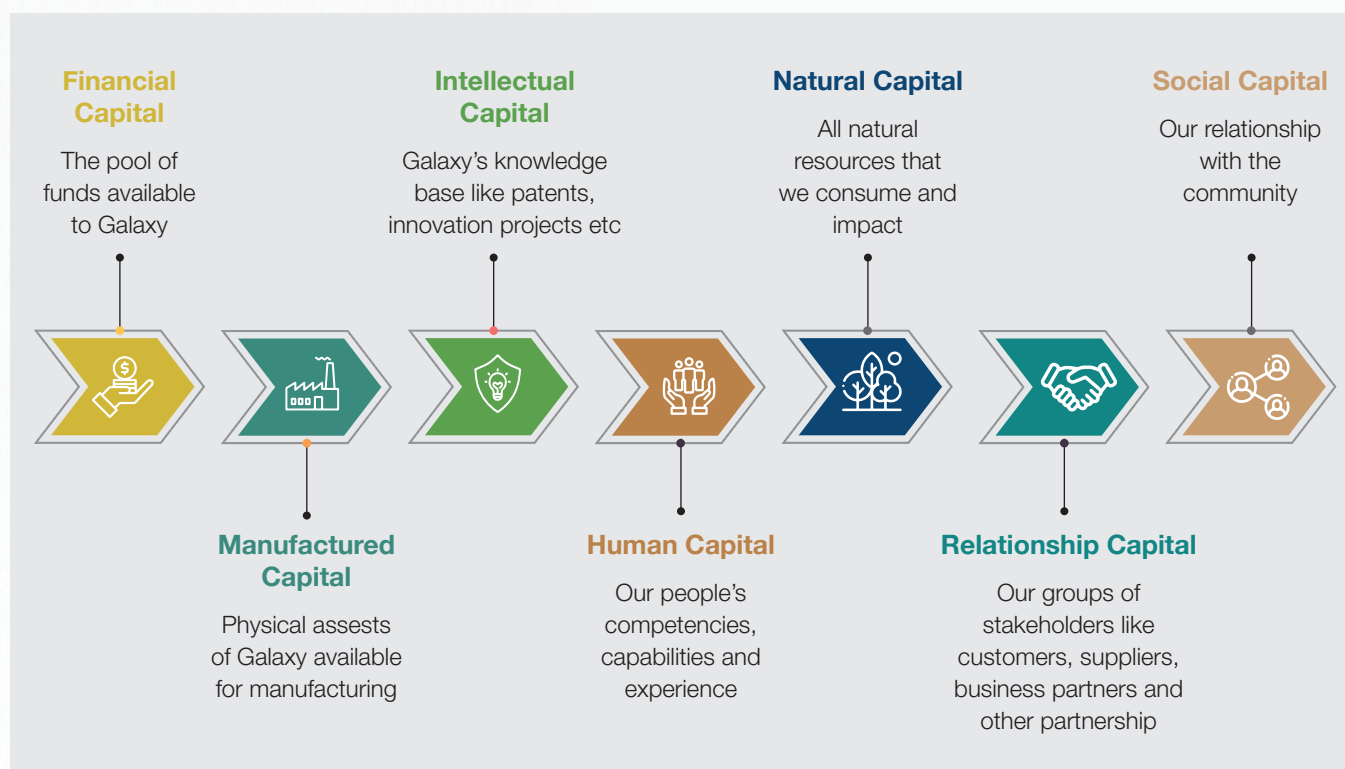


The company's Sustainability policy continuously guides us to engage with the stakeholders and identify the most relevant material topics that must be included in our strategy and planning.

The company prioritised and is committed to the UN SDGs while taking challenging actions towards climate change and transition towards the low Carbon economy through committing to the SBTi and the CII GreenCo rating.

Balancing the aspects of finances, employee, manufacturing, and supply chain capabilities as well as the organization's intellectual capabilities and social licence to operate, is the most important lever for sustained growth at Galaxy.

These are depicted as capitals for Galaxy, as:



Our approach to enhance each of these capitals is shown in the Value creation model in the adjoining page. We have also identified the positive and the negative outcomes of our business activities on each of these capitals and the strategies to enhance the positive outcomes and mitigate the negative outcomes are detailed out in this report.



10

# VALUE CREATION MODEL









## INPUTS

| Financial Capital   | UOM        | Value       |
|---|------------|-------------|
| Capital expenditure   | INR CR     | 155.17      |
| Manufactured Capital  | UOM        | Value       |
| Galaxy group  | MT         | 534614      |
| Strategical location , facilities with inhouse project execution capabilities | No.        | 7           |
| Intellectual Capital  | UOM        | Value       |
| Spend on R&D  | INR CR     | 14.54       |
| Extensive R&D capabilities (members)  | No.        | 68 members  |
| LCA Study of products conducted   | No.        | 43          |
| Human Capital   | UOM        | Value       |
| BBS Observations  | No.(lakhs) | 32          |
| Employee- Permanent   | No.        | 1867        |
| Women in Workforce  | %          | 9.3 %       |
| Employee didn't identify their gender   | %          | 0.5         |
| Frequency of health checkup   | No.        | Half yearly |
| Social & Relationship Capital   | UOM        | Value       |
| Supplier by value adhering to sustainable practices                           | %          | >90         |
| Total spend on local supplier   | %          | 46          |
| Spend on CSR  | INR CR     | 4.69        |
| Natural Capital   | UOM        | Value       |
| Energy intensity  | MWh/MT     | 0.32        |
| Renewable electricity, India  | %          | 10          |
| Tree plantation, India  | No.        | 13,925      |
| Water withdrawn   | m3         | 461323      |
| Recycled and Reused water   | %          | 21%         |
| Rainwater harvested within fence  | m3         | 13004       |

## PROCESS FLOW

Galaxy is guided by it's



Core Values



Vision



Mission

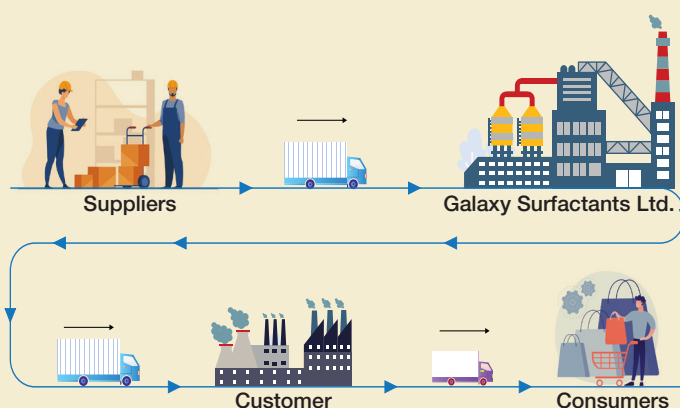
Key Aspects: Stakeholder Engagement; Risks and Opportunities; Strategy & Resource Allocation; Performance; Outcome

### Sourcing

- Suppliers Audit
- Packaging waste reduction

### GCD, BC, BD, BQ

- MSDS, Haz. Labels
- TREM Cards
- Customer Support
- Product Recall
- Joint projects with customers



### Design and Production

#### Innovation

- Innovation Funnel
- Green Chemistry
- Selection of safe and commercially viable route
- No Animal Testing

#### Quality Assurance & Cost Efficiency Project

- Product Dockets
- Cosmetic GMP certification
- Process Improvements

#### Regulatory

- REACH; SDS
- GHS, CLP; Halal; Kosher

#### Business Quality

- Technical support
- Product dossiers
- RS audit; EcoVadis

### Conversion, NPT, SHE

- HIRA, PSM
- HAZOP
- TPM

### 5 Pillar Strategy



Innovation



Sustainability



Safety



Digitalisation & Technology



People

Innovation, Quality Assurance, Cost Efficiency Project, Regulatory, Business Quality, Conversion, New project & technology, SHE, Sourcing, GCD, RMU, Business Development, Business Creation, Sustainability, People Energy, CSR, Corporate Governance



## OUTPUTS



### Products

Products : 220+ Galaxy has received Ecocert and Cosmos certification for 32 of its products



### Waste

Amount of waste diverted from disposal : 2076.45 MT



### Emissions

GHG Intensity: 0.15 tCO<sub>2</sub>e/MT

## OUTCOMES

### Financial Capital

#### UOM

#### Value

Revenue

INR CR

3686

EBITDA

INR CR

413

PAT

INR CR

263

### Manufactured Capital

#### UOM

#### Value

Sales Volume

MT

234,218

### Intellectual Capital

#### UOM

#### Value

Patents Granted (Cumulative)

No.

81

Patents Granted (FY 21-22)

No.

3

### Human Capital

#### UOM

#### Value

TRIFR

Frequency/  
ratio

0.81

Fatalities

No.

0

Attrition rate (India)

%

9.39

### Social & Relationship Capital

#### UOM

#### Value

CSR beneficiaries

No.

1,39,638

Water harvested beyond the fence

Million litres

330

Global Market presence

No.

80+

### Natural Capital

#### UOM

#### Value

Manufacturing units in India with ZLD

No.

3

GHG Emissions (scope 1+2 )

tCO<sub>2</sub>e

52,468

All the manufacturing units in India are Zero liquid discharge

GSL is certified to be 1.4x Water Positive







The background of the entire page is a photograph showing the silhouettes of four people (three women and one man) standing in a modern office space. They are positioned in front of a large, curved glass window that looks out onto a cityscape. The lighting is bright, creating strong silhouettes and reflecting off the polished floor. The overall color palette is dominated by blues and greys from the window and floor, with the yellow text providing a high-contrast focal point.

11

# **STAKEHOLDER ENGAGEMENT AND MATERIAL ISSUES**

[GRI 102-21, 40, 42, 43, 44, 47]



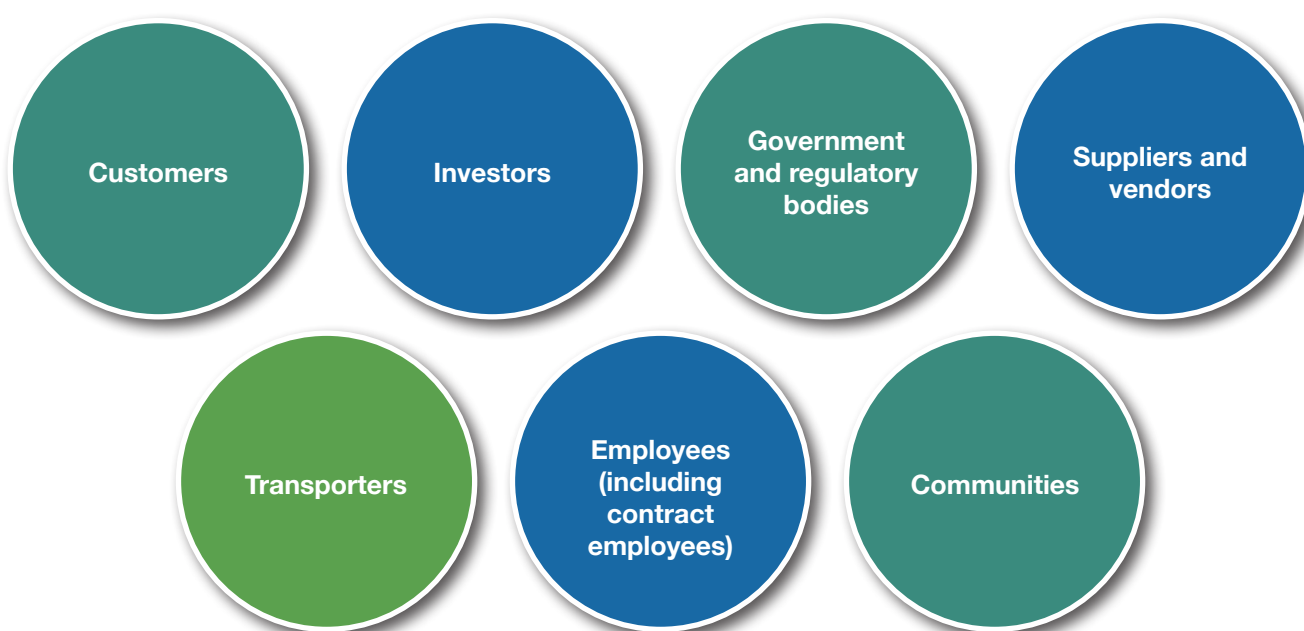
## Identification and selection of stakeholders

Galaxy identifies the key stakeholders based on whether the activity of the company affects the people or group of people.

The stakeholder are divided into 2 groups on the basis of following 2 attributes

- **Dependency:** Stakeholders who are directly dependent on the organisation's activities, products, and services or on whom the organization is dependent to operate.
- **Responsibility:** Stakeholders to whom the organization has legal, commercial, operational, or moral/ethical responsibilities

The key stakeholders of Galaxy Surfactants are:





The details of engagements with the key stakeholders are in the table below:

|   | Stakeholder Group                | Types of engagement  | Frequency of engagement (annually / half yearly / quarterly / others)                   | Key topics and concerns raised during such engagement  |
|---|----------------------------------|--|---|--|
| 1 | Customers                        | <ul style="list-style-type: none"> <li>Regular business reviews with key customers</li> <li>Customer satisfaction surveys and feedback</li> <li>Customer audits and customer questionnaire responses</li> <li>Meeting customer requirements and requests for improvement on environmental and social responsibility</li> </ul> | Quarterly   | <ul style="list-style-type: none"> <li>Carbon footprint / Carbon disclosure,</li> <li>Management of Environmentally hazardous substances,</li> <li>Innovation,</li> <li>Customer Satisfaction Survey</li> </ul>  |
| 2 | Investors                        | <ul style="list-style-type: none"> <li>AGM</li> <li>Annual Reports</li> <li>Investor Meets</li> <li>Investor call is arranged after declaration of financial results every quarter. The details for participation are updated on stock exchanges.</li> </ul>   | Annually (AGM)Quarterly (event-based investor conferences) one to one Investor Meetings | <ul style="list-style-type: none"> <li>Business performance</li> <li>Challenges faced by the company</li> </ul>  |
| 3 | Government and regulatory bodies | Statutory and Legal Compliance filings   | Annually and on need based  | Environmental and Social Compliance  |
| 4 | Suppliers and vendors            | <ul style="list-style-type: none"> <li>Supplier workshops and annual suppliers meet</li> <li>Suppliers consultation and auditing</li> <li>Informing suppliers through feedback mechanism</li> <li>Supplier Sustainability assessment questionnaire</li> </ul>  | Annual  | <ul style="list-style-type: none"> <li>Environmental initiatives (e.g., reduced packaging and recycling)</li> <li>Supply chain management</li> <li>Compliance with laws and regulations</li> <li>Work environment and hygiene</li> <li>Machine / equipment safety</li> <li>Human Rights</li> </ul> |
| 5 | Transporter                      | <ul style="list-style-type: none"> <li>Transporter consultation and auditing</li> <li>Informing transporter through a feedback mechanism</li> </ul>  | Annual  | <ul style="list-style-type: none"> <li>Supply chain management</li> <li>Carbon management</li> <li>Road Safety</li> <li>Safe System</li> <li>Compliance with laws and regulations</li> </ul>   |



|   | Stakeholder Group                           | Types of engagement  | Frequency of engagement (annually / half yearly / quarterly / others) | Key topics and concerns raised during such engagement  |
|---|---|--|---|--|
| 6 | Employees (Employee and contract employees) | <ul style="list-style-type: none"> <li>Meetings and Trainings</li> <li>Employee Engagement Survey</li> <li>360-degree feedback</li> <li>One-on-one interviews with managers</li> <li>Performance communication</li> <li>Communication meetings with new recruits</li> <li>Employees can communicate through internal channels</li> <li>Energy Week, Safety Month, Environment Day celebrations</li> <li>EWC, Dialogue</li> </ul> | Quarterly   | <ul style="list-style-type: none"> <li>Ethics / integrity management</li> <li>Human rights</li> <li>Learning and growth</li> <li>Work environment / Working conditions</li> <li>Salary / Benefits</li> <li>Health and safety</li> <li>Employee Well-being</li> <li>Career Development</li> <li>Balance of work and life</li> </ul> |
| 7 | Community                                   | <ul style="list-style-type: none"> <li>CSR initiatives</li> <li>Sustainability Report</li> <li>Participation in conferences</li> <li>One to one interaction</li> </ul>   | Quarterly   | <ul style="list-style-type: none"> <li>Environmental awareness</li> <li>Community Development</li> </ul>   |

**REPORT OF TRUST.**  
COMING SOON,  
STAY TUNED.

#ReportOfTrust

In FY21-22 our marketing team held a podcast series to increase the awareness of Sustainability, not only in the organization but to all the external stakeholders. The podcast series was titled "Report of trust".

The main agenda of the podcast series was to understand the importance of Reporting Sustainability Parameters and how this can build trust among consumers and customers.

There were five episodes with eminent personality sharing their views and knowledge.

## Materiality

Galaxy focuses on the integration of the most important ESG issues into strategy and management through the process of materiality. The materiality exercise, carried out in FY 2020-21, helped prioritise the key issues which are significant to Galaxy as well as to the stakeholders.

In February 2020, Galaxy conducted a survey with all the key stakeholders of the Company to understand the ESG issues that are important to them. These issues were also evaluated for their relevance to the business and then Materiality Matrix was constructed. The issues were referred from the global frameworks like GRI, SASB, and UN SDGs to ensure that all the ESG issues of global importance are included in our materiality study.

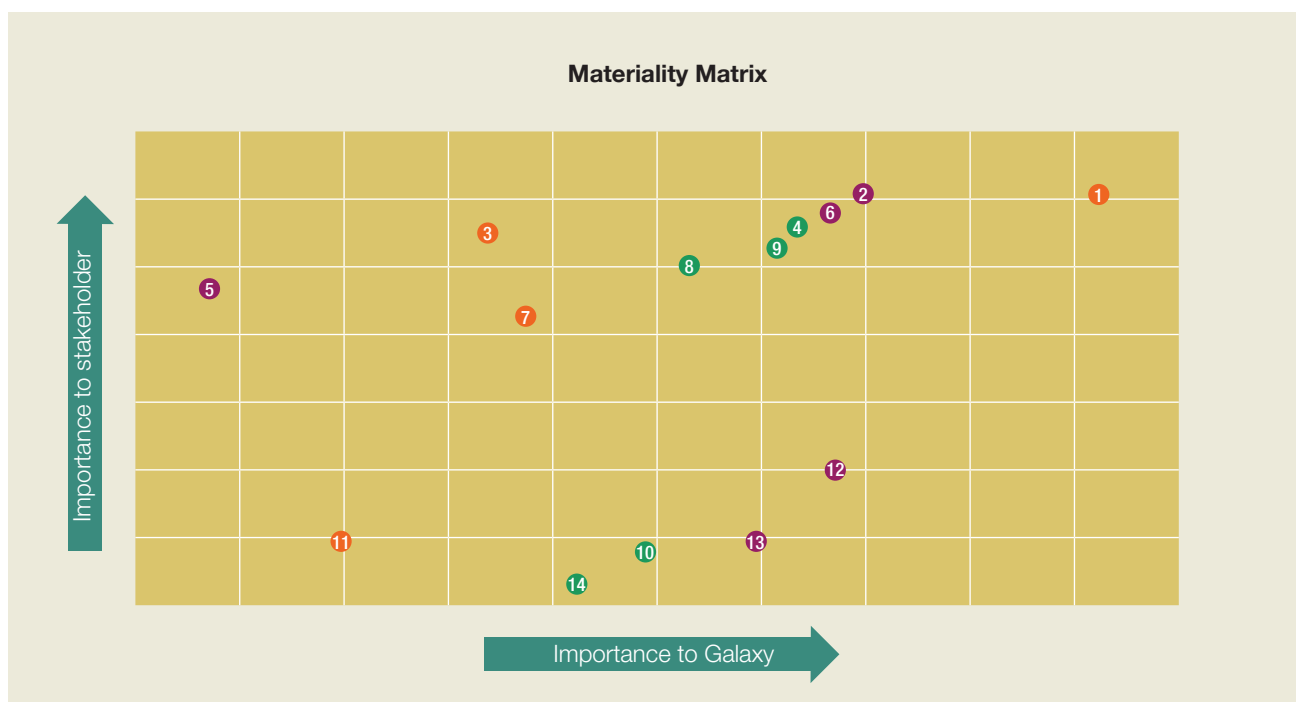
As part of this process, we examine the risks and opportunities facing our business in the immediate and long term and score them based on their level of importance.

This involves drawing on external insight from a broad range of stakeholders such as customers, employees, nongovernmental organizations (NGOs), and suppliers as well as the United Nations Sustainable Development Goals and also involves engaging internal experts from across the business to understand how the issues may affect our operational or financial performance such as our reputation or growth.

Prioritizing issues through this process enables us to focus our efforts on effectively managing impacts as well as stakeholder relationships.

There are no significant changes in the list of materiality issues and their boundaries as compared to the previous year.





## The top material ESG issues for Galaxy are:



E = Environmental | S = Social | G = Governance







A close-up photograph of a hand moving a white chess king piece on a chessboard. The background is blurred, showing other chess pieces and the board's squares. The lighting is soft, highlighting the texture of the hand and the piece.

12

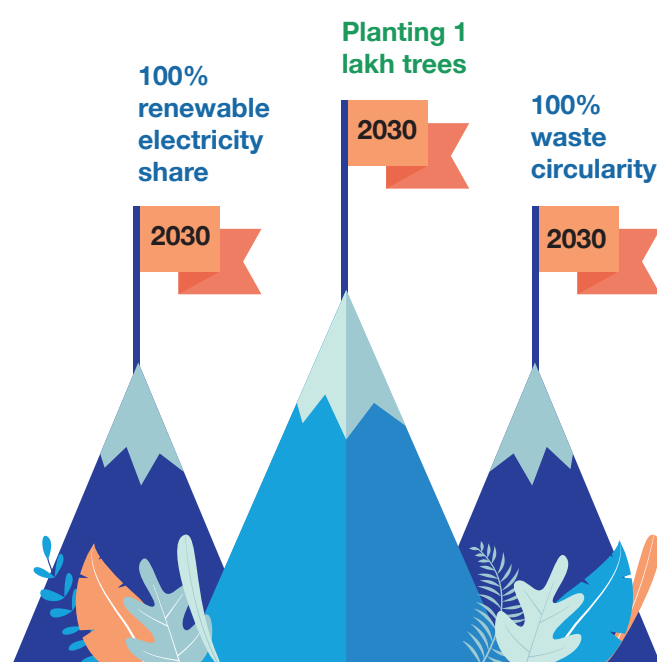
# **OUTLOOK, STRATEGY AND RESOURCE ALLOCATION**

[GRI 102-15]



# Galaxy's Mission 2030

is an amplified approach to meeting customer demands while creating net positive impacts on the environment and society



Galaxy's Strategy is based on the Vision of the organization which states - "Delight customers; Be a Partner of choice, and A Global leader of Surfactants and Specialty Chemicals to the Personal and Home Care Industry with a commitment to a cleaner and safer environment and delivering consistently above average returns to the investors."

The key driver to the company's strategy remains the changing behaviour of consumers towards sustainable and safe consumption which is a big opportunity for growth. Consumers have started considering climate change themes in their consumption preferences. Leveraging this opportunity, Galaxy has embarked upon the "Mission 2030" of Sustainable growth.

The demand for milder, cleaner, non-toxic, and bio-degradable surfactants is on the rise. With Galaxy's range of mild surfactants and non-toxic preservative-containing products, the company is well-positioned to cater to these emerging trends.

The focus remains on cross-selling to geographies, cross-selling ingredients, launching new-age products that are in line with the consumer and community trends of safety and sustainability, acquisition of new customers, and premiumization that is being experienced in the markets.

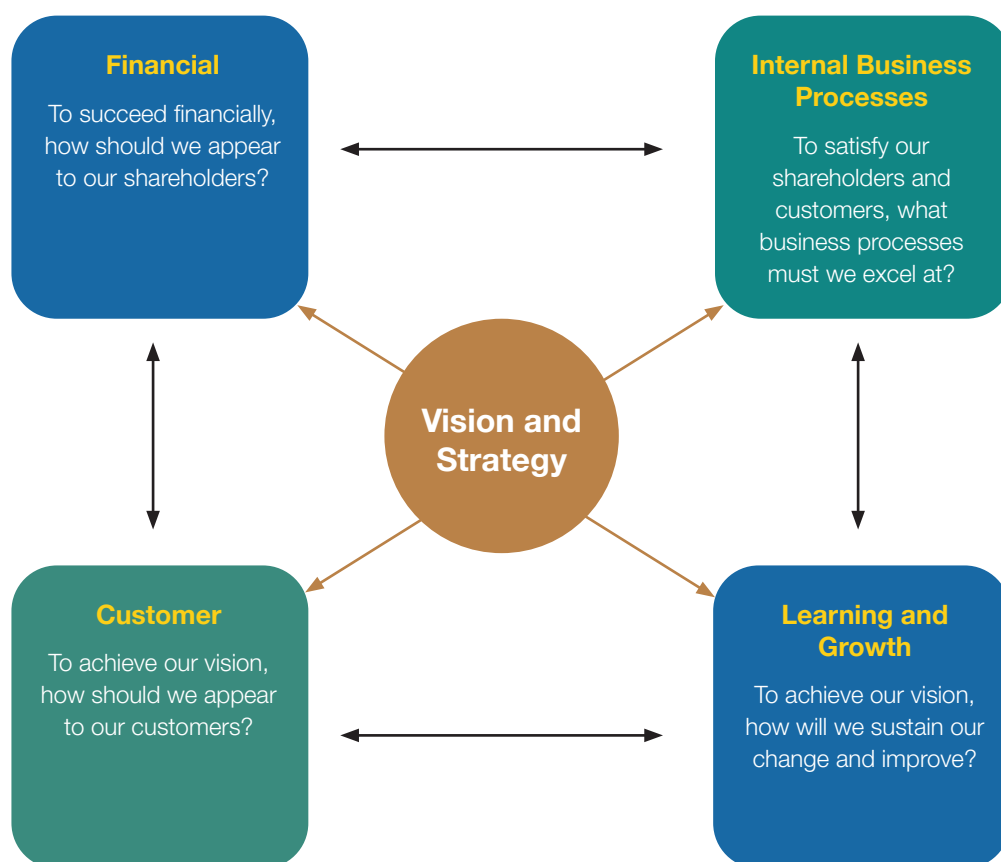
Increasing the Social Media Marketing Index is an important growth driver. Exploring new, previously unexplored markets also drives our growth.

Galaxy has adopted Balanced Scorecard (BSC) framework to link the business strategy to the Vision and cascade the strategy across all levels. One of the BSC objectives is sustainability where targets related to Climate Change, Water Stewardship, Waste Circularity, and Diversity and Inclusion are formulated at the start of the financial year and these are aligned and incorporated as specific objectives/KPIs for all processes.

The company's 'Customization with Care' approach goes together with consumer demands to develop products that are most responsible and provide 360-degree support to our customers. Galaxy's products like GalEcoSafe®, and Galsoft®SLL that are mild and environment friendly cater to such consumer demands.

Concerning the long-term strategy, business opportunities and risks from changing market demands are integrated with the Innovation and product portfolio strategies. Capital investments for the development and incorporation of modern technologies are part of our short-term and long-term strategic plans. We are focused on enhancing renewable energy consumption thereby reducing stress on fossil fuels.





The Financial Year 2021-22 marks 11 years of our Sustainability Journey and the first year of Sustainability Goals -MISSION 2030. With a clear roadmap in mind, focus and vision, Galaxy is determined towards making a positive impact and further bring positive difference to our society in the coming years.

| Category                                 | Number  | Units of Measurement     |
|--|---------|--------------------------|
| Renewable Energy (share till FY 2021-22) | 10      | %                        |
| Tree Plantation (till FY 2021-22)        | 60,948  | Nos.                     |
| Rainwater harvesting                     | 13,004  | m <sup>3</sup>           |
| Recycled water                           | 96,419  | m <sup>3</sup>           |
| Female staff                             | 9.3     | %                        |
| Greenhouse gases emissions reduction     | 3521.70 | tonnes CO <sub>2</sub> e |







A close-up photograph of a hand reaching towards a row of wooden blocks of increasing height, creating a sense of progression and growth. The background is a soft, out-of-focus blue and white.

**13**

# **KEY IMPACTS, RISKS, AND OPPORTUNITIES**

**[GRI 102-15]**



**Galaxy Surfactants has an agile and dynamic process of continuously engaging with its key stakeholders and scanning the operating environment, at all levels. This scanning helps the company take correct decisions and manage its impacts effectively. The company's risks and mitigation plans are updated from time to time**

The key risks and the mitigation measures are shown in the table below:

| Risk Description  | Risk Drivers   | Mitigation plans  |
|---|--|---|
| Climate Change risk – Compliance to Net Zero Carbon   | Global trend for shifting towards a net zero carbon economy leading to customers and investors seeking disclosures on climate action, e.g., CDP        | Sustainability strategy developed for 2030 on Water, Waste; Life Cycle Analysis of finished goods, Shifting to a renewable and cleaner source of energy and transport |
| Shifting to Circular Economy - Plastic Waste, E-Waste, Zero Incineration waste, Landfill waste, Packing waste | Waste generation due to frequent changes in computers, laptops, mobiles, and other electronics accessories; salt waste; packaging waste, process waste | Waste Circularity roadmap and goals declared and work in progress through various improvement initiatives like TPM, Kaizens, PARIVARTAN - WESAP                       |
| Reputational risk   | Oil palm traceability  | 100% oil palm traceability till mill level and plantation level   |
| Water scarcity  | Global water scarcity  | Rainwater harvesting inside and outside the factories   |

Three key opportunities for the company on the medium and long term and the leveraging strategies are as below:

| Opportunity                                 | Leveraging Strategy  |
|---|--|
| Water Stewardship                           | Zero Liquid Discharge at operations at locations outside India; increase in rainwater harvesting |
| Greener products                            | Increase marketing of RSPO (MB) certified finished goods   |
| Growth of mild surfactants at a CAGR of 40% | Low eco-toxicity products with no preservatives; adopt Life Cycle thinking                       |





The goal of risk management is the preservation of the physical, financial, and human assets of the organization for the successful continuation of its operations.



ERM provides a framework for risk management, which typically involves:

1. Identifying events or circumstances relevant to the organization's objectives (risks and opportunities),
2. Assessing them in terms of likelihood and magnitude of impact,

3. Determining a response strategy, and
4. Monitoring progress.

By identifying and proactively addressing risks and opportunities, we protect and create value for our stakeholders.











14

# **DISCLOSURE OF KEY OF MATERIAL ISSUES**

[GRI 103, 201-1, 206, 303, 305, 306,  
401, 402, 403, 413, 416, 417]



## 14.1 Financial Capital – Economic Growth, Anti-Competitive Behavior



[GRI 201, GRI 206, SDG 8]

Galaxy continuously aims to deliver above-average returns to its investors. The company's vision includes delighting the customers and to be a partner of choice. Thus, financial growth is one of the pillars of inclusivity and sustainable growth. The boundary for the reporting period includes the company's manufacturing units and Head office in India and excludes wholly and non-wholly owned subsidiaries.

Growth and the performance of the company is the shared responsibility of all employees and the Board of Directors. The CFO and COO (Executive Directors) look after the implementation and monitoring of the financial and

operational management of the Company with the help of respective Process (Departmental) heads. The Company has adopted Corporate Balanced Score Card (BSC). One of the perspectives of BSC is financial pillar which includes various key performance indicators (KPI). Some of the KPIs are Sales growth, EBITDA/MT, Net cash generation, and ROI. Balanced score card helps the company to set targets, measure, monitor, and ensure that the completion of targets takes place within the timeline.

The following are the financial results of the company during the reporting period:

### i. Direct Economic Value generated and distributed

[GRI 201-1]

| Direct economic value generated and distributed          | Without considering Donations |         |            |         | With considering donations |         |            |         |
|--|-------------------------------|---------|------------|---------|----------------------------|---------|------------|---------|
|  | Consolidated                  |         | Standalone |         | Consolidated               |         | Standalone |         |
| Particulars  | 2021-22                       | 2020-21 | 2021-22    | 2020-21 | 2021-22                    | 2020-21 | 2021-22    | 2020-21 |
| Total Revenues from Operations                           | 3685.71                       | 2784.06 | 2628.59    | 1830.5  | 3685.71                    | 2784.06 | 2628.59    | 1830.5  |
| Other Income   | 12.51                         | 10.86   | -1.21      | 4.4     | 12.51                      | 10.86   | -1.21      | 4.4     |
| Total Income   | 3698.22                       | 2794.92 | 2627.38    | 1834.9  | 3698.22                    | 2794.92 | 2627.38    | 1834.9  |
| Operating Expenses (excluding employee benefit expenses) | 3068.5                        | 2127.09 | 2276.5     | 1427.61 | 3068.43                    | 2127    | 2276.46    | 1427.52 |
| Employee Benefit Expenses                                | 211.81                        | 204.04  | 113.62     | 105.7   | 211.81                     | 204.04  | 113.62     | 105.7   |
| Interest and Finance charges                             | 12.85                         | 13.42   | 7.75       | 8.37    | 12.85                      | 13.42   | 7.75       | 8.37    |
| Government as taxes (Income tax)                         | 68.56                         | 71.08   | 47.83      | 62.23   | 68.56                      | 71.08   | 47.83      | 62.23   |
| Dividends  | 14.18                         | 49.64   | 14.18      | 49.64   | 14.18                      | 49.64   | 14.18      | 49.64   |
| Donations/CSR expenses                                   | 4.69                          | 4.1     | 4.69       | 4.1     | 4.76                       | 4.19    | 4.76       | 4.19    |
| Economic value retained                                  | 317.63                        | 325.55  | 162.78     | 177.25  | 317.63                     | 325.55  | 162.78     | 177.25  |

\*All figures in INR Crores



## ii. Financial implications and other risks and opportunities due to climate change

### [GRI 201-2]

Climate change poses unpredictable risk and impacts on businesses. Extensive study and peer reviews were done to derive the list of climate change risks faced by chemical sector. A set of climate change risks that can impact Galaxy Surfactants across its entire value chain were identified. These risks were then further grouped into the following categories:



Market and Finance



Physical



Legal and Policy



Technology

The details of the risks are presented in the table below:

| Climate Change Risk   | Risk Type          | Scenario Considered   | Cost Heads Impacted                         |
|---|--------------------|---|---|
| Variations in climate regulations across countries affect competitiveness in domestic and international markets | Market and Finance | Highly climate conscious companies can be helpful in a newly climate regulatory environment and vice versa  | Sales revenue from international operations |
| Water scarcity  | Physical           | Business risks due to water scarcity include decreased water supply for business activities, higher water costs, operational disruptions and associated financial losses.   | Water Charges                               |
| Impact on Human resource  | Physical           | Employees not able to get to work; decrease in productivity; health and safety risk; labor availability   | Wages and Salary                            |
| Climate change related regulations  | Legal and Policy   | Violations related to stringent legal requirements lead to risk associated with litigation. Examples: Carbon Taxation, Increase stringent norms for emissions to air, land and water, Energy efficiency regulations, Impact on Local communities. | Environmental Expenditures                  |
| Product Certification and Traceability  | Technology         | Disclosure of Product Climate Performance through certification schemes and chain of custody (traceability) reports   | 2% of Revenue Cost                          |

Efforts to mitigate and adapt to climate change produce opportunities for organizations; for example, through resource efficiency and cost savings, the adoption of low-emission energy sources, the development of new products and services, access to new markets, and building resilience along the supply chain

## iii. Coverage of the organizations defined benefit plan obligation

### [GRI 201-3]

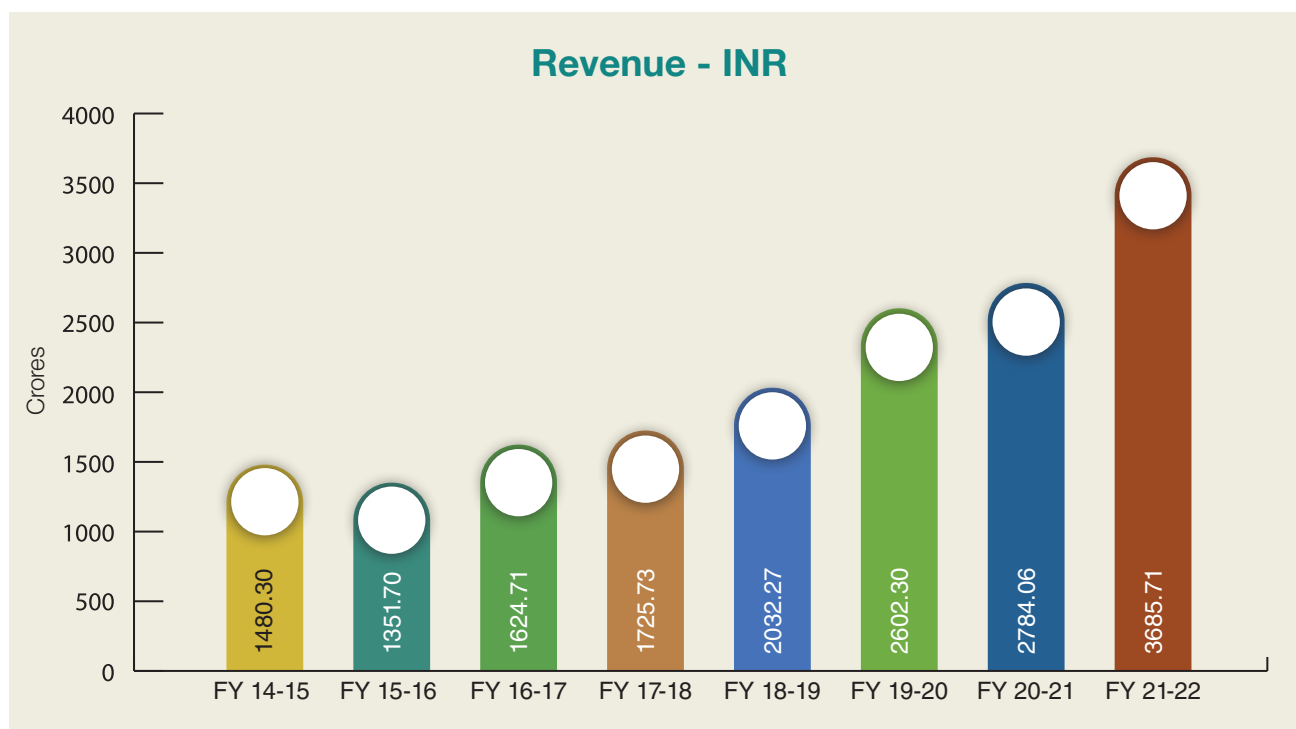
#### Direct contribution plans:

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made.

#### Direct benefit plans:

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date.





## v. Anti- Competitive Behavior

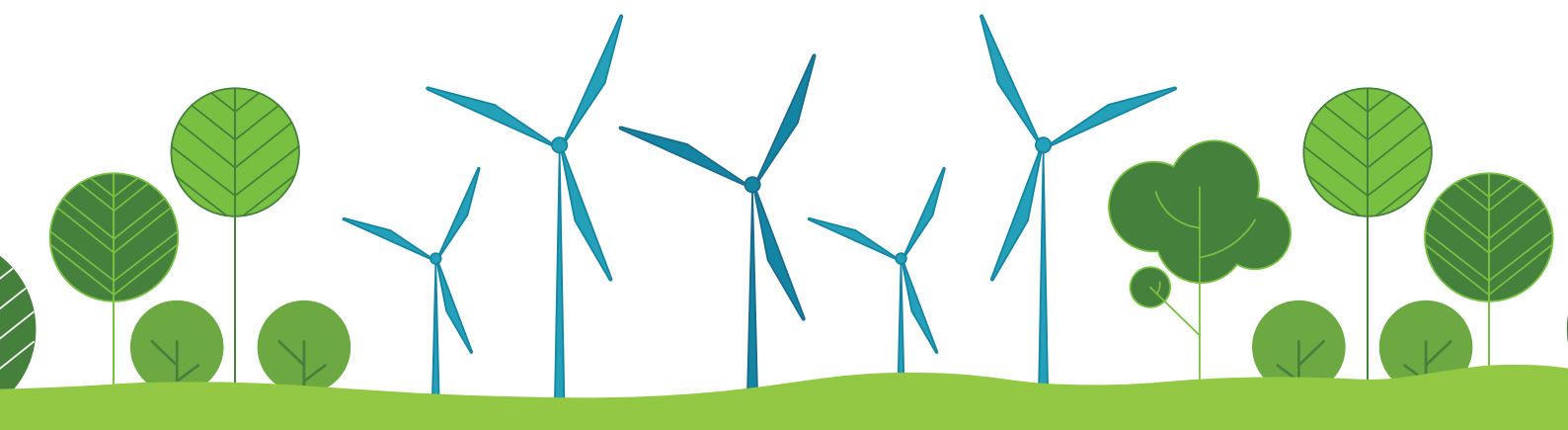
### [GRI 206]

Galaxy believes in being a partner in the progress of its customers and provides reliable customer service with all technical expertise.

The company engages in coordinated interactions with all its stakeholders. The principal behavioural remedy for coordinated interaction is the prohibition of collusion backed up by penalties. The most common and important measure to reduce anti-competitive behaviour is to increase transparency in the market.

The organization makes sure that there are no anti-competitive clauses or exclusive dealing restrictions in the current company contracts and supplier agreements that could limit competition. Internal training is conducted to make sure the concerned employees are aware of how the competition Allowance and competition legislation functions. This ensures that the likelihood that the company would engage in anti-competitive behaviour is reduced. It may also make it easier to conduct and uphold other consumer law obligations.

There is no case regarding the violation of anti-trust and monopoly legislation in the reporting year.





## 14.2 Natural Capital – GHG emissions, air emissions, energy, waste, water



✓ Galaxy has committed to achieving 100% waste circularity by 2030

✓ Since May 2017, Galaxy has become zero liquid discharge at all manufacturing sites in India

### i. GHG Emissions

[ GRI 305, SDGs 7, 12, 13, NGRBC Principle 6]

Dangers of climate change have become more apparent and urgent, investors, and regulators, customers have raised their expectations for companies demanding that they set targets for reducing net emission of GHG to zero and offer plans for achieving them. The momentum toward net zero is undeniable.

At Galaxy, the initial step towards GHG emission reduction is the establishment of a transparent and reliable GHG Inventory System. This allows monitoring, reporting, and verification of the current state of emissions.

GHG emission accounting and reduction is an integral part of the company's long-term agenda towards climate change mitigation.

Galaxy Surfactant's, GHG Emissions accounting, and reporting is reported every year since FY 2011-12. The key lever is the implementation of energy conservation projects. GHG emissions are consolidated on an operational control basis with the base year of 2012-13. Gases considered for GHG emissions include CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub>, and HFC. The emissions are calculated based on ISO 14064-1:2006 standards and published emission factors from IPCC guidelines (Sixth Assessment Report). Data for fuel and electricity is collected through sites that measure consumption based on metering and maintained records.

Members of the Energy cell and Sustainability cell meet regularly to review Energy performance and are guided by Energy and Sustainability policy. Galaxy has implemented ISO 50001:2018 Energy Management System at the Taloja Manufacturing unit with the aim to reduce energy consumption

and emissions. The Certification was awarded to Galaxy after a successful Audit conducted by BSI.

Galaxy also includes in the organizational boundary, the emissions arising from activities that are auxiliary to the principal activity performed and which come under the 'overall control' of Galaxy.

### Galaxy's commitment to SBTi:

Setting an SBTi target is an initial step, which reflects our determination to make a positive impact today and work towards more challenging targets in the long term. Science-based targets provide a clearly defined pathway to future-proof growth by specifying how much and how quickly companies need to reduce their greenhouse gas emissions.

**We are committed to the Science Based Target Initiative in alignment with the Paris Agreement goal to limit the global temperature rise to 1.5/2 degrees Celsius. Currently, we are in the target validation process.**

"We understand that our ESG impact extends beyond our own production into our role as a global manufacturer and supplier and make our value chain sustainable. We are proud to be taking science-based steps to reduce our negative impact on the planet."

### Galaxy's CDP disclosures:

Galaxy started Carbon Disclosure Project as an initiative for building a sustainable economy by measuring and acting on our environmental impact. Since then, Galaxy have been continuously participating in the disclosure. With time our scores increased significantly reflecting the improvements taken at Galaxy.

CDP's annual Supplier Engagement Rating (SER) evaluates corporate supply chain engagement on climate issues. The highest-rated companies are celebrated in the Supplier Engagement Rating Leader board. The SER assesses performance on governance, targets, scope 3 emissions, and value chain engagement in the CDP climate change questionnaire.

| Company name            | 2021 Supplier Engagement Rating |
|-------------------------|---------------------------------|
| Galaxy Surfactants Ltd. | A                               |

Galaxy's 2021 SER is as follows:



|                  |                   |                    |                            |                       |                 |                      |                                     |                            |
|------------------|-------------------|--------------------|----------------------------|-----------------------|-----------------|----------------------|-------------------------------------|----------------------------|
| About the report | Theme of the year | Awards & accolades | Message from the MD's desk | Operating environment | Company profile | Corporate governance | Key products, applications, markets | Approach to value creation |
|------------------|-------------------|--------------------|----------------------------|-----------------------|-----------------|----------------------|-------------------------------------|----------------------------|

## Galaxy's group score 2021:

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

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

## a. Direct (Scope 1) GHG emissions

[GRI 305-1]

**19157 tons CO2 eq.**

Note: Gases included in the calculation are CO2, CH4, N2O and HFCs and have been calculated as per the IPCC Guidelines, Sixth Assessment Report (AR6- 100 year) using the operational control method

## b. Indirect (Scope 2) GHG emissions

[GRI 305-2]

| Sl no | Location                 | Country | Emissions (tonnes CO2 eq.) |
|-------|--------------------------|---------|----------------------------|
| 1     | Taloja                   | India   | 12945                      |
| 2     | Tarapur                  | India   | 3012                       |
| 3     | Jhagadia                 | India   | 9542                       |
| 4     | TTC and sales warehouses | India   | 515                        |
| 5     | Suez                     | Egypt   | 7141                       |
| 6     | Derry                    | USA     | 157                        |
| Total |                          |         | 33312                      |

## c. Other indirect (Scope 3) GHG emissions

[GRI 305-3]

| Category  | Emissions (tonnes CO <sub>2</sub> eq.) <sup>#</sup> |
|---|---|
| Purchased goods and services  | 95928   |
| Capital Goods   | 8465.3  |
| *Fuel and other energy related activities (not included in scope 1 and Scope 2) | 4.7   |
| Upstream transportation and Distribution  | 3027  |
| Downstream transportation and distribution                                      | 26041   |
| Business Travel   | 48  |
| Employee Commuting  | 1063  |

<sup>#</sup>Reporting of other indirect (scope 3) GHG emissions is by considering partial scope

\*Purchased electricity consumption of rented warehouse

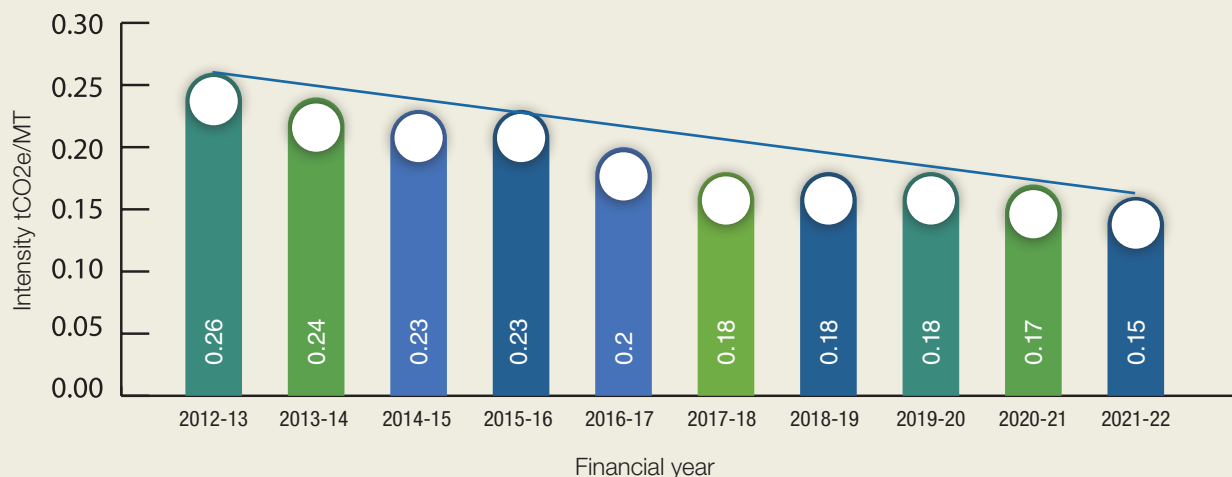
## d. GHG emission intensity for global operations

[GRI 305-4]

|                               |       |
|-------------------------------|-------|
| Scope 1 GHG emission (t CO2e) | 19157 |
| Scope 2 GHG emission (t CO2e) | 33312 |
| GHG intensity (t CO2e/MT)     | 0.15  |



## GHG (Scope 1+2) intensity reduction for Galaxy India Location



Energy conservation themes and GHG reduction projects executed in FY 2021-22 have resulted in improved energy efficiency. As a result, for our Indian Operations, total reduction in GHG emission in scope 1 and 2 is **3521.70 tCO2e**.

The key initiatives are shown below:

| Category of Project              | Project Description                          | Total CO <sub>2</sub> eq. savings in tonnes |
|----------------------------------|--|---|
| Energy Recovery                  | Installation of waste heat recovery boiler   | 138.07                                      |
| Low carbon emission installation | Energy conservation using LED Fixtures       | 61.61                                       |
| Process Optimization             | Cooling tower fan optimization               | 45.36                                       |
| Renewable energy                 | Partial Power Purchase through Group Captive | 1566.39                                     |
| Process Optimization             | Screw blower in ETP                          | 24.80                                       |
| Energy Savings                   | Energy Savings in Chiller Section            | 117.27                                      |

## Goals and Targets:

Increase the Renewable electricity share to 100% by 2030-31, as the company's mission is to achieve zero carbon grids at scale.

Settle the basis for setting a balance between energy use and care of the natural environment, the company is aiming to establish ISO 50001:2018 in India and Egypt location by 2025-26.

Cumulative 1 lakh tree plantation by 2030-31.



## ii. Air Emissions

### [ GRI 305, SDG 13, NGRBC Principle 6]

For the manufacturing sites of Galaxy surfactants in India, SO<sub>x</sub>, NO<sub>x</sub>, and PM (Particulate Matter) emissions are monitored on a regular basis and kept well within the applicable statutory norms. Stack emissions are measured and monitored on regular basis by authorized third party agencies.

a. Significant air emissions, in kilograms or multiples, for each of the following:

- i. NO<sub>x</sub>: 2 tonnes
- ii. SO<sub>x</sub>: 17 tonnes
- iii. Particulate matter (PM): 7 tonnes

## iii. Energy Management and Performance

### [ GRI 302, SDGs 7,13, NGRBC Principle 6]

Energy conservation continues to be our priority. We focus on reducing the energy intensity of our products. We implemented different schemes for energy conservation for

various processes and components in our manufacturing facilities to further improve energy efficiency.

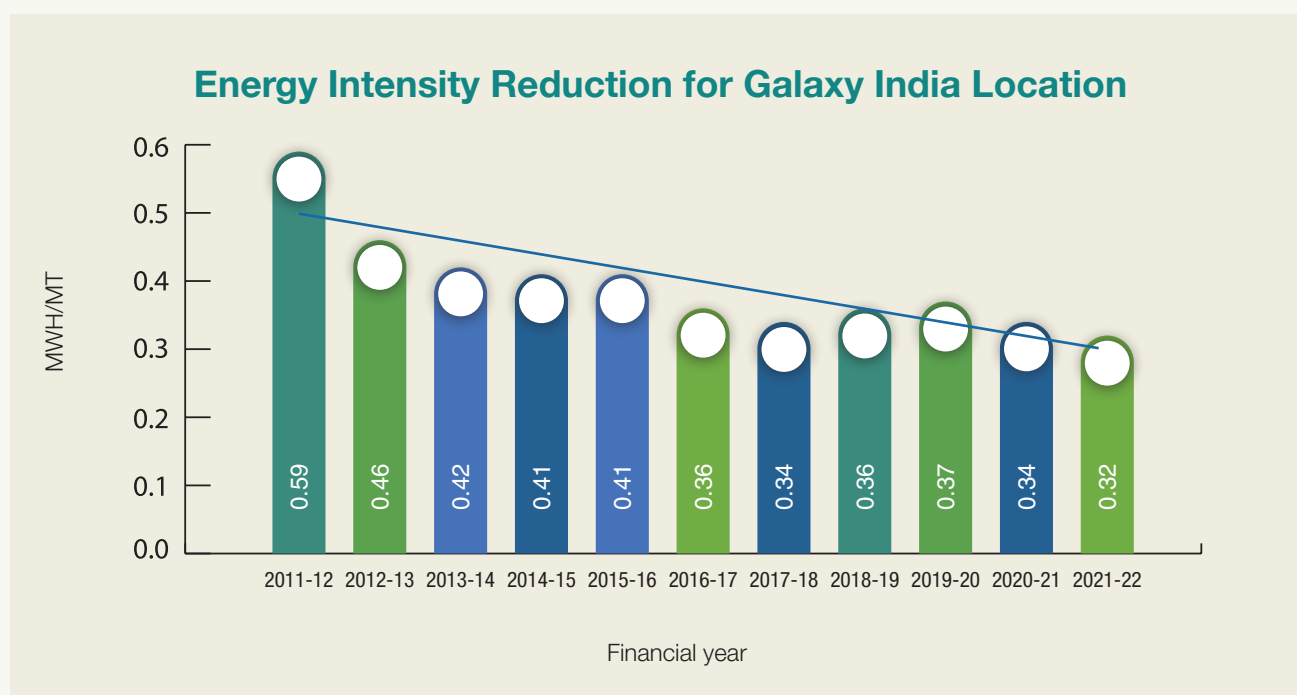
The company has systematically allocated financial, technological, and human resources to reduce the energy intensity of projects and processes.

The energy mix at galaxy includes power and fuel from both non-renewable and renewable sources. Energy intensity calculation includes furnace oil, coal, light diesel oil, high-speed diesel oil, natural gas, grid electricity, and renewable energy. This ratio considers energy consumed within the organisation and the denominator as production volume in MT.

The key energy conservation initiatives during the reporting period are:

| Sl. No. | Initiatives  |
|---------|--|
| 1       | Energy conservation by using LED fixtures                        |
| 2       | Cooling tower fan optimization by using PID controller           |
| 3       | Installation of Screw blower in ETP                              |
| 4       | Energy savings in Formulation plant by reducing batch cycle time |
| 5       | Power reduction by reduction of changeover time                  |

These initiatives have resulted in 45% reduction in the energy intensity in the past decade as shown in the graph below:



This significant reduction in specific energy consumption was visible primarily due to the utilisation of Renewable Energy sources. Presently the company has ~ 5.95 MWp of Solar energy in its energy mix accounting for 24% of its RE share (Taloja).



## iv. Waste

### [ GRI 306, SDG 12, NGRBC 6]

Sustainable waste management is the need of the hour, which involves managing waste in an environmentally sound, socially satisfactory, and techno-economically viable manner.

Galaxy focuses on waste elimination, recycling, and optimum utilization of resources. The fundamental objective is to maximize reuse and recycling so that minimum land space is occupied for disposal and at the same time natural resources and energy are saved.

We measure and monitor waste for all our manufacturing facilities. We are continually improving our waste monitoring mechanisms. Wastes are considered Hazardous or Non-Hazardous as per the definition of national legislation. We encourage our employees, and operators to share innovative ideas and look forward to alternative options for reducing, recycling, and re-using waste.

World-Class practices such as TPM is adopted at our manufacturing sites over several years. Also, annually we conduct internal benchmarking programs like Galaxy Manufacturing Excellence Award (GMEA). Galaxy has implemented projects that have reduced waste over the years by recycling by-products/waste for internal consumption and improving the yield of production. Hazardous waste is sent to authorized waste management agencies and Non-hazardous waste is sent to authorized recyclers for further recycling.

Aligned with the company's value of "Everyone can make a difference", the company encourages employees, to share ideas on alternative options of reducing, recycling, and re-using waste.

The waste elimination suggestion award program (WESAP), as the name suggests, is a program that enables all employees to provide their suggestions on the waste reduction.

### The 8 types of wastes covered under WESAP are:







### More than 500 suggestions have been implemented under the WESAP program in FY: 21-22.

As the world develops strategies for sustainable recovery from the pandemic, governments, and all citizens should seize the opportunity to work together to improve resource efficiency, reduce waste and pollution, and shape a new circular economy. In accordance with the UN SDG Goal 12 i.e. Responsible Consumption and Production, Galaxy has committed to achieving 100% waste circularity by 2030.

### Taloja Unit Performance:-



## WESAP Performance Mar-22 (YTD)



|   |     |     |     |      |     |     |      |
|---|-----|-----|-----|------|-----|-----|------|
| No. of Suggestions Received (YTD)   |     |     |     |      |     |     | 4124 |
| No. of Feasible suggestions   |     |     |     |      |     |     | 2223 |
| No. Non Feasible/ Invalid/ Rejected Suggestions (Fuguais/Repeated)                  |     |     |     |      |     |     | 1745 |
| No. of Suggestion confirm for feasibility (Need to discuss with senior or EMI Team) |     |     |     |      |     |     | 125  |
| No. of Suggestions to be check category   |     |     |     |      |     |     | 31   |
| Categorizations of feasible suggestions (YTD)                                       |     |     |     |      |     |     |      |
| Category  | C   | E   | P   | S    | Q   | M   |      |
| Total   | 287 | 121 | 111 | 1056 | 254 | 394 | 2223 |
| Implemented   | 97  | 18  | 29  | 419  | 81  | 171 | 815  |
| Pending   | 190 | 103 | 82  | 637  | 173 | 223 | 1408 |
| No. of suggestions which resulted in cost savings (C, E, P)                         |     |     |     |      |     |     | 519  |

[www.galaxysurfactants.com](http://www.galaxysurfactants.com)

Global Supplier to Global Brands





# Congratulations!



**WESAP R & R FOR MONTH OF MAR-22**

**WINER OF BEST SUGGESTIONS**



**Mr. Dinesh Yadav**  
Maintenance



**Mr. Rohit Katkar**  
EOU Sulphonation



**Mr. Mahesh Patil**  
MED Sulphonation



**Mr. Hemant Patil**  
MED Sulphonation Conversion

**COVERAGE RATIO COORDINATOR'S**



**Mr. Sukrut Shastri**  
MED Sulphonation



**Mr. Sanjay Vishwaakarma**  
EOU Dryer



**Mr. Rajesh Mahajan**  
EOU Sulphonation



**Mr. Ashish Manjrekar**  
Ethoxylation



**Mr. Namdeo Kore**  
WTP-UTILITY



**Mr. Arun Mhatre**  
V-23 Sulphonation



**Mr. Sagar Chavan**  
Formulation -2



**Mr. Pramod Gole**  
Maintenance



**Mr. Amol Turde**  
NECA-GOLD



**Mr. Sundaram M.**  
QA

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## CASE STUDY:

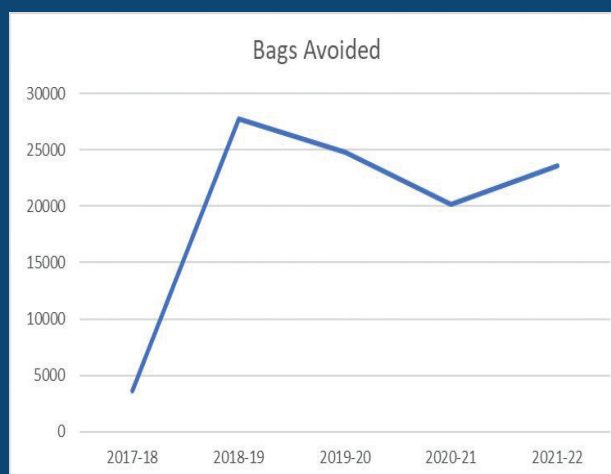
**Project: Molten Stearic Acid in ISO Tankers as an alternative to Solid Stearic Acid**

**Objective: To reduce waste created due to paper bags of stearic acid**

Actual Work at site: Along with promoting green sourcing and vendor evaluation, Galaxy also tries to improve its processes continuously. Till FY 2016-17, our stearic acid was being sourced in solid form in paper bags. We realized that there was a potential of reducing the usage of paper bags in packaging. Our sourcing team decided to undertake a joint project with Quality Assurance team in procuring Molten Stearic Acid in ISO tankers from FY 2017-18.

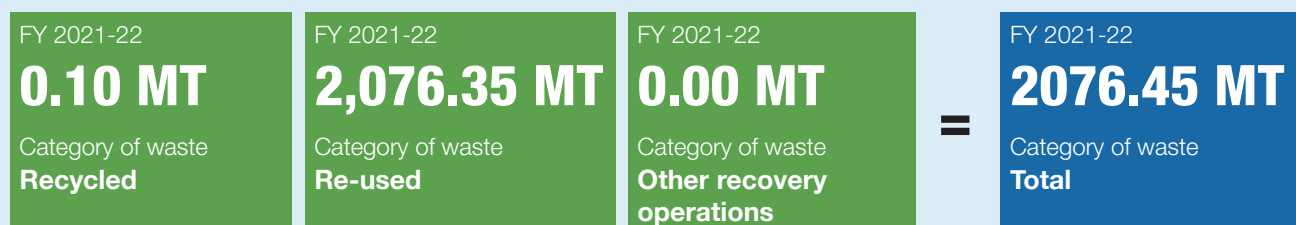
As a result of constant efforts in planning and management, we not only reduced our waste but it has eventually reduced our batch cycle time.

Total packaging waste was reduced by 21.6 tons from FY 2017-18 to FY 2021-22.



## Waste Diverted

In FY 2021-22, total weight of waste generated in metric tons, 5733.56 MT and the waste diverted is 2,076.45 MT. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) is shown in the table below:



## V. Water

### [GRI 303, SDG 6, 13, NGRBC 6]

Currently, more than a billion people worldwide lack access to water, and almost 2.7 billion find water scarce for at least one month of the year. Inadequate sanitation is also a problem for about 2.4 billion people, because of which they are exposed to diseases, such as cholera, typhoid, and other water-borne illnesses. Two million people, mostly children, die each year from diarrheal diseases alone.

Galaxy uses water as an essential input for production and is dependent on water supplies from Regulatory bodies. The company is cognizant of its water footprint and other impacts and hence reducing water consumption in operations and improving water quality are important business objectives for the company.

The company has working committees at all locations, guided by the Sustainability cell to measure, manage, and review water-related topics for the respective locations, both within the company and the community areas. Scenarios have been created in water and its associated risks, mapping several factors and considerations.

This approach helps in the prioritization of action toward water stewardship. We define water stewardship as the usage of water that is socially equitable, environmentally sustainable, and economically beneficial, achieved through a stakeholder inclusive process.

Galaxy has been one of the pioneers in the Indian Chemical Industry when it comes to Water Management, both within as well as outside its premises.

### Our water goals are:

- Reduction of water withdrawal by 30% of indirect water consumption per MT production in India and Egypt by FY 2025-26 over FY 2020-21.
- Continue the status of having ZLD units in India and achieve ZLD units at the Egypt location.
- Become Net Water Positive at India-Plant level by FY 2023-24.
- Implementation of ISO 46001:2019 by 2025-26 as Water Efficiency Management would bring a system in place for better managing water use and optimizing water demand.

### The key strategies for improving water availability are:

- Water recycling in the operations
- Rainwater harvesting both within the company boundary and in community areas
- Water conservation projects since 2011-12
- All sites have Effluent Treatment Plants (ETPs) to ensure that the effluent generated is treated as per local Pollution Control Boards' permissions and Factory consent before the final discharge into CETP.



- Water parameters like pH, BOD, COD, Chlorides, Sulphates, etc. are being regularly monitored at all manufacturing sites in India and Egypt and are way below-permitted limits.
- Rejuvenation of wells
- Improved sanitation facilities
- Check dam creation
- De-silting of water bodies

### Some key achievements are:

- Galaxy has achieved a 60.3% reduction in India for its water intensity figures over FY 2011-12.
- The manufacturing site in Egypt has achieved a 30% reduction in water intensity considering the baseline of FY 2014-15.
- Since May 2017, Galaxy has become zero liquid discharge at all manufacturing sites in India, along with necessary consent from the Pollution Control Boards.

- Galaxy Surfactants Ltd. has been certified 1.4X Water Positive by independent verification by DNV Business Assurance India Private Limited
- Galaxy has cumulatively harvested 415 million litres of water through multiple projects through recycling, condensate recovery, and steam recovery and has incorporated several water stress adaptation projects.
- Galaxy Surfactants obtained a water balance index of 1.40, a rare achievement by a Chemical company.

### The key performance indicators of water are:

- Water withdrawn is 461323 cubic meters and water consumption is 543584 cubic meters (including recycled water) based on data from water bills and water meters.
- Water recycled was 96419 cubic meters and 21% of the water withdrawal was from recycled or reused sources.



We are pleased to announce that we have been

**CERTIFIED AS 1.4X WATER POSITIVE**

Because businesses thrive only when communities thrive



Galaxy  
Global Suppliers to Global Brands

## 14.3 Social Capital – CSR initiatives



[GRI 413, SDG 1, 2, 3, 4,5,10, NGRBC Principle 8]

**Inception of CSR activities even before it became a mandate and growing with inclusion of communities since then!**

**Galaxy has consistently spent more than the mandated CSR budget and positively impacted over 5.66 Lakh lives!**



Prior to the Companies Act 2013, CSR in India was traditionally seen as a philanthropic activity, subject to the financial health of the company. In 2014, India became the first country to legislate the need to undertake CSR activities and mandatorily report CSR initiatives under the Companies Act 2013. This was the beginning of a new era for CSR in India.

Similarly, the National Guidelines for Responsible Business Conduct, now a mandate for the top 1000 listed companies, reiterates that business success and inclusive growth are interdependent.

The adoption of the Sustainable Development Goals by the United Nations in 2015, has further necessitated businesses to sharpen their focus on the well-being of the communities in which they operate.

Further, CSR activities are not just a way of giving back to society but also a strategic win for the companies as CSR activities improve the customers' and employees' perception of the brand as people-friendly and inclusive. CSR may also improve the bottom line of the company as customers and investors prefer a socially responsible brand. Further, there is a clear need for collaboration amongst businesses and government agencies in the development agenda of our country to reach the aspirational milestones of making India a developed and Sustainable nation.

Galaxy, a company that has "Character" as a core strength and includes "Business is People" as one of its values, has always had community well-being as its strategic priority. The company started CSR initiatives in 2010-11, much before it was mandated by the Companies Act.

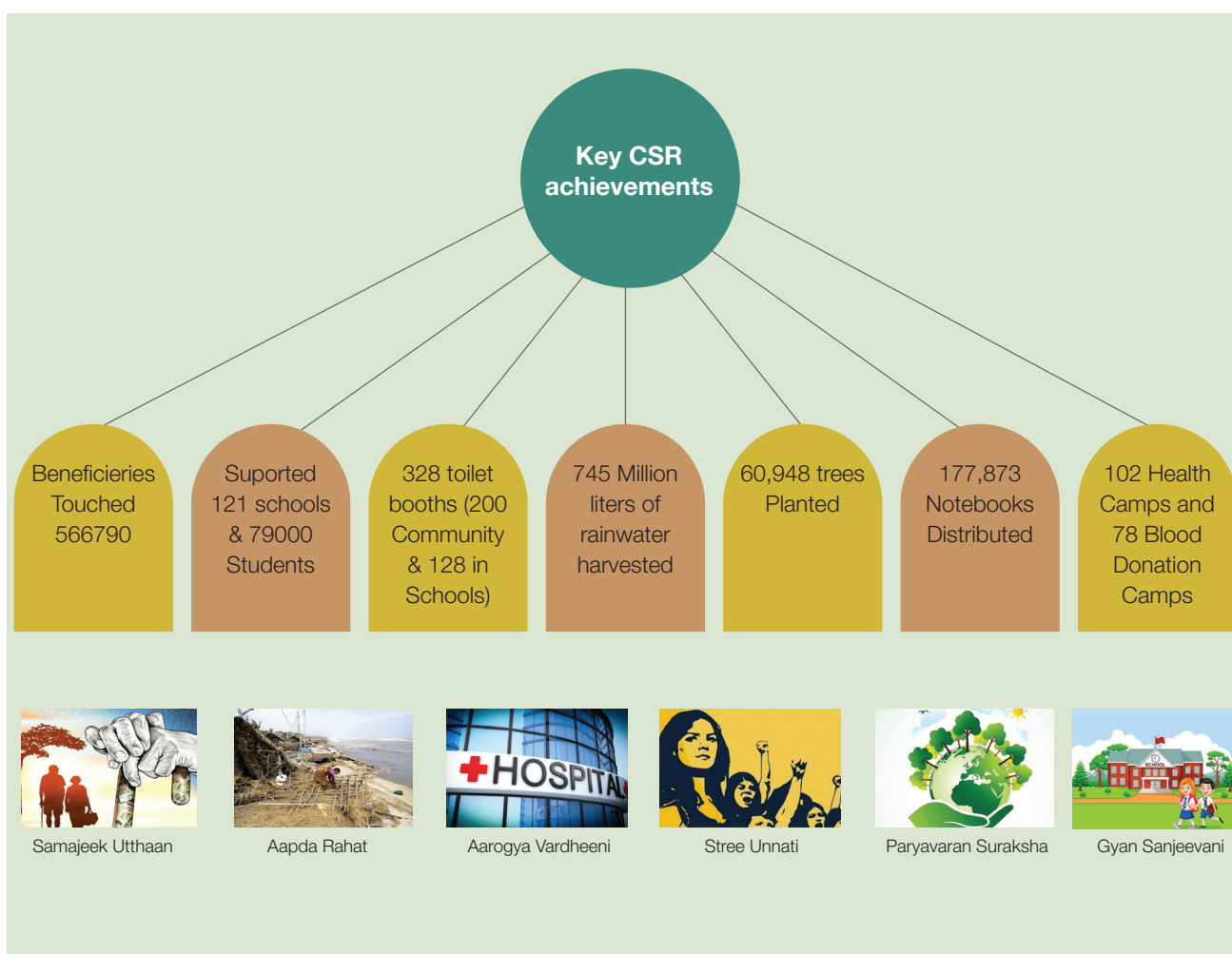
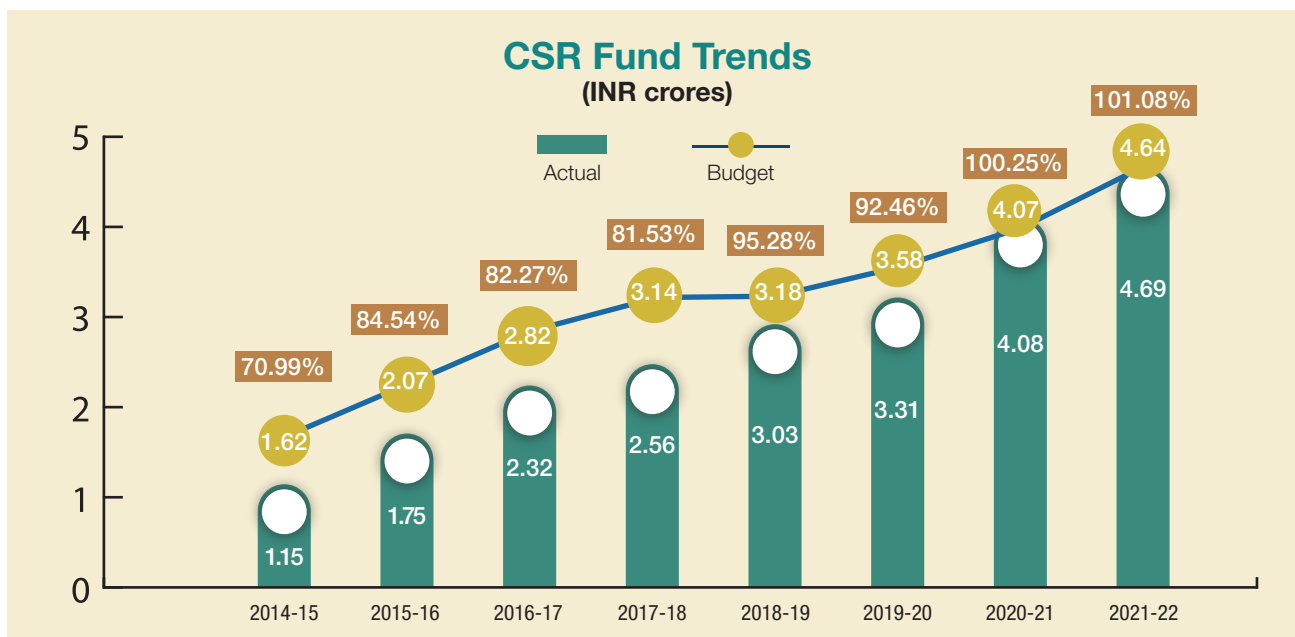
Inspired by the company's motto "Galaxy shall fulfil its commitments to society" the CSR approach is guided by the CSR policy ([galaxy-csr-policy.pdf](#) ([galaxysurfactants.com](#)))

In terms of the provisions of Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee are provided in the Corporate Governance Report (in the Company's Annual Report). The CSR committee of the Board sets the CSR themes, and targets, and allocates resources.

The Head of CSR is responsible for day-to-day execution of the projects and their monitoring. The steering council members participate in CSR projects and closely monitor the execution and effectiveness of the projects. The employees are encouraged to participate in CSR initiatives.

The company has touched more than 5.66 lakh lives in its surrounding communities through CSR projects with a spending of over INR 22.89 crores since 2014.





## Operations with local community engagement, impact assessments and development programs

### [GRI -413-1]

Based on both formal and informal engagements with the communities, the company has identified the following focus areas as CSR priorities:

1. **Aarogya Vardheeni** (Healthcare, Hygiene and Preventive Healthcare)
2. **Gyan Sanjeevani** (Education)
3. **Samajeek Utthaan** (Community and Rural Development)
4. **Paryavaran Suraksha** (Environment Protection)
5. **Stree Unnati** (Women Empowerment)
6. **Aapda Rahat** (Calamity Relief)

The CSR Steering Council at Galaxy communicates regularly with the community and solicits feedback prior to the concept and execution of a project. Need Assessment and Due Diligence of the beneficiary is conducted at the start of the project and feedback for assessing the impact of the project is conducted after the project.

Navigators or champions of the project from the Steering Council are in continuous touch with the beneficiary or the implementation partner before the start of the project.

The performance measures for measuring the progress and impact of the project are finalized at the start of any project. The beneficiary or the implementation partner shares the status report with these performance measures on a quarterly basis, highlighting the progress during implementation and the outcome of the project after completion of the project. The status of the project is also verified through a site visit by the project champions of Galaxy.

During 2020-21, Galaxy focused all its resources on managing the COVID -19 pandemic in the communities. This was the year when 100% of the CSR budget was utilized for the first time. In 2021-22, Galaxy continued its support to fight against Covid-19 by donating 10 ICU beds to hospitals, along with distribution of 1685 liters of sanitizer, 16,564 liters of liquid handwash, 1700 PPE kits, 7300 masks and other articles to 72,970 Covid Warriors and 57,584 community people, Government Agencies, NGOs, community, and hospitals

## Operations with significant actual and negative potential impacts on the local communities

### [GRI -413-2]

About 40% of CSR initiatives are undertaken in and around the locations where Galaxy has its operations and presence. The geographies that have been touched on through CSR projects are:

- a. **Taloja-** Villages and schools near the plant
- b. **Tarapur-** Villages and schools near the Boisar plant, villages, schools, ashrams at Dahanu and rainwater harvesting projects in Jawhar and Mokhada tribal belts
- c. **Jhagadia-** Villages and schools near the plant, adolescent empowerment project in 5 Villages of Bharuch
- d. **Navi Mumbai -** Slums and Community from Thane to Raigad
- e. **Chhattisgarh -** 57 tribal villages of Bilaspur District; hand hygiene project, malnourishment eradication project and Tuberculosis prevention project
- f. **Tamil Nadu -** Support to various Gaushalas and rainwater harvesting project
- g. Relief Material to various states including Nepal





# Key CSR projects of Galaxy:

## 1) Aarogya Vardheeni

(Healthcare, Hygiene and Preventive Healthcare):

### Goal of the Project:

Galaxy's main purpose is to improve the overall health and hygiene while promoting preventive healthcare.

### Description of the Projects:

The key activities that Galaxy conducts for the healthcare of communities are:

- Construction of Toilets and Handwashing Stations for Girls and Boys in School and for the Community.
- Preventive Health Care through Diagnosis and Treatments – Setting up of Primary Health Centre in villages, Medical Camps, Gynaec Camps, and Eye Camps with the distribution of Free Medicines and Spectacles.
- Reducing Diseases through Hygiene Awareness – Hand/ oral/ body/ menstrual etc.
- Providing Safe Drinking Water – Construction of Water Tank, Installation of Water Filters
- Blood Donation Drives – one blood unit can save 3 lives.
- Equipment for Hospitals / Nursing Homes – Mobile Eye Clinic Van, Dialysis Machine.
- Spreading Awareness about the Adverse Effects of Tobacco and Addiction.
- Anaemia Reduction Initiative for Tribal Adolescents and Vulnerable Segments.



- Providing Additional Nutrition to Poor Marginalized Children and Women and Construction of Anganwadi.

### Impact of the Projects:

- Galaxy constructed 95 Household Sanitary Bathrooms for the dignity, safety, and health of Tribal women in Randedi Village of Jhagadia, Gujarat.
- The company supports health care systems for 11,458 underprivileged people located in 8 villages of Jhagadia block including nearby villages of Gujarat.
- Galaxy provides nourishing food to 1100 underprivileged and malnourished tribal infants by supporting 100 creches in 54 villages of Chhattisgarh.
- The company constructed toilet blocks for children in 6 Schools in Maharashtra and Gujarat lately. Also, the company has constructed 334 toilet blocks (134 toilet blocks in schools and 200 community toilets) along with 1931 handwashing stations.
- Galaxy supported 10 Thalassemia-affected children with their blood transfusion and medicine for the last 7 years. Apart from this, volunteers conducted non-infrastructure activities like 3 hand hygiene awareness sessions for 168 beneficiaries.
- Galaxy has conducted 7 blood donation camps during the year, out of which 5 were inside factory premises and 2 were outside the factory. 494 and 330 units of blood were collected from them, respectively. Till date, Galaxy has conducted 77 blood donation camps collecting 5373 units of blood in FY 2021-22





## 2) Gyan Sanjeevani (Education):

### The goal of the Project:

Galaxy's aim is to improve the education system of the communities through improvement in school infrastructure and in other ways that help improve the standards of education.

### Description of the Projects:

Some of the major ways in which Galaxy strives to uplift the schools in the community are:

- a) Infrastructural Support:
  - i) Building infrastructures like rooms for Computer, Science, Math, and Art Lab
  - ii) Repairing/waterproofing of old School building and hostel.
  - iii) Providing infrastructures like furniture, benches, ceiling fans, concrete pathways, windows, libraries, and computers.
  - iv) School bus with access for differently abled students.
  - v) Various infrastructure and plumbing facilities by being a support system for many schools in Gujarat and Maharashtra

### Non-Infrastructural Support:

- i) Academic coaching for better learning and understanding of concepts
- ii) Safety sessions
- iii) Career guidance
- iv) Coaching on environment protection and energy conservation
- v) Distribution of notebooks, library books, school bags, etc. to underprivileged students.

### Impact of the Project:

- o Galaxy revamped the entire school building infrastructure in Palghar.
- o A school bus facility has been added for differently abled children.
- o The company also provided a scholarship of Rs. 2 Lakhs to 10 orphans.
- o A Vocational Training Centre focusing on rural employment for over 5000 children per year is under Construction in Nanded, Maharashtra.

Galaxy's support aids many children in pursuing Higher Education (Post Graduation). Galaxy's distribution of Education Kits helps underprivileged children in a better understanding of concepts as well as proper career guidance.





### 3) Samajeek Utthaan

(Community and Rural Development):

#### The Goal of the Project:

Galaxy focuses on the all-round development of the communities around our operations, particularly to people living in distant rural areas and tribal belts.

#### Description of the Project:

Galaxy has always been a support system to many institutions and schools by providing various facilities including numerous aids for underprivileged and differently abled children. Galaxy has completed phase-1 of the 3-year second 'Integrated Village Development Project' in the drought-prone region of Maharashtra.

As a part of this project, the company has done De-Silting in 21 draught-prone villages of Maharashtra for the benefit of villagers. The Company initiated a Micro Watershed Project near its Taloja Plant for harvesting rainwater leading to aiding villages. The company also celebrates Senior Citizen Day every year.

#### Some of the key initiatives under this vertical are:

- Integrated Village Development Projects like the Deepening of Nalas, construction of Water Absorbing Trenches (WAT), Continuous Contour Trenches (CCT), Check-Dam, Tree Plantation, and Capacity Building of the Villagers

- Rainwater Harvesting – New Construction and De-silting of Old Check-dams, Ponds and Wells, Water Percolation Pond
- Infrastructure support to Poor Tribal Students Hostels Old Age Homes, and Homes for Orphans / Destitute
- Undertaking Community Sanitation Projects
- Setting up Public Libraries and Construction of Water Overhead Tank for Village
- Promoting Rural National Sports through Community Connect Mahotsav
- Providing Infrastructure like Hand Wash Stations, Borewells, and Cement Chairs in public places in villages including livelihood and income generation opportunities for Divyang.
- The Company celebrated Senior Citizen Day during the year as volunteers from 2 geographies visited 3 old age homes and touched around 102 Senior Citizens.

#### Impact of the Projects:

Galaxy's 2 De-silting projects have impacted 43,000 villagers by harvesting around 393 million litres of rainwater.

Also, the Micro Watershed project impacted 1074 beneficiaries of 2 villages by harvesting around 63 million litres of rainwater.



## 4) Paryavaran Suraksha

### (Environment Protection):

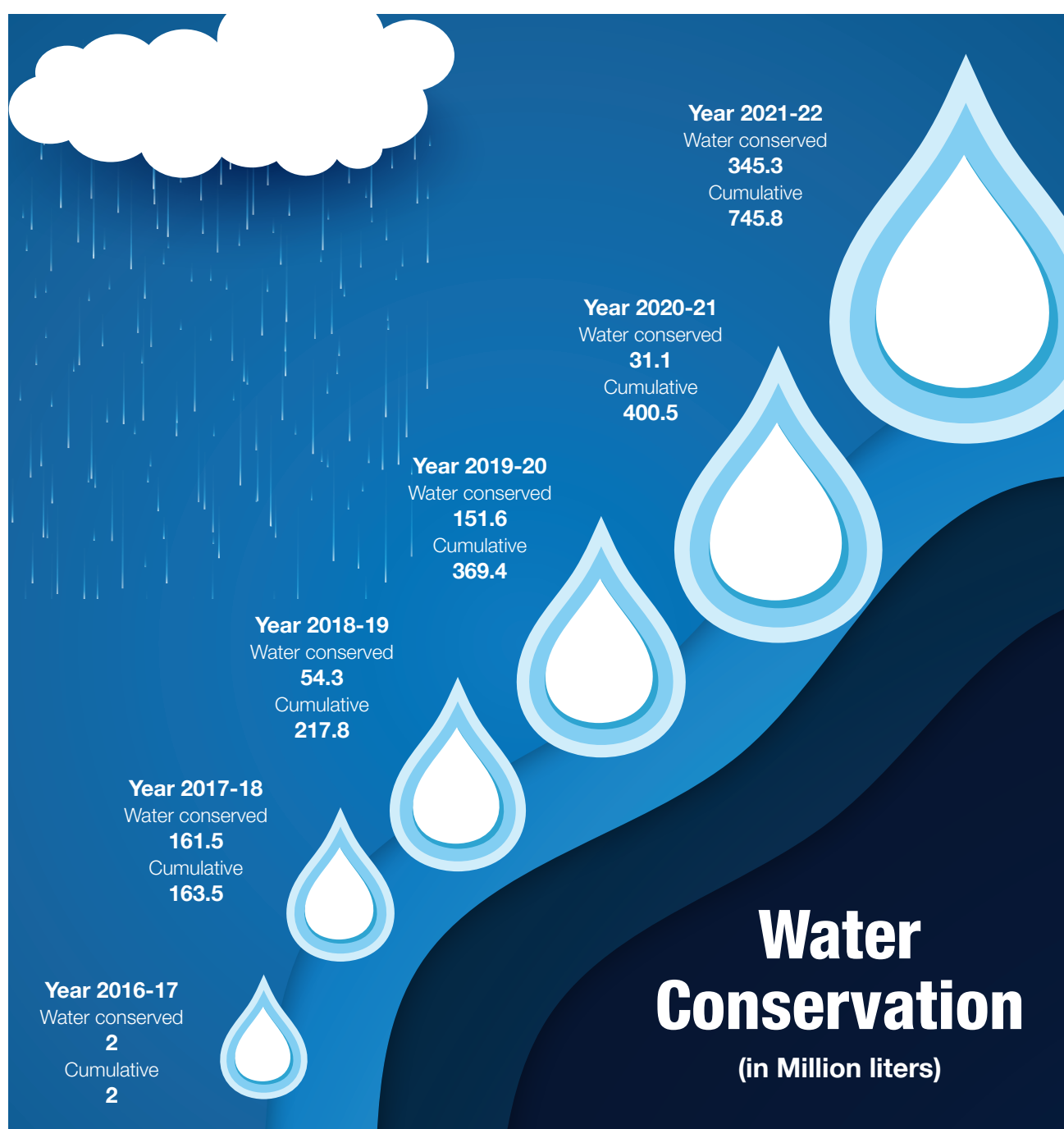
#### The Goal of the Project:

Environment Protection is crucial for future sustenance and Galaxy has gone beyond the boundaries of its operations in environmental stewardship.

#### Description of the Projects:

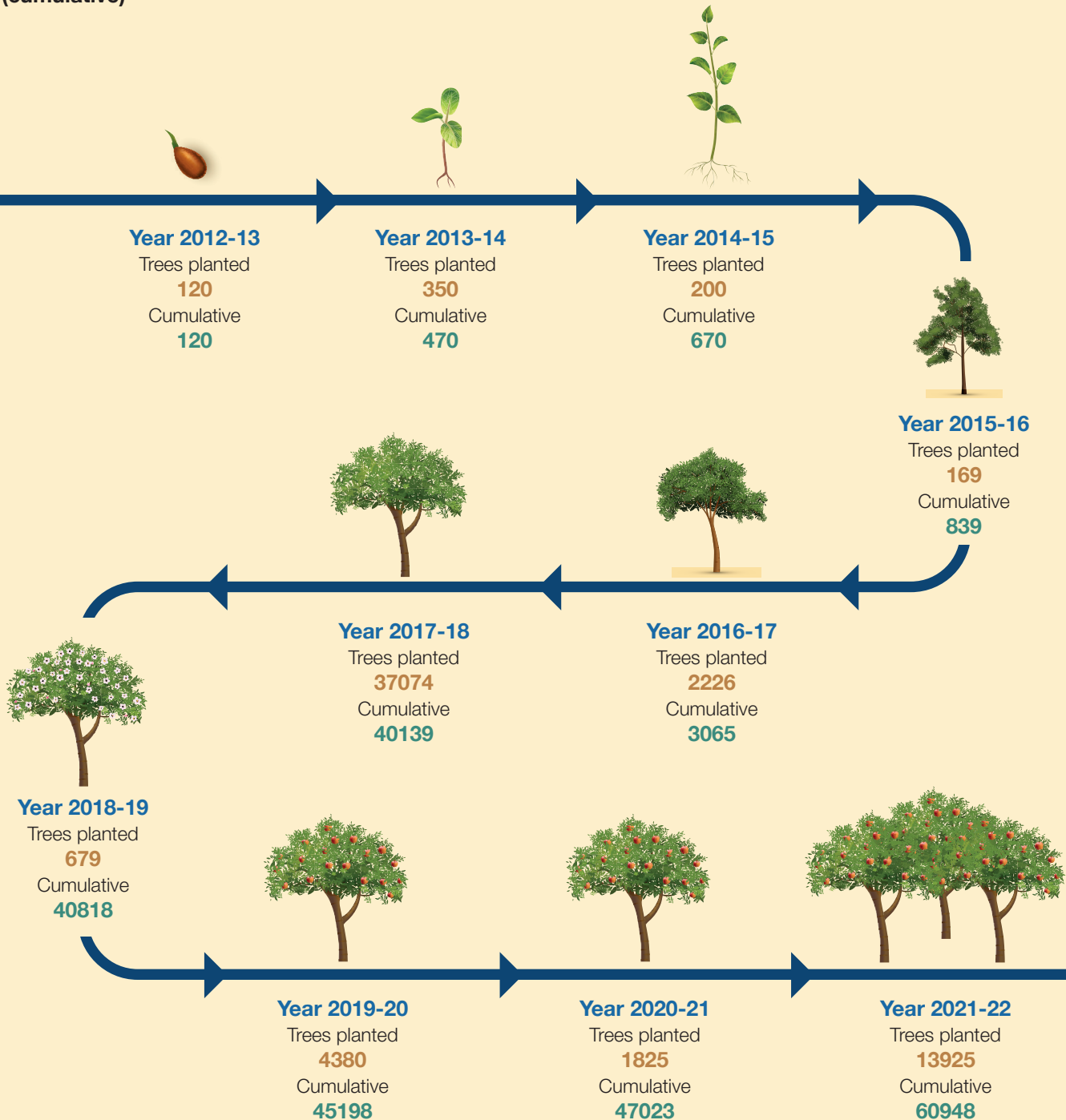
Some major strategies for environmental care in the local communities are:

- Tree Plantation
- Cleanliness Drives
- Awareness on Energy / Water Conservation and Solid Waste Reduction and Management, Composting
- Promoting Solar and other Renewable Energy Projects like installation of rooftop solar system, providing LPG cylinder where firewood was used for cooking
- Support to Gaushala for Construction of Percolation Tank in Gaushala, Fodder and Medicines





## Tree Plantation through CSR (cumulative)



### Impact of the Projects:

Galaxy planted 13,925 trees during 2021-22. Galaxy installed several Solar panels thus saving electricity and promoting sustainability. The Company continued its support to different organizations working towards the Animal Welfare by constructing Percolation tanks and providing food and other necessary items.

**Cumulatively till date, Galaxy has planted 60,948 Trees. Galaxy initiated its First Miyawaki Plantation at TEPS, Tarapur MIDC, Palghar planting around 9500 saplings using the Miyawaki technique.**

## 5) Stree Unnati (Women Empowerment):

### Goal of the Project:

Overall development of women and girls

### Description of the Projects:

Galaxy continues its efforts towards women empowerment through Skill Development and providing income generation avenues to women.

### Some key interventions for women empowerment are:

- Education and development of women and girls
- Vocational training like beautician, nursing, computer, tailoring, entrepreneurial skills, distribution of sewing machine and other income generation activities
- Knowledge about relevant statutes
- Self-defense training
- Celebrating international women day with destitute girls including trafficked women



- Providing food to the poor destitute senior citizen women
- Support to NGOs working towards rescue and rehabilitation of trafficked girls and women.

### Impact of the Projects:

- Galaxy's continuous efforts towards empowering women bring self-confidence, liberty, and independence in them.
- Various skill training helps in gaining knowledge improving their talents and employability.
- Galaxy has provided vocational skill training to 800 Women and donated 268 Sewing Machines till date.
- Company started Skill Development Centre for Tribal Women in Dahanu, Maharashtra for providing skills in Tailoring.
  - Papad Making Machine – 1
  - Masala Grinder Machine – 1
  - Sewing Machine – 58





## 6) Aapda Rahat (Calamity Relief):

### Goal of the project:

To provide relief to calamity-affected people

### Description of the project:

Every year, the company provides relief materials to the natural calamity affected people:

### Impact of the project:

#### Some key initiatives under this category are:

- Distribution of Hygiene Material and Ration Kit to Covid Warriors and migrant families affected by the Covid-19 Pandemic

- Distribution of ration to flood-affected victims – delivered by volunteers personally to each beneficiary
- Rehabilitation of flood-affected victims – Reconstruction of damaged houses
- Assistance during COVID – 19 Pandemic – Distribution of sanitizers, liquid handwash, PPE kits, masks, and gloves to Corona warriors and distribution of rations to community people affected by COVID-19
- Sending assorted items of the basic need to disaster-affected areas, through collective funding from employees and company
- Galaxy consistently contributes to the PM Relief Fund



## 14.4 Relationship Capital- Product Quality and Safety; Customer communication



**[GRI 416, GRI 417, SDG 12, NGRBC Principle 2, NGRBC Principle 9]**

Galaxy has a worldwide customer base that has high and stringent standards of quality and delivery specifications.

As a supplier of home and personal care products with widespread use, product quality and safety are critical issues.

Galaxy focuses on continuous improvement in terms of quality, safety, and responsible usage of the products at the customer's end. Galaxy has an Innovation Centre which conducts research on making the products safe and harm-free. The Organization has kept a sharp focus on product safety while intensifying its efforts to manufacture goods with high natural origin contents, based on the 12 principles of green chemistry. Galaxy offers solutions to suit consumer trends and cares about vegan beauty. The company has received product attestations like COSMOS/Ecocert, Kosher, Halal, and RSPO (MB and SG) which provide customers a greater value.

Good Manufacturing Practice (GMP) accreditation serves as evidence that products are produced consistently with highest quality standards. GMP aids in reducing production-related risks at any level that cannot be eliminated by evaluating the finished product.

All the manufacturing units have previously received ISO 22716 GMP certification, which is a proven adherence to good manufacturing practices for raw ingredients used in cosmetics, to improve the quality and safety of cosmetic products.

The TRI-K Industries Inc. located in the USA and the Jhagadia site has also received EFfCI (European Federation for Cosmetic Ingredients) Certification.

All the locations have 4-Pillar SMETA (SEDEX Members Ethical Trade Audit) and GOLD Level EcoVadis certifications, which emphasizes ethical business practices, environmental protection, health and safety standards, and sustainable procurement. SMETA is used to assess all facets of ethical business conduct in international supply chains. The four pillars of the SMETA are business ethics, health and safety, the environment, and labour standards. For suppliers to share ethical practices and minimize audit duplication, saving time, money, and resources, the Supplier Ethical Data Exchange (SEDEX) is created in SMETA. The EcoVadis Gold Certificate motivates the company to further strengthen its environmental initiatives.

Every two years, a dedicated team of Galaxy conducts a customer satisfaction survey to determine how satisfied customers are with the company's goods and services. The 8D (eight disciplines) technique is used by the organisation and is a strict and systematic tool for handling customer complaints and preventing their recurrence.

The main components of the complaint management process are developing an interim containment strategy, systemic root cause investigation, putting in place a long-term fix to stop the issues from happening again, customer reassurance, and customer centricity approach.

Galaxy accords the highest priority to the safety and health impact of its products. Product labelling requirements are fully met, as well as physical and chemical properties are communicated to relevant stakeholders.

Galaxy adheres to the GHS (Globally harmonized system) of classification and labelling of chemicals. The GHS is a voluntary international system that provides a framework that defines or classifies the hazards of chemicals and provides guidance for communicating the hazards and safety information through labels and the Safety Data Sheet (SDS).

SDS for all products is prepared according to the updated Commission regulation (EU) No. 2020/878 for the EU and GHS for all other countries. SDS and labels are periodically reviewed and revised whenever necessary.

While transporting dangerous goods, Galaxy ensures the use of UN-certified packaging material and affixation of Dangerous Goods labels in compliance with IMDG (International Maritime Dangerous Goods) and IATA (International Air Transport Association).

Galaxy's regulatory team also handles certain specific customer requirements such as confirmation of absence or presence of impurities listed in California proposition 65; CMR (Carcinogenic, Mutagenic, and Reprotoxic) substances; listing of products in various chemical inventories such as NDC (National Drug Code) listing, etc. Some of our products are also in compliance with Halal and Kosher requirements for our esteemed customers.

Galaxy took up LCA based on ISO 14040/14044 as a part of assessing total impact of the product through its lifecycle. This process was implemented with the help GaBi tool. These studies were conducted with Cradle to Gate approach measuring impact over a range of parameters like Human toxicity, carbon footprint, eco-toxicity, and reducing the environmental footprint to adhere to Product Stewardship

Galaxy has completed the lifecycle assessment of 43 products as of 31<sup>st</sup> March 2022. Galaxy plans to move forward and include more products in the assessment for total environmental impact. This would help Galaxy to determine its environmental impacts and opportunities for improvement in the same.



# 14.5 Human capital - Employment; Safety and Health; Labour Relations



[GRI 401-1, GRI 402, GRI 403, SDG 3, SDG 8, NGRBC Principle 3]

## i. New employee hires and employee turnover

GRI 401-1

| Location/<br>Demography | Gender |    | Age Wise    |                  |             | Total |
|-------------------------|--------|----|-------------|------------------|-------------|-------|
|                         | M      | F  | Age<br>< 30 | Age<br>(30 - 50) | Age<br>> 50 |       |
| India                   | 274    | 44 | 230         | 87               | 1           | 318   |
| Egypt                   | 154    | 6  | 129         | 29               | 2           | 160   |

Galaxy has hired new employees worldwide in line with its growing ambitions. In India, Galaxy hired 318 employees, out of whom 230 were of less than thirty years of age. The detailed demography of the new hires are given in the above table.

## ii. Employee Safety, Health, and Well being

**Our focused initiatives and commitment for the safety and well-being of people has resulted in more than 43% reduction in LTIFR, zero fatalities, and significant decrease in incidences globally across all sites during the year!**

The core philosophy of Galaxy Surfactants has always been that the people are an organization's most valuable asset. The Company is cognizant of the motto of the International Labor Organization (ILO)'s that "Safe work is decent work". The Company upholds its commitment to SDG 3 and SDG 8 and takes proactive measures to uphold the good health and well-being of all its employees. The safety, health, and well-being of its employees and value chain partners remain the top priority at Galaxy for all activities and operations.

A lack of investment in occupational safety and health not only leads to human injuries and emotional setbacks to the employees and their families but also leads to downtime in production, absenteeism, and economic losses to the employee and the Company. On the contrary, good Occupational Health and Safety (OHS) practices ensure the safety, health, and welfare of employees leading to higher employee productivity and motivation.

Top management at Galaxy provides a Safety corpus every year for all the resources and infrastructure required for enhancing Safety and Health.

Galaxy has a SHE policy that has been communicated to all its employees and stakeholders. Galaxy commits itself to:

- Elimination of occupational hazards and risks involved at workplace for prevention of injury and ill health.
- Elimination of unsafe acts and unsafe conditions.

See the policy at <https://www.galaxysurfactants.com/pdf/policies/Galaxy-SHE-Policy.pdf>

The Safety and Health related performance indicators of Galaxy Surfactants are shown below. This data includes contract employees also:

| Indicator                               | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
|---|---------|---------|---------|---------|
| Fatalities                              | 0       | 3       | 0       | 0       |
| Reportable Incident                     | 3       | 7       | 0       | 0       |
| Lost Time Injury Frequency Rate - LTIFR | 0.52    | 1.11*   | 0       | 0       |
| BBS Observations                        | 3279196 | 1522179 | 614871  | 24905   |
| Training Manhours                       | 28483   | 18131   | 15065   | 34546   |
| Expenses of SHE Process (Rs. In Cr.)    | 14.23   | 9.82    | 8.65    | 6.33    |

\*This data has been corrected from last year

Galaxy Surfactants is a signatory to the Responsible Care Global Charter by the International Council of Chemical Associations since March 2015. Responsible Care is the global chemical industry's unifying commitment to the safe management of chemicals throughout their life cycle while promoting their role in improving quality of life and contributing to sustainable development. As a signatory to

the Responsible Care Global Charter, the Company commits to safeguarding People and the Environment by continuously improving environmental, health, and safety performance; security of facilities, processes, and technologies; and by driving continuous improvement in chemical product safety and stewardship throughout the supply chain.

Winning the coveted Great Place to Work® certification on the strength of achievements made in the areas of Management Competency. Safety at Workplace and Contribution to Society is a testimony of our undeterred commitment to people as the most valuable assets of our organisation.

## Occupational health and safety management system

### [GRI 403-1]

Galaxy is certified to ISO 45001 which helps set up systems and procedures in the company to provide a safe and healthy workplace and promote occupational health and safety, eliminate hazards, and minimize OHS risks. Behaviour Based Safety (BBS), an initiative towards bringing about behavioural change in people and making them more accountable to the management by focusing their attention on promoting a safe and hazard-free work environment was implemented in 2019. It empowers all employees to spot unsafe acts and unsafe conditions and to correct the same. BBS has an overarching aim of reducing the exposure of our employees and other stakeholders to injuries due to unsafe conditions or acts.

The company believes in demonstrating its commitment to Occupational Health and Safety by continually adopting practices such as Safety Month celebrations, and Safety Prayer at the start of every meeting and adopting learnings from past incidences. To pursue world-class safety and health performance as the long-term goal of the company, periodic risk assessment studies, periodic Abhayatam audits, Periodic HAZOP, PSSR studies, etc. are a part of the OHS Management System of Galaxy.

These initiatives help in the identification of hazards and risks across all sites and act on time, based on the level of the risk identified. Galaxy adheres to the Factories Act 1948 at all the manufacturing sites in India and Galaxy Procedure manual at all the manufacturing sites.

## Hazard Identification, risk assessment and incident investigation

### [GRI 403-2]

Galaxy carries out periodic Risk Assessment studies like HAZOP, HAC (hazard area classification), JSA, PSSR, weekly / monthly inspections, AI and HIRA, cross-functional safety audits, external safety audits, workplace monitoring studies, etc., and conducted total evacuation mock drills in presence of District Collector along with DISH, MARG and Fire officials in the year 2018 for strengthening emergency preparedness, etc.

At manufacturing sites, monthly safety performance is reviewed by the top management in the monthly safety and conversion meet. External/internal board also reviews the safety performance quarterly and provides their inputs for improvement.

To take the OHS practices to the next level of excellence, the Company is planning to emphasize more on capability building and training of employees through Safety E-learning modules and classroom training for enhancing competency and engagement of employees in collaboration with external experts. Some key initiatives to run our plants efficiently and effectively with zero incidents during the year were:

- **Embedding Safety in the organisational strategy and governance:** The safety pillar was included as a priority pillar in the corporate balanced scorecard and a 40 % KRA rating was allocated to process safety at site operations.
- **Scaling up the effectiveness of the Behaviour-based safety (BBS) program to rejuvenate safety thinking and behaviour of employees:** BBS was digitized to have a better analysis of BBS observations and immediate closure of high-risk unsafe conditions. January 2022 was celebrated as BBS month with various competitions and recognitions for both employees and contractors, such as BBS champion of the year, the best investigation team of the year, best OPL (One Point Lesson) of the year, the best site of the year which demonstrated best safety performance both on lagging and leading indicators, etc
- **Galaxy Parivar Bane Surakshit (GPBS) program:** Under this program, safety observations are reported by all employees across all manufacturing.
- **Safety risk assessment of projects and processes:** Focus on HAZOP (Hazard Operability Study), MOC (Management of Change), PSSR (Pre- Start-up Safety Review), and HAC (Hazard Area Classification) study has been made for both existing and new projects at Galaxy for safe operation and commissioning of new projects.
- **Safety Month Celebration:** Safety month, a week-long campaign, is celebrated across all manufacturing sites every year in March. It is a campaign to spread health and safety awareness with various competitions along with participation and engagement of all employees and contractors.
- **Sustenance of Abhayatam:** "Abhayatam, A Fearless, New Beginning" is a project that comprises an 8-step review mechanism by a team of subject specialists to strengthen and enhance the Design, Operations, Safety and Skill levels of all our plant personnel across the organisation and to identify areas requiring improvement in Safety. During the year, two rounds of audits were conducted on various pillars like
  - Process Instrumentation and diagram
  - Design review
  - SOP/BMR
  - Aspect/Impact and HIRA
  - Maintenance Management



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

## Certifications

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

## Occupational health services

[GRI 403-3]

Galaxy takes the responsibility to ensure that their employees' health is well-taken care of. The company has guidelines in place for the promotion of good health, well-being, and prevention of diseases.

Six-monthly health check-ups have been arranged for all company employees and contract employees. Employees having acute problems like Blood pressure, Diabetes, etc. are counselled by Factory medical officer (FMO). Periodic training is conducted by FMO on various health topics such as Healthy lifestyle, Precaution for Blood Pressure, Precautions for Diabetics, etc.

Certified and trained first aiders are available round the clock to handle any type of emergency. They undergo refresher training periodically

During this pandemic, the Company arranged for COVID-19 vaccination for all employees and their dependent family members. In the corporate house, a hybrid working model was the norm during FY22 where IT supported the businesses by ensuring secure and continuous access to the workplace from anywhere and anytime.

## Worker participation, consultation, and communication on occupational health and safety

[GRI 403-4]

At Galaxy, following are mechanism and tools practiced for the workers consultation and communication

- **Monthly meeting is held only in the manufacturing sites:** This meeting, hosted at all manufacturing sites, chaired by Site Head, Safety Head, and Safety-In-Charges and is represented by 50% participation from employees and 50% participation from operators, and contractor category. This is done in all manufacturing sites
- **BBS (Behaviour Based Safety):** All operators, contractors, and employees are empowered to share their observations through this platform.
- **Poka Yoke:** Poka Yoke platforms are made available to share their suggestions related to safety

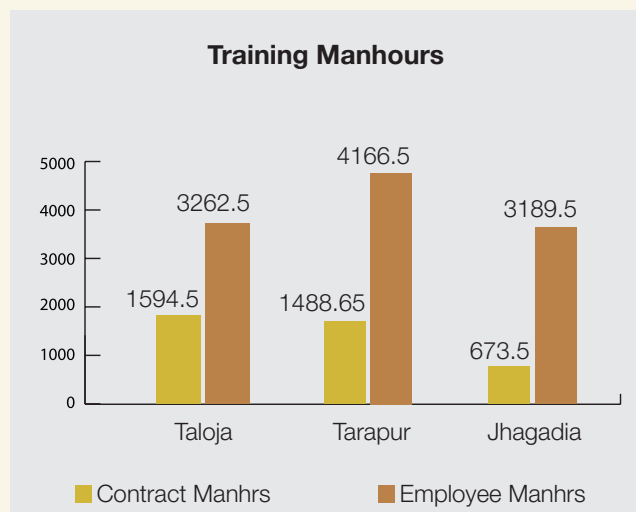
## Worker training on occupational health and safety

[GRI 403-5]

The Company regularly provides training to all employees, including contract workers on topics like behavioural safety, Fire Safety, SCBA, MSDS, EMS-OHS standards, Responsible Care etc. Employees carry out Risk assessment along with qualified SHE personnel and various emergency drills are also conducted to ensure employee engagement. As a good practice in health and safety, preliminary health check-up and induction training through STK (Safety Training Kiosk) is conducted for all those including visitors, drivers, contractors, and new employees' recruits.



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



## Promotion of worker health

### [GRI 403-6]

Galaxy has a well-equipped OHC (Occupational Health Centre) which operates round the clock. The medical check-up of all employees, including contract employees, is conducted twice a year by the DISH (Directorate of Industrial Safety and Health) approved medical practitioner. The company has certified First Aiders round the clock available at the site and we have an on-site emergency plan for handling various emergencies.

The company has started focused initiatives for the prevention and control of lifestyle diseases like obesity, diabetes, heart diseases, hypertension etc. where employees are counselled, and awareness and training are imparted with reward and recognition for those who have achieved better results in promoting good health. FMO conducts periodic training and provides guidance on lifestyle diseases. A healthy diet, regular exercises, etc. for good health and well-being are a part of these training programs.

Health and accident insurance have been provided to 100% of employees including contract employees.

## Prevention and mitigation of occupational health and safety impacts linked by business relationships

### [GRI 403-7]

Galaxy is taking steps to prevent unsafe incidences in its supply chain as a part of its social responsibility towards its stakeholders. The most critical supply chain partners with respect to safety are transporters.

Some of the initiatives taken to encourage the transporters towards safe behaviour are:

- All dedicated transporters have been trained on safety practices at the Safety Training Kiosk for drivers.
- Periodic audits of dedicated and hazardous transporters are conducted including route mapping.
- GPS monitoring including Nicer Globe for all types of Hazardous chemical transportation is done.
- Periodic stakeholders meeting is planned and conducted for increasing awareness about risks related to chemicals handled and precautions to be taken.

## iii. Labour/Management Relations

### GRI 402

Harmonious relations between employees are a crucial element for Sustainability. Galaxy places immense value in the skill and competence of its employees and takes focused initiatives to maintain high motivation, empowerment, and engagement levels.

Each employee has access to Galaxy's human rights policy, which has been set up. Our organization undertakes compliance audits to guarantee that child or forced labour is not employed within the boundaries. Display boards, handbooks, and other kinds of communication are used to effectively communicate to employees all labour laws and other policies relevant to workplace ethics. These cover regional and federal laws and regulations, as well as policies like sexual harassment and whistle-blower policies. Employees are encouraged to offer feedback through a 'Speak Up' box for raising their concerns.

In India, as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Galaxy has constituted an IC (Internal Committee). The policies can be accessed at

#### Sexual harassment policy:

<https://www.galaxysurfactants.com/pdf/policies/Sexual-Harassment-at-Workplace.pdf?v=1.0>

#### Human rights Policy:

<https://www.galaxysurfactants.com/pdf/policies/Human-Rights-Policy.pdf>

The policies are reviewed periodically, and amendments are carried out to keep them updated with organisational needs and the external environment.

Any operational changes are notified to employees well before implementation. This time is stipulated as per requirements. The notice period and provisions for consultation and negotiation are specified in collective agreements.



## 14.6 Intellectual Capital – Innovation



Intellectual capital involves all the intangible knowledge which converts into the forms of patents and copyrights. At Galaxy, learning, and experimentation, collaboration with technology leaders and industry bodies are actively encouraged.

Our Company's current portfolio includes ingredients such as mild surfactants, surfactant blends, UV absorbers, functional molecules, macro-molecules, and non-toxic preservatives. Backed by the principles of Green Chemistry, Sustainability is always at the core of Innovation efforts to become the preferred research and development partner of its customers.

Galaxy understands that 'Innovation' is a vital component of its business strategy that provides a sustainable and long-term competitive advantage to the organisation. To satisfy the evolving needs of customers and better intelligence of markets for high quality as well as sustainable products, research and development of new products and technologies remain the key strength of the company.

Galaxy has adopted an innovation funnel model comprising various stages wherein ideas are screened as they progress through various developmental stages before the commercialisation of the product. The primary focus is bringing in new ingredients that fit into a variety of existing and emerging categories including UV absorbers, functional macromolecules, non-toxic preservatives, mild surfactants for gentle cleansing, and blends.

The key emphasis of Galaxy's innovation efforts is always on sustainability. Galaxy uses natural ingredients and adheres to the 12 Principles of Green Chemistry for product development to ensure that they are fundamentally safe and sustainable. Galaxy uses green technology i.e., products that can be produced sustainably in an environmentally friendly manner. For both customers and end users, Galaxy offers a full value proposition. As a result, over the decade, optimization of Galaxy's product mix has facilitated better earnings growth.

The innovation philosophy followed by Galaxy is that of Consumer to chemistry. The company strives to understand the changing trends and preferences of consumers, innovate products that suit their needs, and deliver them.

- Since 2000, a total of 81 patents have been granted to Galaxy.
- Currently, 15 patents in the USA.
- 2 patents each in Japan, Brazil, and Russia.
- 5 in the European Union.
- 3 in China.
- 18 patents in India are being maintained by us.

In Financial Year 2021-22, a total of 3 patents were granted to Galaxy in India.

Galaxy has been consistent in upgrading its product portfolio repeatedly to cater to the ever-changing demands of the market through top-class Research and Development. The journey back in 1980, started with 3 products, and today Galaxy's product basket consists of more than 220 products.

Galaxy over the decade has channelized its efforts into building a sustainable product portfolio. Mild Surfactants and Non-Toxic Preservatives portfolio developed well ahead of its time offers products that align with today's sustainable trends and are based on the Green Chemistry Platform which follows 12 principles of sustainable chemistry. After growing in the existing area of surfactants, Galaxy decided to further push boundaries and entered the proteins and actives business by acquiring TRI-K.

Some of the significant innovations and new launches during the year were:

### Galsoft®SLL

A versatile value-adding specialty additive, which improves the attributes of personal care products and their applications. It is a multifunctional ingredient in the formulation, which supports viscosity build-up, emulsification, foam boosting, stabilization, and enhanced skin feel and can also be used as a secondary surfactant. This COSMOS-certified product is environmentally friendly and is 100% derived from natural ingredients.



### Galaxy Hearth® Mix pods

Galaxy Hearth® Mix Pods is a ready mix concentrate for the preparation of Laundry Pods or Capsules. Powered by plant-based surfactants, the concoction prepared is carefully crafted to deliver adequate wetting, excellent cleansing, and detergency. Galaxy Hearth® Mix Pods cleansing composition shows better detergency against powder, liquid, and even commercially available laundry pods.









15

# ANNEXURES

[GRI 102-55, 56]



## GRI Content Index

| GRI Standard   | Chapter of the report  |
|--|--|
| 102-1 to 102-8 Organisational profile  | Chapter 6  |
| 102-9 Supply chain   | Chapter 6  |
| 102-10 Significant changes to the organisation and its supply chain          | Chapter 6  |
| 102-11 Precautionary principle or approach                                   | Chapter 6  |
| 102-12 External initiatives  | Chapter 6  |
| 102-13 Memberships of associations   | Chapter 6  |
| 102-14 Statement of senior decision makers                                   | Chapter 4  |
| 102-15 Strategy, risks, and opportunities                                    | Chapter 12 and 13  |
| 102-16 Ethics and integrity  | Chapter 7  |
| 102-18 Governance structure  | Chapter 7  |
| 102-21 Consulting stakeholders on economic, environmental, and social topics | Chapter 11   |
| 102-22 Composition of the highest governance body and its committees         | Chapter 7  |
| 102-40 List of stakeholder groups  | Chapter 11   |
| 102-42 to 102-44 Stakeholder engagement                                      | Chapter 11   |
| 102-45 Entities included in consolidated financial statements                | Chapter 1  |
| 102-46 Defining report content and topic boundaries                          | Chapter 1  |
| 102-47 List of material topics   | Chapter 11   |
| 102-48 Restatements of information   | Chapter 1  |
| 102-49 Changes in reporting  | Chapter 1  |
| 102-50 Reporting period  | Chapter 1  |
| 102-51 Date of most recent report  | Chapter 1  |
| 102-52 Reporting cycle   | Chapter 1  |
| 102-53 Contact point for questions regarding the report                      | Chapter 1  |
| 102-54 Claims of reporting in accordance with the gri standards              | Chapter 1  |
| 102-55 GRI content index   | Chapter 15   |
| 102-56 External assurance  | Chapter 15   |
| 103 Management approach  | The management approaches for all material topics are given at the start of corresponding sub-chapters from chapter 14.1 to chapter 14.4 |
| 201-1 Economic performance   | Chapter 14.1   |
| 206 Anti-competitive behaviour   | Chapter 14.1   |
| 303 Water  | Chapter 14.2   |
| 305 Emissions  | Chapter 14.2   |
| 306 Waste  | Chapter 14.2   |
| 401 Employment   | Chapter 14.5   |
| 402 Labour management relations  | Chapter 14.5   |
| 403 Occupational health and safety   | Chapter 14.5   |
| 413 Local communities  | Chapter 14.3   |
| 416 Customer health and safety   | Chapter 14.4   |
| 417 Marketing and labeling   | Chapter 14.4   |



# Glossary

|           |  |
|-----------|--|
| ACI       | American Cleaning Institute                                      |
| AGM       | Annual General Meeting   |
| AI        | Artificial Intelligence  |
| AMET      | Africa, Middle East, Turkey                                      |
| APAC      | Asia Pacific   |
| BBS       | Behavioural Based Safety   |
| BCCI      | Bombay Chamber of Commerce and Industry                          |
| BMR       | Batch Manufacturing Record                                       |
| BPE       | Business Process Excellence                                      |
| BQ        | Business Quality   |
| BRR       | Business Responsibility Report                                   |
| BS OHSAS  | British Standard - Occupational Health and Safety                |
| BSI       | British Standards Institution                                    |
| CAPEX     | Capital expenditures   |
| CCQC      | Chapter Convention on Quality Concepts                           |
| CCT       | Continuous Contour Trenches                                      |
| CDP       | Carbon Disclosure Project  |
| CEO       | Chief Executive Officer  |
| CFO       | Chief Financial Officer  |
| CG        | Corporate Governance   |
| CH4       | Methane  |
| CII       | Confederation of Indian Industry                                 |
| CLP       | Classification, Labelling and Packaging                          |
| CO2       | Carbon Dioxide   |
| COO       | Chief of Operations  |
| CSR       | Corporate Social Responsibility                                  |
| DCS       | Distributed control systems                                      |
| DISH      | Directorate of Industrial Safety and Health, MARG                |
| EBITDA    | Earnings before interest, tax, depreciation and amortisation     |
| ECC       | Emergency Control centre   |
| EMS-OHSAS | Environmental Management System - Occupational Health and Safety |
| EO        | Ethylene Oxide   |
| ERM       | Enterprise risk management                                       |
| ESG       | Environmental, Social, and Governance                            |
| ETI       | Ethical Trading Initiative                                       |
| EU        | European Union   |
| EWC       | Employee Welfare Council   |
| FA        | Fatty Alkanolamides  |
| FAE       | Fatty Acid Esters  |

|        |   |
|--------|---|
| FAES   | Fatty Alcohol Ether Sulfate                               |
| FAS    | Fatty Alcohol Sulfate                                     |
| FMCG   | Fast-Moving Consumer Goods                                |
| FY     | Financial Year  |
| GCD    | Global Customer Delight                                   |
| GCE    | Galaxy Chemicals Egypt (S.A.E.)                           |
| GDP    | Gross domestic product GHG Greenhouse Gas                 |
| GHS    | Global Harmonised System                                  |
| GMEA   | Galaxy Manufacturing Excellence Award                     |
| GMP    | Good Manufacturing Practices                              |
| GRI    | Global Reporting Initiative                               |
| GSL    | Galaxy Surfactants Limited                                |
| HAC    | Hazard Area Classification                                |
| HFC    | Hydrofluoro Carbon  |
| HIRA   | Hazard Identification and Risk Assessment                 |
| HPC    | Home & Personal Care                                      |
| HPCI   | Home and Personal Care Ingredients                        |
| HSE    | Health, safety and environmental                          |
| IATA   | International Air Transport Association                   |
| ICC    | Internal Complaints Committee                             |
| ICC    | Indian Chemical Council                                   |
| IMC    | Integrated Marketing Communication                        |
| IMDG   | International Maritime Dangerous Goods                    |
| INR    | Indian National Rupees                                    |
| IOT    | Internet of Things  |
| IPCC   | Intergovernmental Panel on Climate Change                 |
| ISMA   | Indian Specialty Chemical Manufacturers' Association      |
| ISDC   | International Conference on Soaps, Detergents & Cosmetics |
| ISO    | International Organisation for Standardisation            |
| I-SPOC | Sustainable Palm Oil Coalition for India                  |
| IWD    | International Women's Day                                 |
| JSA    | Job Safety Analysis                                       |
| KAM    | Key Account Manager                                       |
| LABSA  | Linear Alkyl Benzene Sulphonic Acid                       |
| LCA    | Life Cycle Assessment                                     |
| LDR    | Lost Day Rate i.e. Severity Rate                          |
| MNC    | Multi-national Company                                    |
| MS     | Mild Surfactants  |
| MSDS   | Material Safety Data Sheet                                |

|       |  |
|-------|--|
| NCQC  | National Convention on Quality Concepts                              |
| NGO   | Non-Governmental Organisation  |
| NLRA  | National Labour Relations Act  |
| NOx   | Nitrogen Oxides  |
| NPT   | New Projects and Technology  |
| OCN   | Octocrylene  |
| OHC   | Occupational Health Centre   |
| OMC   | sunscreen  |
| P&ID  | Piping and Instrumentation Diagram                                   |
| PAT   | Profit after tax   |
| PCB   | Pollution Control Board  |
| PEP   | People Energy Process  |
| PLC   | Programmable Logic Controller  |
| PM    | Particulate Matter   |
| PPE   | Personal protective equipment  |
| PSSR  | Pre-Startup Safety Review  |
| R&D   | Research and Development   |
| RCGC  | Responsible Care Global Charter                                      |
| RCM   | Risk Management Committee  |
| REACH | Registration, Evaluation, Authorisation and Restriction of Chemicals |
| REDE  | Renewable Energy Demand Enhancement                                  |
| RM    | Raw Materials  |
| RMU   | Resource Mobilisation and Utilisation                                |
| RoC   | Registrar of Companies   |
| RSPO  | Roundtable on Sustainable Palm Oil                                   |
| SAP   | Systems Applications and Products in Data Processing                 |
| SASB  | Sustainability Accounting Standards Board                            |
| SBTi  | Science Based Targets initiative                                     |
| SCBA  | Self-Contained Breathing Apparatus                                   |
| SDS   | Safety Data Sheets   |

|             |   |
|-------------|---|
| SEBI        | Securities and Exchange Board of India              |
| SG          | Segregation   |
| SHE/EHS/HSE | Safety, Health and Environment                      |
| SMETA       | Sedex Members' Ethical Trade Audit                  |
| SOP         | Standard Operating Procedure                        |
| SOx         | Sulphur Oxides                                      |
| SPCB        | State Pollution Control Board                       |
| STK         | Safety Training Kiosk                               |
| T1          | Tier 1  |
| TCFD        | Task Force on Climate-Related Financial Disclosures |
| TPM         | Total Productive Maintenance                        |
| TRIFR       | Total Recordable Injury Frequency Rate              |
| UN          | United Nations                                      |
| USA         | United States of America                            |
| UV          | Ultra Violet  |
| WAT         | Water Absorbing Trenches                            |
| WBCSD       | World Business Council for Sustainable Development  |
| WRI         | World Resources Institute                           |
| ZLD         | Zero Liquid Discharge                               |
| UN SDG      | United Nations Sustainable Development Goals        |
| EnMS        | Energy Management System                            |
| IGMC        | India Green Manufacturing Challenge                 |
| NAMC        | National Awards for Manufacturing Competitiveness   |
| ASRA        | Asia Sustainability Reporting Award                 |
| IP          | Intellectual Property                               |
| SER         | Supplier Engagement Rating                          |
| ICSI        | Internal Customer Satisfaction Index                |

## Abbreviation for Units of Measurement

|              |  |
|--------------|--|
| CO2 e        | Carbon Dioxide Equivalent  |
| Cubic m / m3 | Cubic Meter  |
| Hrs          | Hours  |
| KL           | Kilolitre  |
| kWh          | Kilo Watt hour   |
| MT           | Metric Tonnes  |
| MW           | Mega Watt  |
| MWh          | Mega Watt hour   |
| MTPA         | Million Tonnes Per Annum   |
| kg sb eq     | Abiotic depletion is measured in kilograms of Antimony (Sb) equivalents. |
| tCO2e        | tonne Carbon Dioxide Equivalent  |
| Cr/ Crs      | Crore/ Crores  |



# INDEPENDENT ASSURANCE STATEMENT



## Introduction and objectives of work

**BUREAU VERITAS INDIA PRIVATE LIMITED** has been engaged by **GALAXY SURFACTANTS LTD.** (hereinafter abbreviated “**GALAXY**”) to conduct an independent assurance of its “**Sustainability Report 2021-22**”. This Assurance Statement applies to the related information included within the scope of work described below. This information and its presentation in the **Galaxy Surfactants Sustainability Report -2021-22** are the sole responsibility of the management of **GALAXY**. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on its content.

## Scope of work

The assurance process was conducted in line with the requirements of the Assurance Standard **AA1000AS version 03, Type 2 and Moderate** assurance. The scope of work included:

- Data and information included in the **Galaxy Surfactants Sustainability Report -2021-22 for the reporting period 1st April 2021 to 31st March 2022;**
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported;
- Evaluation of the Report against the main principles of the AA1000 Assurance Standard<sup>1</sup>
  - o Inclusivity
  - o Materiality
  - o Responsiveness
  - o Impact
- Evaluation of the Report against the principles of Accuracy, Accessibility, Balance, Clarity, Comparability, Reliability, Timeliness and Stakeholder Inclusiveness, as defined in the **GRI (Global Reporting Initiative) Standards<sup>2</sup>** on Sustainability.

## Methodology

As part of its independent assurance, Bureau Veritas undertook the following activities:

1. Remote assessment through video conferencing was conducted in the following locations:
  - 1.1. US site on 10th November 2022 for 0.5 assessment day,
  - 1.2. Egypt site on 10th November 2022 for 0.5 assessment day
  - 1.3. Tarapore site on 10th November 2022 for 1 assessment day,
  - 1.4. Jhagadia site on 11th November 2022 for 1 assessment day,
2. Onsite assessment was conducted in the following locations
  - 2.1. Taloja site on 10th November 2022 for 2 assessment days,
  - 2.2. HO at TTC and MBP sites on 11th November 2022 for 2 assessment days

During the assessment Bureau Veritas have interviewed relevant personnel responsible for sustainability performance. Bureau Veritas’ experienced assurors and sector specialists remotely / on site conducted the assurance process. The off-site assessment consisted mainly of desk review of the draft **Galaxy Surfactants Sustainability report -2021-22**.
3. **Galaxy** had submitted sustainability performance data on reported GRI indicators. The data pertaining to the same was sampled and assessed by Bureau Veritas through the process above described.
4. The data was assessed on a sampling basis. Data on various GRI sustainability indicators was verified for the locations. Later, it was confirmed that the same verified data went into preparation of the final data within the **Galaxy Surfactants Sustainability report -2021-22**.
5. Bureau Veritas reviewed evidence of stakeholder engagement activities that had been undertaken by **Galaxy** prior to the preparation of the **Galaxy Surfactants Sustainability report -2021-22**. The methodology and criteria chosen in order to determine aspects material to **GALAXY** were also reviewed for their appropriateness.

<sup>1</sup>Published by Accountability: The Institute of Social and Ethical Accountability <http://www.accountability.org.uk> ((AA 1000 AS version 03 is the latest version of the assurance standard)

<sup>2</sup>GRI Standards are published by the Global Reporting Initiative, P.O. Box 10039, 1001 EA, Amsterdam, The Netherlands and can be downloaded from the GRI web site [www.globalreporting.org](http://www.globalreporting.org)

|                  |                   |                    |                            |                       |                 |                      |                                     |                            |
|------------------|-------------------|--------------------|----------------------------|-----------------------|-----------------|----------------------|-------------------------------------|----------------------------|
| About the report | Theme of the year | Awards & accolades | Message from the MD's desk | Operating environment | Company profile | Corporate governance | Key products, applications, markets | Approach to value creation |
|------------------|-------------------|--------------------|----------------------------|-----------------------|-----------------|----------------------|-------------------------------------|----------------------------|

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external assurance of Sustainability Reports, based on current best practice in independent assurance.

## Our findings

On the basis of our methodology and the activities described above, it is our opinion that:

- Nothing has come to our attention to indicate that the reviewed statements within the scope of our verification are inaccurate or that the information included therein is not fairly stated;
- It is our opinion that GALAXY has established appropriate systems for the collection, aggregation and analysis of quantitative data such as Environmental (at all locations), Health & Safety and Human Resources, Labour & Community interventions as well as Product and Investor related data (at Corporate office and HO).

## Alignment with the principles of AA1000AS version 03

### Inclusivity

There is nothing we came across that would suggest that **GALAXY** 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 Report does not address the range of environmental, social and economic issues of concern that **GALAXY** 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

There is no indication that **GALAXY** has not responded to those issues it has identified as material and has not demonstrated this in its policies, objectives, indicators and performance targets. The reported information can be used by the organisation and its stakeholders as a reasonable basis for their opinions and decision-making.

### Impact

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

## Evaluation against Global Reporting Initiative (GRI) Sustainability Reporting Standards

Bureau Veritas undertook an evaluation of **Galaxy Surfactants Sustainability report -2021-22** against the GRI Standards. This included cross checking the GRI index table against all the reference documents to provide an opinion on the self-declared GRI reporting option.

Based on our work, it is our opinion that the **Galaxy Surfactants Sustainability report -2021-22** has been prepared in accordance with the GRI Standards including appropriate consideration of the reporting principles and necessary topics and disclosures within each topic, to meet the requirements of GRI Standards Reporting Option "In accordance- Core".

### Limitations and Exclusions

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

- Activities outside the defined assurance period stated hereinabove;
- Positional statements (expressions of opinion, belief, aim or future intention) by GALAXY and statements of future commitment;
- Competitive claims in the report claiming "first in India", "first time in India", "first of its kind" and such other claims, if any;
- Our assurance does not extend to the activities and operations of GALAXY 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;
- Our assurance of the economic and financial performance data of GALAXY is based only on the audited annual reports of GALAXY and our conclusions rely entirely upon that audited report<sup>3</sup>
- The assurance also does not cover claims made in respect of achievement of water positivity, zero liquid discharge as well as the number of lives positively impacted by the company's CSR initiatives undertaken

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

<sup>3</sup>Annual\_Report\_2021-22.pdf (galaxysurfactants.com)



## Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 192 years history in providing independent assurance services.

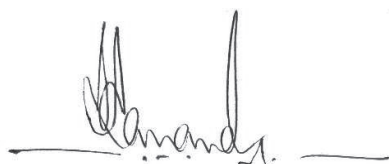
Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with GALAXY, its Directors, Managers or officials beyond that required of this assignment. We have conducted this verification independently and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health & safety information, systems and processes an excellent understanding of Bureau Veritas standard methodology for the Assurance of Galaxy Surfactants Sustainability report -2021-22.

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**AA1000**  
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