

# Embedding Innovation. Embracing Sustainability. Enhancing Value.



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### 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 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.

## About the Report

GRI 102-46, 49-54, 56

We are glad to present our 8<sup>th</sup> Sustainability Report in which we share our financial and non-financial performance on Sustainability for FY 2018-19. ***This report has been prepared in accordance with the GRI Standards: Core option.*** The GRI content index is mentioned in the end of the report.

## Report Content and Boundary

The report covers Galaxy's Sustainability data and information for the identified material topics considering the reporting boundary as the operations in India. We have excluded sustainability information related to our subsidiaries – Galaxy Chemicals Egypt S.A.E. and Tri-K Industries Inc. in this report. We have updated our list of material topics which have been identified through survey and stakeholder engagement process as mentioned in detail inside the report. The reporting boundary and content is discussed and finalised by Business Process Excellence (BPE) team and approved by senior management.

## Reporting Year and Cycle

This Sustainability Report follows a one year reporting cycle. The reporting content is based on our annual financial reporting year which is from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019. Previous Sustainability Report was published on 23<sup>rd</sup> August, 2018 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 & Assurance

During the reporting year, we have sought for external assurance of Sustainability Report for the first time. This report is verified and assured by DNV GL Business Assurance 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 departments of Galaxy Surfactants Ltd. 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)  
For knowing more about our sustainability initiatives, please visit our website link: <http://sustainability.galaxysurfactants.com/>

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EMBEDDING

Innovation.

EMBRACING

Sustainability.

ENHANCING

Value.

Galaxy leverages its 'Consumer to Chemistry' value proposition to address the ingredients' requirements of Home and Personal Care (HPC) industry.

The Home and Personal Care categories form part of the FMCG Industry in India which is the 4<sup>th</sup> largest sector in the Indian Economy. While our operations utilise both renewable and non-renewable resources, we understand that resources are finite and need to be balanced in line with business growth. At Galaxy, we don't believe that sustainability is just a destination or a journey, for us it is a way of life. It is a process of continual improvement that results in sustaining the business by being a competitive and reliable partner, while being environmentally and socially responsible.

We remain committed to promote cleaner and safer environment that is aligned to our business strategy. We believe that innovation is the key to create sustainable products and provide value to our customers and other partners. Our innovation and sustainability policies are well-connected to emerging trends enabling us to win. We are continuously advancing our sustainable development programmes by collaborating and working closely with all our key stakeholders.



# Sustainability Highlights FY 2018-19



## Economic Performance

**INR 2,763 Crores**

Consolidated Revenue from Operations

**+20.9%**

PAT Growth



## Innovation

**60 Patents**

Earned globally since 2000

**ICIS Innovation Award 2018** in the Best Process Innovation Category for our “Green Process for the manufacture of Amino Acid Surfactants”



## Safety Performance (for India)

**Zero**

Reportable Incidents

**Behavioural Based Safety programme**

Rejuvenation



## Learning Performance (for India)

**26**

Training man-hours/employee



## EcoVadis Rating

**Silver Medal** for Galaxy Group for 2018



## Galaxy Group CDP Score for 2018

**Climate Change:** Management Level, B

**Water:** Management Level, B -



## CSR Performance (for India)

**INR 3.02 Crores**

Spend in FY 2018-19



## Social Responsibility (for India)

- **Beneficiaries impacted: 46,000+ people**
- **Environment Protection:** Potential created for rainwater harvesting of **53,200 KL**; Overall **670+ trees planted**
- **Education:** Support provided to **15 schools**; **6,060+ students**; **340+ differently-abled children**
- **Health & Hygiene: 8 blood donation camps** conducted, **700 blood units** collected; sponsored infrastructure support for **14 toilet blocks**; **7 health camps** conducted; Additional Nutrition enhancement project for **100 day care centres** in **70+ villages** covering **1,100 children**
- **Women Empowerment:** Support provided to **570+ women**; Vocational Skills training to **250+ women**

# Message from Managing Director

GRI 102-14



## *Dear Stakeholders,*

I am pleased to share our 8<sup>th</sup> Sustainability Report for FY 2018-19 which shows how we enhance value for customers and stakeholders through innovation and sustainability. Sustainability is an important part of Galaxy's strategy to give attention to the environment and provide sustainable technological development. This matches with our belief in a collective commitment to 'do good, do well'. We are committed to developing an ecosystem that supports disruptive thoughts to create new products and processes and add value through innovation. As Galaxy enters its 40<sup>th</sup> year, we believe innovation, creative disruption, consistency, integrity and governance will be the key creators and drivers of value over the next decade.

Creating and launching products in response to the market trends, offering customised solutions and technical support has been Galaxy's way of working and creating value for its customers since inception.

We won many awards in FY 2018-19, primarily for our path-breaking innovations and winning partnerships we share with our customers. Few of key awards were ICIS Innovation Award 2018 in the Best Process Innovation Category for Green Process for the manufacture of Amino Acid Surfactants, Innovation Award – Silver at HPCI Mumbai 2019 for Galguard NT and Outstanding Contribution to "Partner to Win" by Unilever, ACI 2019.

In continuation to our commitment towards promoting a cleaner and safer environment, we have launched behaviour Based Safety (BBS) programme to rejuvenate safety thinking and behavior of employees across all locations in India. Galaxy has extended Sustainability Goals 2020 for its operation at Egypt. Galaxy is working towards incorporating sustainability across its supply chain by assessing its suppliers on their environment and social performance. Our manufacturing sites in India and Egypt are RSPO certified, which reflects our commitment to a sustainable palm oil supply chain.

The Core Culture (Motto, Mission, Vision, 4 Cs and Values) along with the identified 6 Leadership Pillars, known as the Galaxy Way of Leading is one of our key levers for creating an engaging environment for our employees. Wellness is one of our strategic agendas to ensure that we create a sustainable workforce. Our Wellness Programme 'MyHealth MyChoice' offers numerous interventions and also enables us in computing the Health Index sensitising people to enhance overall well-being of the employees.

Significant work has been done in the areas of Health and Hygiene, Education, Women Empowerment and Community Development in local communities around us. Over the years, we have reached more than 2 lakh people through our social initiatives.

With the right products, committed and competent people, expertise and deep knowledge of the Home and Personal Care Industry – we, at Galaxy, are confident about enhancing our stakeholders' value sustainably and consistently.

**U. Shekhar**  
Managing Director



*As Galaxy enters its 40<sup>th</sup> year, we believe innovation, creative disruption, consistency, integrity and governance will be the key creators and drivers of value over the next decade*





# Awards, Certifications and Recognitions



“Outstanding Contribution to PARTNER TO WIN” awarded by Unilever during ACI-2019 Conference



**ICIS Innovation Award 2018 in the Best Process Innovation Category** for our “Green Process for the manufacture of Amino Acid Surfactants”



## ADDITIONAL AWARDS WON IN FY 2018-19

- **Emerging Business Partner – 2018**, awarded by Abbott at Samanvay 2018 event
- **Innovation Award – Best Ingredient Award – SILVER**, at HPCI 2019, Mumbai, for our product ‘Galguard NT’
- **Trishul Award**, by CHEMEXCIL for the year 2016, awarded in April 2018
- Galaxy Surfactants Ltd. selected amongst 75 for **IP Excellence in INDIA 2018**, by Questel Orbit, also received recognition “IP Gems of INDIA 2018



Jhagadia manufacturing site awarded with **Silver Medal in National Awards for Manufacturing Competitiveness 2017-18**



## CERTIFICATIONS RECEIVED IN THE YEAR 2018-19

- ISO 9001:2015 for GSL all sites and for GCE
- ISO 14001:2015 for GCE and Jhagadia
- BS OHSAS 18001:2007 for GCE and Jhagadia
- Cosmetic GMP (ISO 22716:2007) for Jhagadia
- RSPO Certification - MB and SG model for GSL
- 4-pillar SMETA for Tarapur (M3 and G59), Taloja and GCE



### Awards Received at Quality Circle Conventions this year:

- CCQC 2018 Mumbai :- 11 Gold, 10 Silver
- CCQC 2018 Ankaleshwar :- 2 Silver, 3 Bronze
- NCQC 2018 Gwalior :- 6 Par Excellence, 7 Excellence and 1 Distinguished

CCQC: Chapter Convention on Quality Concepts

NCQC: National Convention on Quality Concepts

# Organisational Profile

GRI 102-1-7

## GLOBAL PRESENCE



Map not to scale. For illustrative purpose only

Galaxy Surfactants Ltd. is one of India's leading manufacturers of surfactants and other specialty ingredients for the personal care and home care industries. 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 detergent products. Our product portfolio includes Fatty Alkanolamides, Fatty Acid Esters, Cationic Surfactants, Anionic Surfactants, Non-ionic Surfactants, Amphoteric Surfactants, UV Filters, Preservatives, Preservatives Blends, Speciality Ingredients and other care products. 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.

### Manufacturing Prowess

Galaxy's manufacturing excellence is powered by seven strategically located manufacturing facilities – five in India and one each in Egypt and USA. In-house project execution capabilities, with state-of-the-art equipment and processes, ensure excellence in the manufacture of quality products to service a growing base of clientele. Our Jhagadia and Suez plants also have environmental clearance and additional land for expansion, thus equipping us to leverage on the emerging opportunities for growth in the future. Recently, we enhanced our performance surfactants capacity by 50,000 MT at Jhagadia manufacturing unit which will be operational from Q-1 FY 2019-20.

### Growing Global Footprint

Led by a robust network of sales and representative offices, we have developed a strong presence in both the developed and emerging markets of India, Africa Middle East Turkey (AMET), Asia Pacific (APAC), Americas (North and South) and Europe. It is our endeavour to grow our global footprint strategically, focussing on the most opportunity-driven markets across the world.

1,750+ 

customers

200+ 

product grades

75+ 

geographies/countries

60 

patents granted (since 2000)



## Our Defining Strengths

Strengths and Competencies acquired over the years have been the key drivers of our growth, enabling consistent growth for the Company and value delivery for our stakeholders, year after year.



Visionary & Experienced Management



Wide Basket of Quality Products



High-End Manufacturing Facilities



Global Presence with Local Reach



Innovation-Driven Growth/Consumer to Chemistry Model



Robust Financials



Competent Workforce

### TOTAL CAPITALISATION

Particulars (for India; Values in INR Crores)	FY 2018-19	FY 2017-18
Equity	782.51	665.87
Reserves & Surplus*	747.06	630.42
Loans	157.66	217.74

\*Consider Reserves & Surplus as part of Equity

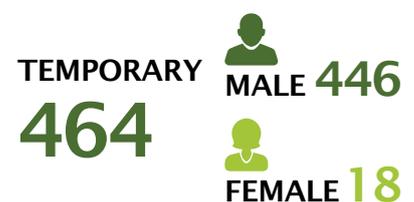
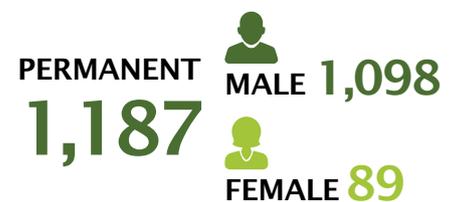
### PRODUCT VOLUMES

Product Volumes	FY 2018-19	FY 2017-18	Change in % (Increase in volumes)
Performance Surfactants	1,35,337 MT	1,30,596 MT	+4%
Specialty Care Products	79,374 MT	66,833 MT	+19%
<b>Total</b>	<b>2,14,711 MT</b>	<b>1,97,429 MT</b>	<b>+9%</b>

During the year, Galaxy moved forward with the expansion of its capacities in both the performance surfactants and specialty care products at all its locations. The overall capacity utilisation increased to 72% during the year. Specialty Care as a segment witnessed a significant jump reporting 19% growth in volume terms prima facie driven by our preservative and mild surfactant range of products.

### TOTAL NO. OF EMPLOYEES

GRI 102-8  
(For India)



## Supply Chain

GRI 102-9

Galaxy Surfactants Ltd. is one of India's leading manufacturers of surfactants and other speciality ingredients for the personal care and home care industries. Our customers include some of the leading multinational, regional and local players in the home and personal care industries. Our upstream consists of two broad categories - natural chemicals and petrochemicals. Natural Chemicals primarily palm kernel oil derivatives, e.g. Fatty Alcohols & Fatty Acids, are sourced from Southeast Asia and India, while Petrochemicals, e.g. Ethylene Oxide is sourced from India only and Phenol is sourced primarily from USA, Europe, China, and India. Our products are manufactured across sites in India (Taloja, Tarapur and Jhagadia), Egypt (Suez) and USA (New Hampshire). Our downstream includes supplying products (Performance Surfactants and Specialty Chemicals) to major MNCs in India and world, in more than 75 countries through our logistic partners.



## Precautionary Approach

GRI 102-11

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. The relevant checks are done in order to ensure that operational plans and product development meets all the applicable criteria and conditions before taken forward. We strive to develop our products which are safe and less toxic to humans and ecosystem while using efficient manufacturing processes. Recycling/reusing of raw materials, by-products is one of the ways by which we lower the environmental impact of our manufacturing process.

## Significant Changes to the Organisation and its Supply Chain

GRI 102-10

There are no significant changes in organisation and our supply chain.

## Nature of Ownership and Legal Form

GRI 102-5

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 read the Annual Report available on our website. Our Registered Office is at C-49/2, TTC Industrial Area, Pawne, Navi Mumbai, Maharashtra, India.



## BUSINESS RESPONSIBILITY POLICIES

We abide by several policies incorporating economic, social and environmental accountabilities of business. They are reviewed and revised in alignment with the nine principles of Business Responsibility as required by SEBI as per clause 55 of the Listing Agreement. The policies are available on our website at link:



<http://sustainability.galaxysurfactants.com/>

## BUSINESS RESPONSIBILITY REPORT

In keeping with Galaxy's commitment to responsibility and accountability towards all its stakeholders, Galaxy has published its first Business Responsibility Report in line with SEBI Regulations and the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', as part of the Annual Report for FY 2018-19. The Business Responsibility Report is a summary of Galaxy's sustainability initiatives while the detailed performance of sustainability initiatives is presented in this report.

*Note: Regulation 34 (2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*

GRI 102-13

## Memberships & Associations

The Company is 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 the Company is an active member include:

- Indian Chemical Council (ICC)
- Bombay Chamber of Commerce and Industry (BCCI)
- CHEMEXCIL - Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council
- Indian Specialty Chemical Manufacturers' Association (ISCMA)
- Confederation of Indian Industry - CII TPM Club

GRI 102-12

## External Initiatives

- Signatory to Responsible Care Global Charter
- Ordinary member in Roundtable on Sustainable Palm Oil (RSPO)
- Environmental and Occupational Health & Safety Management Standard - ISO 14001:2015 and BS OHSAS 18001:2007
- Carbon Disclosure Project (CDP) - Climate Change and Water
- EcoVadis assessment
- Life Cycle Assessment based on ISO 14040:2006 and ISO 14044:2006



GRI 102-16

## 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.



# Governance

GRI 102-17, 18, 31, 44

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, 2019 the Board of Directors consisted of 12 Directors, comprising 4 Independent Directors (including one woman director), 3 Executive Directors, and 4 Non-Executive Directors and 1 Additional Director.

The Board has constituted the following Committees to assist itself in carrying out its functions:

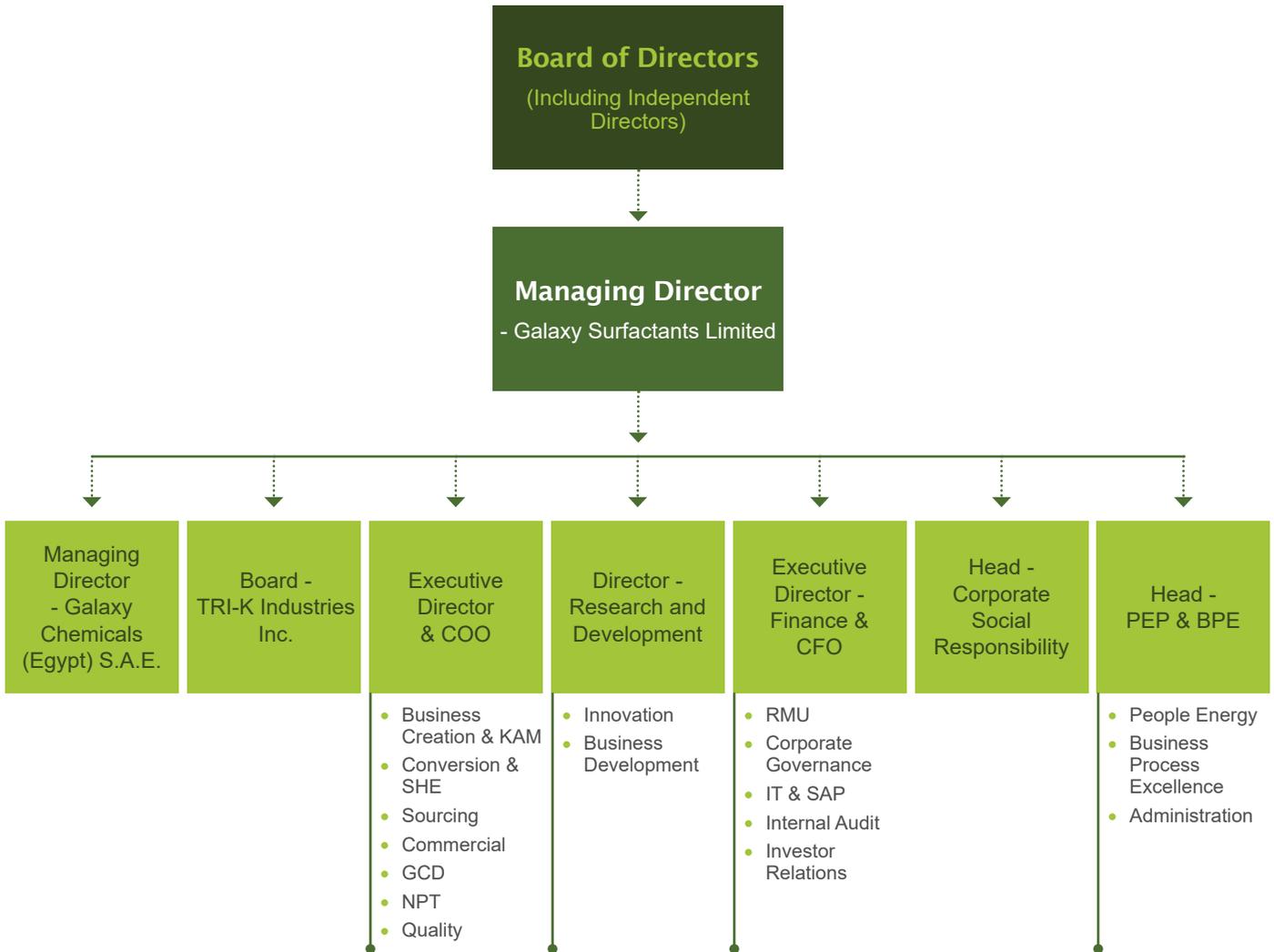


The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adapting highest standards of professionalism and ethical behaviour. The Company is committed to developing a culture where it is safe for all directors / employees to raise concerns about any poor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

The Company is committed to the highest standards of corporate governance in all its activities and processes. It regards corporate governance as the cornerstone for sustained management performance and as a responsibility towards all the stakeholders and society. At the heart of the Company's corporate governance policy is the ideology of transparency and openness in the effective working of the Management and Board.



## Group Organisation Structure



## Sustainability Cell

The Sustainability Cell is a three-tier structure with Steering Committee at the apex comprising Board of Directors. Members of Sustainability Cell meet thrice in a year to assess and review the sustainability and BR performance.



# Stakeholder Engagement and Materiality Assessment

GRI 102-40, 42, 43

We consider it extremely important to understand the viewpoints and concern of our stakeholders. Every year, we attempt to bring continuous improvement in our approach towards comprehensively engaging our stakeholders and arriving at the material aspects. We have a range of internal and external stakeholders. We engage with all relevant stakeholders through a variety of mechanisms, including direct meeting, surveys, engagement at professional and industry forum, and sharing information. The frequency of engagement is organised for regular communication with stakeholders on key issues. We conduct additional engagement with identified stakeholders as part of development of our sustainability reports.

**Key Stakeholders: Customers, Employees, Investors/Shareholders, Community and NGOs, Value Chain Partners, Regulatory Bodies**



We have identified all relevant topics shared in the table below. We select priority issues where both the need as expressed by critical stakeholders and Galaxy's unique potential to impact are the greatest. We employ our deep expertise to improve outcomes and monitor our progress to evolve our practices. Combining internal and external feedback, we are able to prioritise 18 topics as mentioned in Materiality Matrix (refer table on pg. 13). The Sustainability Cell has reviewed the material topics and validated seven priority areas to be reported in this report.

Identified Stakeholders	Engagement Method	Relevant Topic Selection
<ul style="list-style-type: none"> <li>▶ Customer</li> <li>▶ Employees (including company, contractor/workers)</li> <li>▶ Community &amp; NGOs</li> <li>▶ Investors/Shareholders</li> <li>▶ Value Chain Partners</li> </ul>	<ul style="list-style-type: none"> <li>■ Visits</li> <li>● Conference &amp; Meets</li> <li>■ Survey &amp; Feedback</li> <li>● Interaction &amp; Discussion</li> <li>● EWC &amp; Employee Engagement activities</li> <li>■ AGM &amp; Direct Communication</li> <li>● Audits</li> </ul>	<p><b>Environmental</b> Water &amp; Effluent Management, Energy Management, Carbon Footprint, Air Quality, Material Consumption &amp; Recycling, Lifecycle Impact of Product &amp; Services, Environmental Impact on Assets and Operation, Expenditure on Environmental Management, Biodiversity Impacts</p> <p><b>Social</b> Employee Health, Safety and Wellbeing, Product Quality &amp; Safety, Ethics and Transparency, Fair Labour Practices, Recruitment, Development &amp; Retention, Compensation and Benefits, Data Security and Customer Privacy, Compliance, Human Rights, Community Relations, Fair Disclosure and Labelling, Diversity and Inclusion, Grievance Redressal Mechanism, Protection of Indigenous Rights</p> <p><b>Economic</b> Financial Growth Revenue, Costs and Financial Risks, Supply Chain Management, Competitive Behaviour, Access and Affordability</p>

■ Annually ● More frequently than annually



## Supplier Sustainability – Packaging Meet

We organised Packaging Material Supplier Meet to emphasise the importance of speed, flexibility & reliability of packaging materials in business and the effectiveness of quality with zero defect standards. Our team presented the expectations of the organisation from our partners with regards to our Vision, Mission, Safety, Quality Standards, and Business Expectations & Sustainability.



## Stakeholder Engagement Meet



*Jhagadia - Engagement with local community, Contractor and neighbouring companies*



*Head Office - Engagement with local community and neighbouring companies*

## UDGAM

We celebrated 2<sup>nd</sup> CSR & Sustainability Week (Udgam) across all locations in India. During this year, our focus was to increase awareness and enhance engagement and interactions with stakeholders on social and environmental issues. We deeply believe that awareness and engagement can enhance capability to contribute efficiently in creating a better place. Over 1,000 internal and external stakeholders have participated in the events spread across the week.



## Materiality Matrix

GRI 102-47

We have conducted materiality survey with selected stakeholders in March 2018. During FY 2018-19, we have reviewed and updated our materiality matrix as shared below. The materiality matrix is used to identify all the sustainability topics and priorities with importance to our stakeholders, and that has a material impact on Galaxy. Our material topics as being of both extremely high impact on business and extremely high importance to stakeholders are Employee Health, Safety & Well-Being; Innovation; Financial Growth & Indirect Economic Impact; Water & Waste Management; Product Quality & Safety; Energy & Climate Change and Business Ethics & Transparency. We have shared performance with respect to these topics for the operations in India in subsequent sections based on GRI standards.

Importance for Stakeholders	Extremely High ★★★★			<ul style="list-style-type: none"> <li>Employee Health, Safety &amp; Well-Being</li> <li>Innovation</li> <li>Financial Growth &amp; Indirect Economic Impact</li> <li>Water &amp; Waste Management</li> <li>Product Quality &amp; Safety</li> <li>Energy &amp; Climate change</li> <li>Business Ethics &amp; Transparency</li> </ul>
	Very High ★★★		<ul style="list-style-type: none"> <li>Supply Chain Management</li> <li>Life Cycle Impacts of Products &amp; Services</li> </ul>	<ul style="list-style-type: none"> <li>Recruitment, Talent Development</li> <li>Fair Labour Practices</li> <li>Human Rights</li> <li>Community Relations</li> <li>Material Consumption &amp; Recycling</li> </ul>
	High ★★	<ul style="list-style-type: none"> <li>Product Packaging</li> <li>Biodiversity Impacts</li> </ul>		<ul style="list-style-type: none"> <li>Diversity and Inclusion</li> </ul>
		★ High	★★ Very High	★★★★ Extremely High

Importance for Galaxy Surfactants Ltd.



# Economic Performance

GRI 103-1-3; 201-1; 102-45; 102-48

Our business model for sustainable growth ensures an optimal mix of products, customers, and geographies. We are focussed on continually improving our supply chain, innovating, and overall value creation. We are continuously evaluating new markets, geographies, and customers.

Galaxy's robust business model is based on the following strategies:

- Mutually complimentary two-pronged strategy to drive growth in both the product segments – Performance Surfactants and Specialty Care Products

- Continue to focus on R&D and Product Innovation as part of our 'Consumer to Chemistry' approach
- Increase wallet share with existing customers and continued focus on expanding our customer base
- Mutually complimentary two-pronged strategy to drive growth in both the emerging and mature markets
- Continue improving our Financial Performance through focus on operational efficiencies and functional excellence

Particulars (For India; Values in INR Crores)	FY 2018-19	FY 2017-18
<b>DIRECT ECONOMIC VALUE GENERATED</b>		
● Revenue from Operations	1996.36	1712.76
● Other Income	35.91	12.97
Total	<b>2032.27</b>	<b>1725.73</b>
<b>ECONOMIC VALUE DISTRIBUTED</b>		
Operating Expenses (excluding employee benefit expense)	1638.43	1406.72
Employee Benefit Expense	87.31	75.37
Interest & Finance Charges	20.44	20.59
<b>EXCISE DUTY</b>		
Government as Taxes (Income tax, dividend distribution tax)	82.32	49.69
Dividends	42.55	10.64
<b>DONATIONS/CSR EXPENSES</b>	<b>3.02</b>	<b>2.56</b>
<b>ECONOMIC VALUE RETAINED</b>	<b>158.20</b>	<b>131.55</b>
Profit before Tax	254.37	164.37
Profit after Tax	168.45	112.41

The above table consists of standalone results of Galaxy Surfactants Ltd.

Galaxy has posted excellent financial performance during the reporting year. Against the consolidated volume growth (adjusted) of 8.8%, the EBITDA and PAT grew by 20.2% and 20.9% respectively. This has been achieved against the volatility in the crude & currency markets, and international trade issues.

## Entities included in the consolidated financial statement

The Consolidated financial statements comprise financial statements of Galaxy Surfactants Ltd ("the Company") and its subsidiaries (collectively, the Group). As of 31<sup>st</sup> March, 2019, the Company has five wholly-owned subsidiaries within the

definition of 'Subsidiary Company' under the Companies Act, 2013. Further, pursuant to the provisions of Section 136 of the Act, the Financial Statements of the subsidiaries are uploaded on the website of the Company i.e. [www.galaxysurfactants.com](http://www.galaxysurfactants.com).

# Environmental Performance

GRI 103-1-3

Galaxy is committed to promote a cleaner and safer environment which is aligned to our business strategy. In FY 2018-19, we have reviewed our Sustainability Policy and included more specific implementation procedure.

Galaxy has extended Sustainability Goals 2020 to its manufacturing site at Egypt. We believe that the goals reflect our determination towards a more

sustainable future. We focus in areas of climate change: energy, greenhouse gases, renewable energy, tree plantation; water; packaging waste and life cycle assessment.

The performance of these goals and material topics are being reviewed on quarterly basis in Sustainability Cell meetings and other internal review meetings.

## GROUP SUSTAINABILITY GOALS 2020 ENERGY & CLIMATE CHANGE

We aim to reduce our energy consumption and emission impacting climate

### Targets (By FY 2020-21)

- Reduce energy intensity by 50% at GSL vs FY 2011-12 and by 30% at GCE vs FY 2014-15 by improving efficiency.
- Increase share of electricity from renewable energy sources by 10% at GSL with base FY 2015-16.
- Reduce GHG constituting of scope 1 & 2 by 35% at GSL vs FY 2012-13 & by 25% at GCE vs FY 2014-15.
- Introduce afforestation programmes as climate change mitigation measures and plant 25,000 trees at GSL.

## WASTE

We aim to generate less waste

### Targets (By FY 2020-21)

- Reduce packaging waste generation by 10% at GSL using process of reduction, recycling and reuse of raw material packaging waste with base FY 2015-16.
- Reduce waste generation by 15% at GCE with base FY 2014-15.

## WATER

We aim to reduce our water consumption

### Targets (By FY 2020-21)

- Reduce water consumption per metric tonne of production by 80% at GSL with base FY 2011-12 & by 50% at GCE with base FY 2014-15.

## LIFE CYCLE ASSESSMENT

We aim to adopt Life Cycle approach to evaluate potential environmental impacts

### Targets (By FY 2020-21)

- Achieve environmentally sound management framework for products and complete Life Cycle Assessment of 40 products.



## Sustainability Goals 2020 – Progress (For India)

Sustainability Goals	Target for (FY 2020-21)	Achieved (FY 2017-18)	Achieved (FY 2018-19)	Remarks
 <b>Water Reduction (Intensity)</b>	80%	59.35%	57.8%	Shared in upcoming pages
 <b>Energy Reduction (Intensity)</b>	50%	42.35%	38.5%	
 <b>GHG Reduction (Intensity)</b>	35%	24.5%	24.1%	
 <b>Packaging Waste Reduction (Intensity)</b>	10%	19%	26.1%	-
 <b>Tree Plantation</b>	25,000	48,355	47,271	Due to mortality of few trees, the number of trees planted in community have decreased
 <b>Renewable Energy Share</b>	10%	0.58%	1.01%	Installation of 235 kWp solar panels
 <b>Life Cycle Assessment of Products</b>	40	12	12	Completion of study for 12 products and additional 6 products' study is in progress

**Note:** The baseline for Packaging Waste Reduction, Renewable Energy Share, Tree Plantation, Life Cycle Assessment Goals are FY 2015-16. The Baseline for Water Reduction and Energy Reduction Goals are FY 2011-12. The Baseline for GHG Reduction Goal is FY 2012-13.

### Restatement of information:

102-48

Numbers for water reduction, energy reduction, GHG reduction for FY 2017-18 (achieved as of 31<sup>st</sup> March, 2018) have been restated in this report due to changes in calculation method and updated based on findings during the Sustainability Report assurance process.

## Water

GRI 303-3; 306-1



Water is essential for all as well as key input for our products. We are dependent on water supplies from municipal corporations and encourage maximum recycling of water in our facilities. We have established mechanism for monitoring water intake and consumption. We also endeavour to increase harvesting of rainwater in our factories as well as aim towards improving water availability to local communities. The information about the water conservation projects in local communities is shared in the CSR section of this report.

We are working on water reduction projects since FY 2011-12. Galaxy has achieved 58% reduction in its water intensity figures measured in units of m<sup>3</sup> per MT of production considering baseline of FY 2011-12 and is working aggressively towards stretched intensity based target of achieving 80% reduction by 2020. From May 2017 onwards, we have become zero liquid discharge at all manufacturing sites in India along with necessary consents from the Pollution Control Boards. We have installed flow meters to measure the water discharge.

At our R&D facility in Navi Mumbai, we have discharged 280 KL of treated effluent water to common effluent treatment plant in FY 2018-19.

**87,362 KL**  
(including rainwater harvested)

**total volume of water recycled and reused**

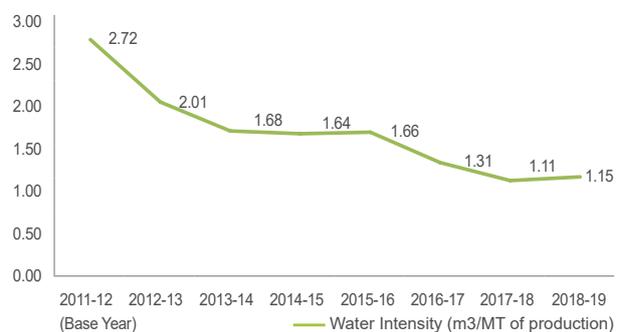
**4%** of water withdrawn

**rainwater harvested**

**32%** of water withdrawn

**water recycled**

### Water Reduction Trend



## Climate Change

GRI 302-3, 305-5



### ENERGY

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

We are committed in contributing towards low carbon growth by measuring and tracking our energy consumption and GHG emission. Members of Energy Cell and Sustainability Cell meet regularly to review energy performance and are guided by energy policy. We have achieved 38.5% reduction of energy consumption per MT of production considering base year of FY 2011-12.

### Energy Reduction Trend





	FY 2018-19	FY 2017-18
<b>Energy Intensity</b> (in MWh/MT)	0.366	0.343

Galaxy has taken following energy conservation measures during FY 2018-19 in manufacturing units:

- Optimisation through variable frequency drives and waste heat recovery measures.
- Opted for application of IoT to monitor efficiencies of subsystem and equipment's in real time.

## GHG



Global warming and its impact on climate pose an enormous challenge to the world. We work towards lowering our emissions through implementation of energy conservation projects. GHG emissions are consolidated on operational control basis with a base year of FY 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. Data for fuel and electricity is collected through sites that measure the consumption based on metering and maintain records.

We have achieved a significant reduction of 24.1% in GHG emissions (Scope 1 and Scope 2) per MT of production against base year FY 2012-13.

### DIRECTED ACTIONS

Energy conservation themes and projects executed in FY 2018-19 have resulted in improved energy efficiency. As a result, for our Indian operations, total reduction in GHG emission is 687.06 tCO<sub>2</sub>e.

### GALAXY GROUP CDP SCORE FOR 2018

- Climate Change: Management Level, B
- Water: Management Level, B-

### SCORING PATTERN LEGEND

- **Leadership (A/A-):** Implementing current best practices
- **Management (B/B-):** Taking coordinated action on climate change/ water issues
- **Awareness (C/C-):** Knowledge of impacts on, and of, climate change/water issues



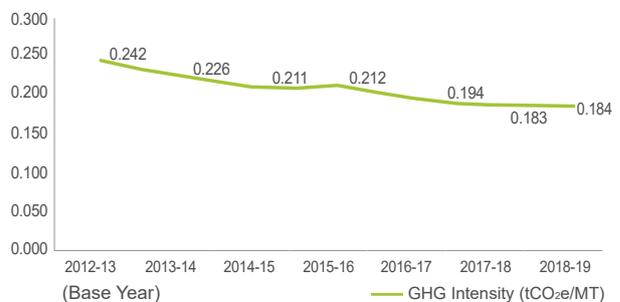
## RENEWABLE ENERGY

Galaxy with its commitment to increase the share of clean energy. Galaxy has completed overall around 235 kWp solar installations at its corporate office and manufacturing sites at Taloja and Jhagadia. We have plans to increase and add more renewable power in line with our Sustainability Goals 2020. The process of additional installation of power capacity of 600 kWp Roof Top solar panels at manufacturing units located at Jhagadia and Taloja has started. Overall power generation from solar panels will increase to reach 10 Lakhs kWh in FY 2019-20.

GRI 305 - 1, 2, 4, 5

For India-GHG Emissions	FY 2018-19	FY 2017-18
<b>Scope 1</b> (in tonnes of CO <sub>2</sub> e)	17,162.55	15,695.80
<b>Scope 2</b> (in tonnes of CO <sub>2</sub> e)	26,280.38	24,256.32
<b>GHG Intensity</b> (in tonnes of CO <sub>2</sub> e/MT)	0.184	0.183

### GHG Emission Trend



- **Disclosure (D/D-):** Transparent about climate change/water issues
- **F:** Failure to provide sufficient information to CDP to be evaluated for this purpose

## Air Emissions

GRI 305-7



We are committed to keep our emissions below statutory norms while focussing on continuously improving our systems. For our manufacturing sites in India, we measure and monitor SO<sub>x</sub>, NO<sub>x</sub>, PM (Particulate Matter) emissions on a regular basis. Stack emissions are measured and monitored on regular basis by authorised third-party agencies. We have estimated the total emissions based on flow rate and molecular weight of the gases.

Total air emissions (India)	in Tonnes/yr		
	PM	SO <sub>x</sub>	NO <sub>x</sub>
FY 2018-19	41.05	56.56	1.89
FY 2017-18	40.50	54.55	4.49

## Safety, Health and Environment

GRI 403-1, 2, 103-1-3



Galaxy is committed to a cleaner and safer environment. Safety forms an integral part of our culture. Our Vision is to achieve and sustain an incident-free organisation. In order to achieve this Vision, we have established processes and systems and ensure that our culture promotes safety across all locations. TRIFR and Severity (LDR) rate are monitored regularly as Safety KPIs. We are making continuous efforts in order to minimise our incidents as the safety of employees is our topmost priority. **With immense pleasure, we would like to share that there were no reportable incidents, no fatalities and no occupational diseases across all Indian sites during the reporting year.** Operations across all sites comply with all the legal and statutory requirements. We have revised SHE policy in last year to incorporate our focus on behavioural-based safety. Various initiatives have been introduced in this year including Mobile Policy, Safety Goggle

Policy in order to enhance safety performance. We have rejuvenated Behaviour-Based Safety programme through Project GPBS - Galaxy Parivaar Bane Surakshit in January 2019 with involvement and commitment from top and senior management. We have successfully taken up awareness sessions and BBS lead observer creation for sustained BBS implementation across all sites through formation of different committees. Jhagadia site has been successfully recertified for ISO 14001:2015 & BS OHSAS 18001:2007 and Taloja site has successfully renewed surveillance audit for ISO 14001:2015 & BS OHSAS 18001:2007. We are planning to implement ISO 45001:2018 in upcoming years.

In manufacturing sites, we conduct monthly meeting of joint safety committee chaired by Site Head and Safety in-charge. Members are from staff, operator and contractor category. Representation of operators and contractors is 50% and staff is 50%. As a Company, we have always believed training and upgradation of skills is an important aspect of employee development. In order to enhance safety awareness among employees & contractors, various emergency drills and trainings have been conducted. Training topics include behavioural safety, SCBA, fire extinguisher, MSDS, EMS-OHSAS standards, Responsible Care, etc.



Injury Statistics (India)	FY 2018-19	FY 2017-18
<b>Total Recordable Injury Frequency Rate - TRIFR</b>	4.67 (M: 4.48, F: 0.19)	4.22 (M: 3.99, F: 0.23)
<b>Severity Rate - Lost Day Rate (LDR)</b>	0.61 (M: 0.59, F: 0.02)	0.79 (M: 0.58, F: 0.21)

**Note:** As per the Factories Act, 1948 (India), there is no reportable incident. TRIFR is based on injuries related to first-aid and medical treatment case. TRIFR and Severity rate (LDR) are calculated considering number of million working man-hours.

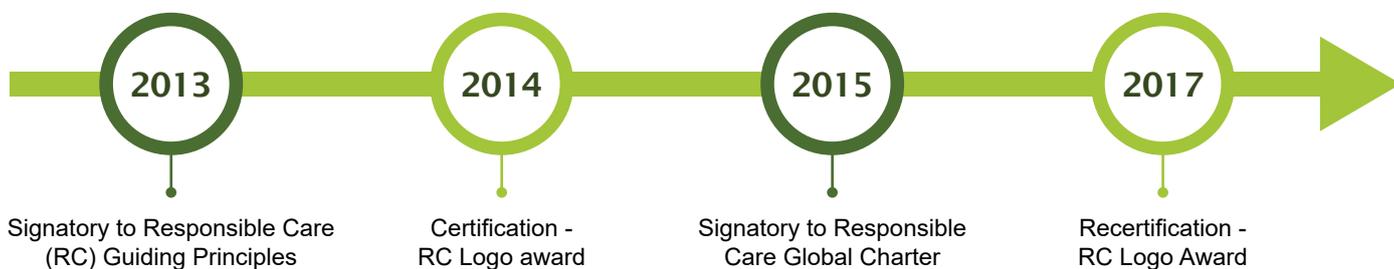


## Responsible Care



Responsible Care is the chemical industry’s unique global initiative that drives continuous improvement in health, safety and environmental (HSE) performance, together with open and transparent communication with stakeholders. This initiative, which started in Canada in late 1980s, is gaining worldwide momentum in the chemical industry. In India, Indian Chemical Council is in the forefront in spreading this initiative.

Over the years, we have implemented various initiatives in the areas of Process Safety, EHS, Pollution Prevention, Emergency Response, Distribution and Product Safety & Stewardship.



### CODES OF RESPONSIBLE CARE

<p><b>Process Safety</b></p> <ul style="list-style-type: none"> <li>• Process Hazard Analysis</li> <li>• Periodic Safety Reviews</li> <li>• Work Permit System</li> <li>• Management of Change</li> </ul>	<p><b>Employee Health and Safety</b></p> <ul style="list-style-type: none"> <li>• Incident Management</li> <li>• Training and Communication</li> <li>• Cardinal Rules</li> <li>• Health Check-ups</li> </ul>	<p><b>Pollution Prevention</b></p> <ul style="list-style-type: none"> <li>• Sustainability Goals and Action Plans</li> <li>• Measurement and Monitoring of KPIs</li> <li>• Sustainability Reporting</li> <li>• Waste Management</li> </ul>
<p><b>Emergency Response</b></p> <ul style="list-style-type: none"> <li>• Emergency Preparedness</li> <li>• Training and Communication Outreach</li> <li>• Quantitative Risk Assessment</li> </ul>	<p><b>Distribution</b></p> <ul style="list-style-type: none"> <li>• Safe Handling and Transportation</li> <li>• Transport Emergency Cards</li> <li>• Transport Incident Management</li> </ul>	<p><b>Product Stewardship</b></p> <ul style="list-style-type: none"> <li>• Life Cycle Assessment</li> <li>• Green Chemistry – Safe Design and Manufacturing</li> <li>• Beyond Legal and Regulatory Compliance</li> </ul>

Galaxy Surfactants Ltd. received permission for using Responsible Care Logo for a period of 3 years: January 2018 to December 2020; post-surveillance audit carried out in November 2017.

# Product Responsibility



Product quality and safety is a significant topic for us as our products are widely used in personal and home care industry globally. Our products are checked for quality to ensure that they adhere to defined standards. We prefer to be ahead of markets and proactively keep our impurity levels way below industry standards and keep on improving our performance on quality standards. Compliance to quality and cosmetic GMP standards are regularly reviewed by dedicated teams and top management. We are currently formalising a structure to manage product stewardship as a dedicated approach towards product responsibility. There were no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period.

## Innovation



### OUR APPROACH

Galaxy understands that 'Innovation' is a vital component of its business strategy that provides a sustainable and long-term competitive advantage to the organisation. Our Innovative approach, driven by proactive research, customer insights and thorough analysis of market trends, always keeps us one step ahead of 'future needs' of our customers. We select projects that add value to end consumers resulting in substantial growth of our customers' business as well as ours. We strive to become 'the preferred' research and development partner of our customers. Galaxy's Innovation is influenced by holistic sustainability approach and we are committed to practice responsible chemistry/technology.

The Innovation Philosophy followed by Galaxy is that of "Consumer to Chemistry". We strive to understand fast changing trends and preferences of consumers, innovate products that suit their needs and deliver it to our customers.

Galaxy has adopted innovation Funnel Model comprising various stages wherein ideas are screened as they progress through various developmental stages before getting converted into successful business.

### OUR COMPETENCY

We have a competent team to undertake innovation challenges in new product and concept development. Through a deep understanding of underlying chemistry together with a profound knowledge of cosmetic science and technology, we develop and commercialise new products that are safe, sustainable and efficient. Our Global Application Support team ensures that Galaxy is not just a supplier, but a solution provider to each of its customers.

GRI 416-2, 103-1-3

## Patents

**60** patents granted

to Galaxy (since 2000)

**33** patents maintained

(12 in USA, 2 in China, 2 in Japan, 3 in Russia, 4 in EU, 10 in India)

**26** patents applied

for (12 in India, 14 in Brazil, China, the European Union, USA and under the PCT)

### In FY 2018-19

12 patents have been granted to Galaxy of which 9 were granted in India, 2 in Europe and 1 in USA

We encourage innovations by protecting and rewarding intellectual contributions through patents. These patents serve as indicators of long-term competitiveness and are a sign of our Company's innovative strength.

Galaxy via its wide array of Specialty Care product offerings such as Mild Surfactants, UV Filters, Non-Toxic Preservatives, Syndet and TBB (transparent bathing bars) has positioned itself to address the emerging segments. Innovation at Galaxy is driven by key trends and emerging categories.



## GREEN PROCESS

This innovative process is applicable to the **entire class of N-acyl amino acid surfactant family** (including Glycinates, Sarcosinates, Taurates and Glutamates). This **patented process**<sup>1</sup> has been globally recognised as one of the major inventions.

Galaxy process of amino acid surfactant manufacture meets all twelve principles of '**Green Chemistry**'. This breakthrough innovation by Galaxy has significantly enabled Galaxy and also its customers to have a very high quality and safe product which in turn would benefit the end consumers as well of the personal care products sold by our customers.

<sup>1</sup> US 9,187,407, EP 2888226, CN 104640839, JP 6087438, RU 2624026, IN 301842 also filed in Brazil. Title: METHOD TO PRODUCE N-ACYL AMINO ACID SURFACTANTS USING N-ACYL AMINO ACID SURFACTANTS OR THE CORRESPONDING ANHYDRIDES AS CATALYSTS



**TREND: ADOPTION OF SULPHATE-FREE Milder SURFACTANTS & SUSTAINABLE ENVIRONMENT-FRIENDLY PRODUCTS IN THE END FORMULATION**

### Galsoft GLI 21

Galsoft GLI 21 is a modern, ultra-mild sulphate-free cleanser that exploits the synergy of two of the mildest surfactants. Galsoft GLI 21 is one such innovative product, designed with breakthrough technology of combining Amino Acid Surfactant and Acyl Isethionate with a Patented Process<sup>2</sup>. This innovation has been well recognised by the industry and Galsoft GLI 21 won the Gold Innovation Award at the HPCI 2018 held in Mumbai.



**TREND: NON-TOXIC PRESERVATION**

### Galguard NT

The trend is to move towards safer, non-toxic, and non-controversial alternatives in order to cater to the preservation needs of the personal care industry. Galaxy has come up with Galguard range of preservatives; a major platform for non-toxic preservation. The Galguard range contains Galguard NT and Galguard Trident. These are broad spectrum of products that provide a safe preservation system for personal as well as home care products. Galaxy's experience and knowledge in the field of preservation has been acknowledged by 3 international patents. This year Galguard NT received the Silver Innovation Award at HPCI 2019, Mumbai, recognising its novelty and innovation.

**TREND: ECO-FRIENDLY AND SKIN-FRIENDLY 'GREEN SURFACTANTS'**

### Galsoft Glutamates

'Galsoft Glutamates' developed by Galaxy is a new generation Green Amino Acid Surfactant series. This series consists of two grades of Glutamates i.e. Galsoft SLGL and Galsoft SCGL based on lauroyl and cocoyl fatty chain respectively. Galsoft Glutamates are anionic amino acid based surfactants. They



**TREND: WATERLESS CLEANSING FORMULATIONS FREE FROM TOXIC INGREDIENTS**

### Galsoft TiLS (G)

The Personal Care industry is constantly changing, with consumers now preferring newer, more convenient and safer products, which are free from toxic ingredients. This trend has been witnessed in an upcoming product platform which are the shower oils, also known as waterless cleansing formulations. The product is a mixture of oil-soluble surfactant, oils, emollients and actives. Galsoft TiLS (G) is an oil-soluble sulfate-free, EO-free, dioxane-free, and PEG-free surfactant, which is one of its kind in the world.

are free from sulphates, chelating agents, EO, additives, and toxic chemicals and are also available with grades free from preservatives. These surfactants are ~100% Natural Origin Content and highly biodegradable.

<sup>2</sup> US 9,308,156, EP2882410, CN104837477, JP 6033970, RU 2606113 and IN 301815, also filed in Brazil.

**TREND: ECO-FRIENDLY LIQUID LAUNDRY DETERGENT FORMULATION**

GRI 417-1

**GalFUSION LLDC**

Launched in 2019, Creating clean laundry, with care!

Liquid Laundry Detergent is an upcoming trend especially in the emerging markets, after liquid dish wash became urban popular. Galaxy with its expertise has developed a high performing, safe, eco-friendly surfactant concentrate that offers superior value named GalFUSION LLDC. The product offers convenience to many regional players for the preparation of quality liquid laundry detergents easily with dilution at room temperature in very less time and is versatile to prepare customised formulations as per customer preferences and fabric laundry needs.



**Life Cycle Assessment**

One of our Sustainability Goals 2020 is to conduct Life Cycle Assessment of 40 products. Galaxy plans to assess majority of its product range for their total environment impacts, moving beyond basics like energy and water intensity of products. Galaxy took up Life Cycle Assessment based on ISO 14040/14044 as a part of assessing total impact of product through its lifecycle and completed LCA for 12 identified products with the help of GaBi tool, as part of the initiative.

**Regulatory**

Galaxy is committed to develop safe, sustainable & eco-friendly products, processes, technologies, and services and to adopt Life Cycle thinking to contribute towards product stewardship. Sustainability is an integral part of product design. We are developing new products by giving highest priority to safety and health impact. We ensure that all the product labelling requirements are fully met, as well as physical and chemical properties are communicated to relevant stakeholders. Our regulatory team monitors the ever changing global regulatory scenario and ensures compliance to product regulations. We display product information like product trade name, gross wt., tare wt. etc. on regular product labels. In addition, we ensure that the hazards and adverse effects of the chemicals on human health and the environment, as well as physical and chemical properties are communicated down the supply chain in the form of Safety Data Sheets (SDS) and labels. SDS are prepared for all our products according to the updated Commission Regulation (EU) No. 2015/830 for EU and GHS (Globally Harmonised System of Classification and Labelling of Chemicals) for all other countries. GHS / CLP labels are also affixed on packages for clear and concise communication of product hazards, as applicable. SDS and labels are periodically reviewed and revised. In addition, SDS and labels are also updated whenever new and significant information is available. While transporting dangerous goods, we ensure use of UN certified packing material and affixation of Dangerous Goods labels in compliance with IMDG (International Maritime Dangerous Goods) and IATA (International Air Transport Association). We have registered for worldwide emergency service through ChemTrec<sup>3</sup>. We also fulfil the Halal and Kosher requirements of our valued customers.

<sup>3</sup> CHEMTREC® is a registered service mark of the American Chemistry Council, Inc.



# Supplier Sustainability

GRI 308-1; 414-1



We consider suppliers as one of the important partners in our value chain. We have supplier selection and evaluation process based on environment, social, safety and quality parameters prior to registration of the supplier. This helps us to ensure integrity of our final product quality and safety. We have established Supplier Code of Conduct which defines the requirements of ethics and integrity, human rights, safety, health & environment to be met by all suppliers.

Engaging continuously with our supply chain partners to improve operational efficiency and integrate sustainability considerations into value chain, we scaled strategic engagement with our suppliers on sustainability agenda during the year. We have created roadmap for engaging with key suppliers. During the year, we have taken conscious efforts to create sustainability awareness among local suppliers.

We are regularly assessing our suppliers on their environment and social performance through our internal audit team. Our supplier sustainability survey covers key suppliers amounting to more than 75% in procurement spend. 33% of new suppliers were screened using environmental and social criteria in FY 2018-19. For FY 2018-19, 47% of all raw materials sourced were from renewable sources.



Our key raw materials are obtained from Palm plantations and are derivatives of Palm Kernel Oil & Palm Oil. The demand for palm oil & palm kernel oil based products is poised to grow in the market with the coming years. 'Roundtable on Sustainable Palm Oil' is a not-for-profit organisation established to unite various stakeholders in palm oil supply chain and to develop and implement global standards of sustainable palm oil. Galaxy is ordinary member of RSPO since 2012.

Our manufacturing units in India & Egypt are RSPO certified. We were the first company in India to receive permission to use RSPO trademark globally. We are certified to use MB (Mass Balance) grade for our products and also got upgraded to SG (Segregation) model for our India facilities. This enables us to partner our key customers' sustainable palm oil strategy and goals.



# People Energy

GRI 102-16

Our Human Resource Process is called as 'People Energy Process' because we believe our people are the endless sources of energy who help us in generating resources for our continual growth.

The growth of an organisation is determined by the pace of growth of its people. We believe in nurturing and empowering our talent so that they can exercise their potential to the fullest. This year, the key focus was on expansion of cross-functional capabilities, building domain expertise of its people and also developing leadership at each level.

Quality and safety have been the factors of prime focus since our inception. Our workforce is a critical factor in maintaining both quality and safety – which in turn strengthens our competitive

position. Our human resource policies broadly focus on training and retaining our employees.

We are committed to build a high performance learning culture in which the employees feel challenged and rewarded, and have many opportunities to demonstrate their skills and abilities. The Core Culture (Motto, Mission, Vision, 4 Cs and Values) along with the Identified 6 Leadership Pillars which is known as Galaxy Way of Leading is one of our key levers for creating an engaging environment for our Employees.





## The 4Cs Our Core Strength



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



Talented team which proactively meet complex and changing business needs



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



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

Our Motto and Value systems are well imbibed by our workforce and they are trained extensively on this right from their induction, which leads to harmony in working. We train our employees on a regular basis to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety. We offer our employees performance-linked incentives and benefits and conduct employee engagement programmes from time-to-time.

There is no discrimination in recruitment, development, promotion on the basis of gender, age, religion or disability. Out of total workforce, around 7.5% of our employees are women.

1,187

Permanent

89

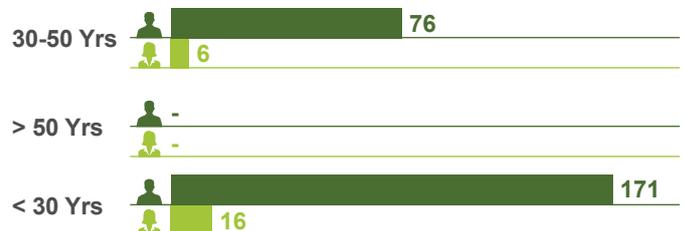
Female

1,098

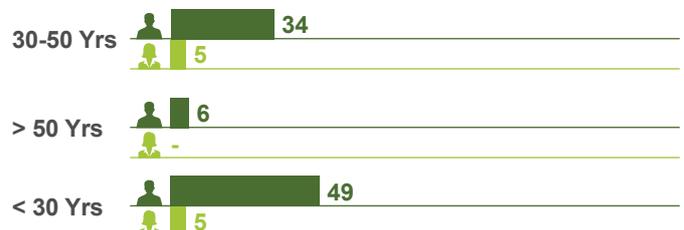
Male

GRI 102-8; 401-1

### NEW HIRES: 269



### ATTRITION: 99



## HUMAN RIGHTS & LABOUR LAWS

Galaxy's Code of Conduct, Supplier Code of Conduct and various other policies reflect our commitment to human rights. Galaxy has established a human rights policy that is communicated to every employee. We emphasise our requirements and standards relating to discrimination, compensation, working hours, harassment and violence, health and safety, freedom of association and we do not tolerate any form of forced or child labour. All the labour laws and other policies pertaining to workplace ethics are well communicated to employees through display boards, handbooks and other forms of communication. These include policies such as whistle blower policy and sexual harassment policy. Strict legal compliance is observed as laid down by local and national acts and regulations. 13% of employees in India were trained in human rights and human rights policies. Further, we plan to increase our training hours and employee coverage through e-learning modules and other platforms.

Employees are encouraged to provide their feedback under the Whistle Blower Policy and there are anonymous speak-up mechanisms set up for sharing their concerns and grievances. Galaxy also undergoes Responsible Sourcing Audit from its customers which includes audit of various areas like safe and hygienic working condition, child labour, wages and benefits, and discrimination and business practices.

Galaxy treats its employees equally, with dignity, and with no gender bias. Galaxy believes and ensures that all employees work in an environment that is free from all kinds of harassments including sexual harassment of women. As required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Galaxy has constituted an ICC (Internal Complaints Committee). There were no complaints received relating to child labour, forced labour, involuntary labour or sexual harassment in the last financial year and pending, as on the end of FY 2018-19.

## EMPLOYEE WELFARE COUNCIL

GRI 102-41

Galaxy recognises and respects employees' rights to freedom of peaceful association and collective bargaining. It also facilitates open communication and direct engagement between workers and management. Galaxy is a Union-free organisation and the major reason for this is that everybody has access to senior management which strongly is in line with Galaxy's value of 'Accessibility to Seniors'. EWC is constituted in manufacturing units as a platform for employees to voice their concerns and grievances to the management on monthly basis. Employees are encouraged to provide their feedback and there are anonymous speak-up mechanisms set up for sharing their concerns and grievances.

## TOWNHALL – 'DIALOGUE'

Galaxy has always believed in 'Openness & Transparency in Communication' and encouraged participation of each Galaxite in sharing their ideas and thoughts. This has also helped us build an 'engaged and value-driven organisation' which we are proud of. We conduct Town Hall meeting named as 'Dialogue' at the head office once in a quarter and connected with video-conferencing at all locations. The agenda of 'Dialogue' is to share business performance of the quarter with the employees, the challenges faced and success stories. This two-way communication is established to encourage participation, motivate the employees, foster collaboration, convey and exchange various improvement ideas.



Townhall meeting



## TRAINING PROGRAMMES IN INDIA

Galaxy is committed towards building talent and a high performance learning culture where our employees feel creative, challenged and rewarded, and have many opportunities to demonstrate their skills and abilities. In line with our People Energy (PE) Policy, we continuously train our people to perform efficiently, effectively and to enlarge themselves. Our objective continues to be to support the business in achieving sustainable and responsible growth by building the right capabilities in the organisation. Various Behavioural, Safety, Technical and On-the-job training programmes were organised for our workforce. Total training hours in FY 2018-19 was recorded to be 31,030 hrs covering 99.5% employees.

The major training programmes were Prerna, Navchetna, Level 3 Leadership, Managers as Multipliers, Power Your Presentation, Stress Management, ISO Awareness, TPM Trainings, GMP, Poka Yoke, The Art of Public Speaking, Awareness on Code of Conduct, Awareness on Human Rights Policy, Awareness on Whistleblower Policy, Quality Circle, RSPO Trainings, Live & Lead, Training on Motto & 4Cs and various on-the-job trainings.

# 183 man-hours

GRI 404-1

Training hours for Awareness on Code of Conduct, Human Rights Policy, Whistle Blower Policy

# 26 man-hours/employee

Average training per employee

**Gender-wise Training hours - Average**

 20.42

 30.02

Employee Category	Total training hours	Average training hours
Strategic Level	470	0.40
Executive Level	3,077	2.59
Operational Level	19,517	16.44
Operators, Assistants & Others	7,966	6.71



Sustainability training at Head Office, Navi Mumbai

## EMPLOYEE ENGAGEMENT

Employee engagement is at the heart of all employee practices at Galaxy. "Fun at Work" forms a crucial part at Galaxy when it comes to trainings. We conduct an employee engagement survey once in two years and various employee engagement activities are carried out round the year.

Activities like Mothers' Day, Friday Talkies, World Environment Day, Fathers' Day, International Yoga Day, Foundation Day, Friendship Day, Independence Day, Teachers' Day, Go Green Day, Diwali Celebration, World Food Day, Children's Day, Christmas Celebration, Sports Day, Republic Day, Holi Celebration, International Women's Day and Water Day were organised.



Environment Day – Terrarium Workshop



International Women's Day



Sports' Day



Halloween Day

## WELLNESS PROGRAMMES

### Wellness Quotient

Galaxy runs its health newsletter known as the 'Wellness Quotient' to spread awareness amongst the employees so that they can be sensitised regarding various health-related issues/topics and also be motivated towards better physical, mental and emotional well-being.

### Common Health Games

Galaxites' Wellness being our prime focus, we launched Common Health Games (CHG) across all locations. The initiative was planned to provide a clear and measurable improvement in health and fitness. A 'Health Diary', specially tailored to improve the participant's health and fitness, was given to all the participants. Throughout this journey of health improvement, each employee was assigned a score called as the "Personal Health Score (PHS)" which was based on her/his observed health and performance metrics. Lower the PHS, fitter the person will be - with the score of zero being the healthiest. It motivated us to push ourselves further so that we can achieve a perfect zero! We all collectively aimed at improving the overall health and fitness scores of ourselves, our processes and ultimately of the whole organisation.



Common Health Games



# Corporate Social Responsibility

GRI 203-1, 2; 413-1, 103-1-3

We recognise our role and responsibility to deliver superior and sustainable value to our customers, business partners, employees and communities. We have implemented several CSR initiatives on our own as well as in partnership with implementing agencies. Such social welfare initiatives were mainly undertaken in the areas of health, hygiene, education, skill development and environmental protection. As a good corporate citizen, we have committed ourselves to a sustainable growth strategy that blends profitability with social development.



Nutrition Project, Chhattisgarh

## CSR STRUCTURE

Galaxy strongly believes that Corporate Social Responsibility (CSR) is connected with the principles of sustainability and recognises that its business activities have wide impact on the society in which it operates. We started our social interventions in FY 2010-11, much before CSR became mandatory. Since 2014, we have reached more than 2,03,500 beneficiaries comprising poor students and under-privileged sections of society. Over time, we have increased our interventions like awareness sessions on hand hygiene and environment, blood donations drives, cleanliness drives, community connect activities, etc.

Our CSR Committee consists of 3 members of the Board and one of them is an independent board member. Our Managing Director is the Chairperson of this Committee. We have established Site Steering Councils at Taloja, Tarapur, Jhagadia and Navi Mumbai who are responsible for implementing CSR projects for local communities around our areas of operation.

Factory manager and legal team members are responsible to address and respond to local grievances.

**Our CSR Vision:** Minimise resource constraints of underprivileged people preferably around our operating centres for their well-being & improved quality of life.

**Our CSR Mission:** To be a catalyst for a healthy society through specific educational initiatives in personal hygiene, environment cleanliness and infrastructure support for community development.

## OUR APPROACH

- About 60% initiatives are undertaken in and around the locations where Galaxy has its operations and presence.
- We encourage our employees to take part in CSR initiatives. We believe in doing work at the ground level in-house, hence 60% of our initiatives are rolled out at our site locations through direct participation of our Steering Council members who closely monitor various on-going and past initiatives. We engage with NGOs, wherever required.

We have contributed towards socio-economic development through initiatives undertaken in the field of water and sanitation, infrastructure, education, and health and livelihood generation. Significant work was done in the areas of Health-Hygiene, Education, Women Empowerment, Community Development in FY 2018-19 through these initiatives:

- Building Check Dams for water conservation and improving the accessibility of water
- Providing infrastructural support to make pure drinking water accessible
- Construction of community household toilets
- Provision of E-learning kits, career assistance for underprivileged students
- Providing financial support for Divyang (specially abled) people and
- Awareness about menstrual hygiene among girls and women, income generation through vocational training and distribution of sewing machines
- Through our CSR expenditure of INR 3.02 Crores during FY 2018-19, we have impacted 46,000+ beneficiaries through various projects and initiatives.
- Under the **project Arogya Vardheeni (Health & Hygiene)**, we have undertaken a major project of providing additional nutrition to 1,100 tribal infants and small malnourished children (age group of 6 months to 3 years), in association with NGO: Jan Swasthya Sahayog, in Bilaspur. The project will cover 100 Phulwaris (day care centre) of 70+ villages of Mungeli & Bilaspur District in Chhattisgarh.
- During this year, under its **project "Samajeek Utthaan"**, Galaxy continued its efforts to transform the lives of the remote villages of Jawahar area of Palghar District through construction of its Check-dam in Kharonda village for arresting the problem of water scarcity. Additionally, de-silting of 2 old check-dams has been initiated in Mokhada region of Palghar District, Maharashtra. Also, we have repaired Sri Krishna Talao, Boisar benefiting about 15,000 villagers from 6 villages to use water for drinking, agriculture and livestock purpose. We have also supported 3 Goshalas (cow-sheds) in Tamil Nadu under the animal welfare initiatives through construction of water percolation ponds, shelter sheds, food storage and provision of fodder & medicines.

All the CSR activities of Galaxy are in compliance with the guidelines prescribed under Section 135 of the Companies Act, 2013. CSR Committee has reviewed and updated the CSR Policy covering the objectives, focus areas, budget, monitoring and reporting among others and the revised policy is shared on our website.

CSR Committee has identified the thrust area projects around which Galaxy shall be focussing its CSR initiatives and channelising the resources on a sustained basis. There will be an alignment of CSR programmes across all locations to ensure common focus and synergy in efforts through following projects:



### VATAVARAN SURAKSHA (ENVIRONMENT PROTECTION)

We believe environment protection is important and need of the hour. Our planet is the foundation of our business as well as our very existence. Hence, we strongly believe that it's our responsibility to give it back to the environment as much as we can. Galaxy has undertaken initiatives like Tree plantation, organising cleanliness drives, conducting awareness sessions on energy/water conservation and solid waste reduction, promoting solar and other non-conventional energy projects.



### SAMAJEEK UTHAAN (COMMUNITY DEVELOPMENT)

Cognizant of the importance of Community Development (Samajeeek Uthaan), we are working towards rural development and reduction in the inequalities faced by socially and economically backward groups. To this end, we provide infrastructure support to poor students' hostels and old-age homes, as well homes for orphans, destitute and runaway children, for rainwater harvesting structures, setting up public libraries, promoting sports through community connect mahotsav, providing hand washing stations, borewells, cement chairs at public places in villages including livelihood and income generation opportunities, cultural activities for jail inmates and residents of old-age homes.



670+ trees

planted

53,200 KL

potential created for rainwater, harvesting





### STREE UNNATI (WOMEN EMPOWERMENT)

We are also working for empowerment of 100 ragpicker women of Panvel area through creation and awareness of self-help group (SHG) in association with Stree Mukti Sangathana. We have provided financial support for fabrication and grill work at Rescue Foundation, Boisar Center for Rehabilitation of Trafficked Women. We have sponsored 86 sewing machines to women undergoing Tailoring training at Sewa Rural, Jhagadia, Gujarat.



*Distribution of sewing machines for women, Jhagadia, Gujarat*

In Navi Mumbai region, we are working in Turbhe community with projects addressing education and health-related issues. While some forms of discrimination against women and girls are diminishing, gender inequality continues to hold women back and deprives them of basic rights and opportunities. We are associated with 'Save The Children India', Turbhe Centre since 2017 with an aim to transform the lives of vulnerable girls and

# 250 women

Vocational Skills training

# 570+ women

were provided support

women of Turbhe community through vocational courses like beauty training, para nursing, hygiene technician, etc. Galaxy's employees have volunteered and extended their knowledge through various sessions like financial literacy, motivation and life skills. During the last year, this partnership project has transformed lives of more than 170 women and helped them become financially independent.

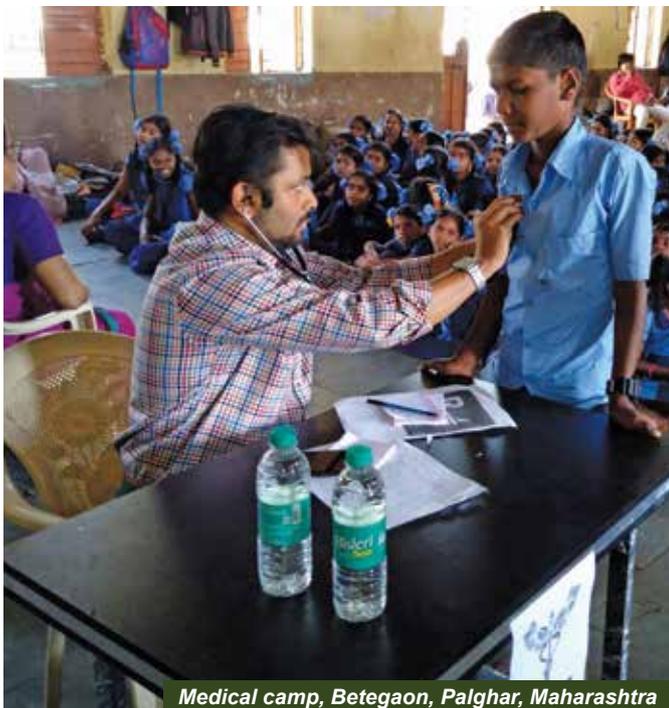


*Motivational session for young women, Navi Mumbai, Maharashtra*



## AAROGYA VARDHEENI (HEALTH AND HYGIENE)

Under this project, we focus on providing primary healthcare among the communities, through diagnosis and treatment. Awareness programmes, health camps and dialysis centres, infrastructural support for making pure drinking water accessible to the target population are highlights of the programme. Sanitation is another focus area, and we construct toilets for girls and boys in schools, besides providing financial support for construction of community household toilets.



Medical camp, Betegaon, Palghar, Maharashtra

**8** blood donation camps

conducted with

**700** blood units

collected

**14** toilet blocks

sponsored infrastructure support

**7** health camps

conducted

**70+** villages **1,100** children

nutrition enhancement project for  
100 day care centres



Hand hygiene awareness session, Tembhi, Palghar, Maharashtra



### GYAN SANJEEVANI (EDUCATION)

We provide support for e-learning aid, notebook distribution, infrastructure improvements in schools, funding of stationery and books for libraries and also provides scholarships and other assistance to enhance careers of the underprivileged students.

#### Enhancing Vocational Skills for Differently-Abled

We provide financial support for Divyang people and specially challenged children, school bus, special benches and tables, grocery, sports equipment for institutes working for Divyang and Specially Challenged children.

~ 40,000 notebooks

Notebook Distribution

15 schools

6,060+ students

340+ differently-abled children

Support provided



Distribution of school kits



Room to Read project



### AAPDA RAHAT (CALAMITY RELIEF)

To support the victims of natural calamities, we have launched an Aapda Rahat programme, wherein we contribute to the PM's Relief Fund or NGOs, while also directly providing relief material to people of calamity-affected areas, contributed by our employees.



Despatch of Relief material for Flood victims, Navi Mumbai, Maharashtra

# Independent Assurance Statement

## SCOPE AND APPROACH

DNV GL Business Assurance India Private Limited ('DNV GL') was engaged by the management of Galaxy Surfactants Limited ('Galaxy' or 'the Company', Corporate Identity number L39877MH1986PLC039877) to undertake an independent assurance for the sustainability performance related to its identified material topics and reported in Galaxy's Sustainability Report 2019 ('the Report') in its printed format for the financial year ending 31<sup>st</sup> March, 2019. The Report is prepared based on the Global Reporting Initiative (GRI) Standards 2016 and its 'Core' option of reporting. The intended user of this Assurance Statement is the management of the Company. Our assurance engagement was planned and carried out in July 2019 – August 2019, for the financial year ending 31<sup>st</sup> March, 2019.

We performed our assurance using DNV GL's assurance methodology VeriSustain<sup>TM1</sup>, which is based on our professional experience, international assurance best practices including International Standard on Assurance Engagements 3000 (ISAE 3000) Revised\* and the GRI's Principles for Defining Report Content and Quality.

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion and the process did not involve engagement with external stakeholders. In doing so, we evaluated the qualitative and quantitative disclosures presented in the Report, together with Galaxy's procedures for ensuring the accuracy and reliability of disclosed information.

The reporting topic boundaries of sustainability performance are based on the materiality assessment carried out by Galaxy covering internal and external impacts of identified topics for its operations in India and is as set out in the Report in the section "About the Report".

We understand that the reported data on economic performance, and other financial data within the Report are based on financial disclosures and data which has been subjected to a separate independent statutory audit process and is not included in our scope of work.

## RESPONSIBILITIES OF THE MANAGEMENT OF GALAXY AND OF THE ASSURANCE PROVIDER

The Management of the Company has the sole accountability for the preparation of the Report and are responsible for all information disclosed in the Report as well as the processes for collecting, analysing and reporting the information. In performing assurance work, our responsibility is to the Management; however, our statement represents our independent opinion and is intended to inform the outcome of our assurance to the stakeholders of Galaxy. DNV GL was not involved in the preparation of any statement or data included in the Report except for this Assurance Statement.

DNV GL's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith and

free from any misstatements. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

## BASIS OF OUR OPINION

A multi-disciplinary team of sustainability and assurance specialists performed work at Galaxy's operations at India. We adopted a risk-based approach, i.e. we concentrated our verification efforts on the issues of high material relevance to Company and its key stakeholders. We undertook the following activities:

- Reviewed the Company's approach to stakeholder engagement and its materiality determination process and the outcome as stated in this Report;
- Examined and reviewed documents, data and other information made available by the Company related to disclosures;
- Conducted in-person interviews with top and senior management team of Company and other representatives, including process owners and decision-makers from different divisions and functions of the Company to validate the disclosures. We were free to choose interviewees and interviewed those with overall responsibility to deliver the Company's sustainability objectives;
- Site visits to the Company's manufacturing units of performance surfactants and specialty care products and the Head Office in India, to review processes and systems for preparing site level sustainability data and implementation of sustainability strategies;
- Performed sample-based reviews of the mechanisms for implementing the Company's sustainability related policies, as described in the Report. Performed sample-based checks of the processes for generating, gathering and managing the quantitative data and qualitative information included in the Report;
- An independent assessment of the Report against the requirements of GRI Standards: Core option of reporting.

During the assurance process, we did not come across limitations to the scope of the agreed assurance engagement.

## OPINION

On the basis of the verification undertaken, nothing has come to our attention that causes us to believe that the Report does not properly describe Company's adherence to the GRI Standards: Core option of reporting including the GRI 102: General Disclosures 2016, GRI 103: Management Approach 2016 and disclosures related to the following GRI Standards which have been chosen to bring out sustainability performance against its identified material topics:

- GRI 201: Economic Performance 2016 – 201-1;
- GRI 203: Indirect Economic Impacts 2016 – 203-1, 2;
- GRI 302: Energy 2016 – 302-3;
- GRI 303: Water 2016 – 303-3;
- GRI 305: Emissions 2016 – 305-1,2,4,5, 305-7;

<sup>1</sup> The VeriSustain protocol is available on request from [www.dnvgl.com](http://www.dnvgl.com)

\* Assurance Engagements other than Audits or Reviews of Historical Financial Information.



- GRI 306: Effluents and Waste – 306-1;
- GRI 308: Supplier Environmental Assessment 2016 – 308-1;
- GRI 401: Employment 2016 – 401-1;
- GRI 403: Occupational Health and Safety 2016 – 403-1,2;
- GRI 404: Training and Education 2016 – 404-1;
- GRI 412: Human Rights Assessment 2016 – 412-2;
- GRI 413: Local Communities 2016 – 413-1;
- GRI 414: Supplier Social Assessment 2016 – 414-1;
- GRI 416: Customer Health and Safety 2016 – 416-2;
- GRI 417: Marketing and Labelling 2016 – 417-1.

## OBSERVATIONS

Without affecting our assurance opinion, we also provide the following observations. We have evaluated the Report's adherence to the following principles:

## MATERIALITY

*The process of determining the issues that is most relevant to an organisation and its stakeholders.*

The Report brings out process of materiality assessment and identifying material issues used by Galaxy. The materiality determination exercise carried out involved face-to-face interviews, quantitative surveys, and benchmarking exercises with various stakeholders, as well as inputs from the Board. The Company has identified and reported on impacts related to its seven (7) most significant material issues. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality considering the identified scope and boundary of reporting. However, it would be worthwhile if Galaxy identifies and includes material issues related to its Global operations in its future reporting periods.

## STAKEHOLDER INCLUSIVENESS

*The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.*

The Report content draws upon the outcomes of stakeholder engagement processes carried out in 2018 as part of its business process, and as required by the legal and institutional framework in which it operates. The Report brings out outcomes of the stakeholder engagement process including modes of engagement frequency of engagement and responses that inform decisions towards formulating the Company's sustainability strategy. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Inclusivity.

## RESPONSIVENESS

*The extent to which an organisation responds to stakeholder issues.*

The Report fairly brings out sustainability policies, management approaches and strategies in place to monitor and respond to feedback from significant stakeholders on key material issues. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Responsiveness; however, the Company may further set and disclose medium and long-term targets for all identified material topics and align these targets to the identified Sustainable Development Goals.

## RELIABILITY

*The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.*

Most of the qualitative and quantitative disclosures verified at Company's Head Office and the manufacturing units in India were found to be fairly accurate; the sample disclosures related to material topics and responses to stakeholder engagement which we verified as part of assurance was found to be reliable.

Based on the sampling for limited level of assurance, we did not identify any systemic errors related to reliability of the sustainability disclosure management systems in bringing out sustainability performance; however, some of the inaccuracies in data and information identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors. These identified errors were communicated and subsequently corrections made in the reported data and related information. Further, it is recommended to strengthen systems related to sustainability performance data management i.e. bring in uniformity of data templates and procedures in data collection and performance analysis across its entities. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Reliability.

## COMPLETENESS

*How much of all the information that has been identified as material to the organisation and its stakeholders is reported.*

The reporting boundary for the current reporting period includes Company's manufacturing units and Head office in India and excludes wholly and non-wholly owned subsidiaries. The Report has attempted to bring out the economic, environmental and social disclosures against the GRI Standards: Core option of reporting bringing out its sustainability performance. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Completeness; however, future Reports may further strengthen on the principle of completeness by identifying and reporting on environmental, social and compliance related topics which are material to their subsidiaries.

## NEUTRALITY

*The extent to which a report provides a balanced account of an organisation's performance, delivered in a neutral tone.*

The Report provides a balanced account of the Company's performance on identified sustainability issues, in terms of content and presentation, reflecting both positive and negative aspects of performance. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

For and on behalf of DNV GL Business Assurance India Pvt. Ltd.

**Bhargav Lankalpalli**  
Lead Verifier  
DNV GL Business  
Assurance India  
Private Limited, India

**Vadakepatth Nandkumar**  
Assurance Reviewer  
DNV GL Business  
Assurance India  
Private Limited, India

06<sup>th</sup> September, 2019, India.

# GRI Content Index

GRI Standards	Disclosure	Page number(s) and/or URL(s)	Reasons for Omission
<b>GRI 101: Foundation 2016</b>			
<b>GRI 102: General Disclosures 2016</b>	<b>Organisational Profile</b>	<a href="http://www.galaxysurfactants.com/">http://www.galaxysurfactants.com/</a>	-
	102-1 Name of the organisation		-
	102-2 Activities, brands, products, and services		-
	102-3 Location of headquarters		-
	102-4 Location of operations		-
	102-5 Ownership and legal form		-
	102-6 Markets served	5, 6, 7, 26	-
	102-7 Scale of the organisation		-
	102-8 Information on employees and other workers		We have considered India as region for reporting purpose as majority of our facilities are located in western region.
	102-9 Supply chain	7	-
	102-10 Significant changes to the organisation and its supply chain	7	-
	102-11 Precautionary principle or approach	7	-
	102-12 External initiatives	8	-
	102-13 Membership of associations		-
	<b>Strategy</b>		-
	102-14 Statement from senior decision-maker	3	-
	<b>Ethics &amp; Integrity</b>		-
	102-16 Values, principles, standards, and norms of behaviour	8, 25, 26	-
	102-17 Mechanisms for advice and concerns about ethics	9, 27	-
	<b>Governance</b>		-
	102-18 Governance structure	9, 10, 30	-
	102-31 Review of economic, environmental, and social topics	9, 10, 30	-
	<b>Stakeholder Engagement</b>		-
	102-40 List of stakeholder groups	11	-
	102-41 Collective bargaining agreements	27	-
	102-42 Identifying and selecting stakeholders	11	-
	102-43 Approach to stakeholder engagement	11	-
	102-44 Key topics and concerns raised	11 - 13	-
	<b>Reporting Practice</b>		-
	102-45 Entities included in the consolidated financial statements	14	-
	102-46 Defining report content and topic boundaries	About the Report; i	-
	102-47 List of material topics	13	-
	102-48 Restatements of information	16	-
	102-49 Changes in reporting	About the Report; i; 35 - 39	-
	102-50 Reporting period		-
	102-51 Date of most recent report		-
	102-52 Reporting cycle		-
	102-53 Contact point for questions regarding the report		-
	102-54 Claims of reporting in accordance with the GRI Standards		-
	102-55 GRI content index		-
	102-56 External assurance		-
<b>Material Topics</b>			
<b>Economic Performance</b>		<a href="http://www.galaxysurfactants.com/CommonCMS/InvestorRelation">http://www.galaxysurfactants.com/CommonCMS/InvestorRelation</a>	-
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary		-
	103-2 The management approach and its components	1, 14	-
	103-3 Evaluation of the management approach		-
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed		-



GRI Standards	Disclosure	Page number(s) and/or URL(s)	Reasons for Omission
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		-
	103-2 The management approach and its components		-
	103-3 Evaluation of the management approach	1, 14, 30 - 34	-
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported		-
	203-2 Significant indirect economic impacts		-
<b>Environmental Performance</b>		<a href="http://sustainability.galaxysurfactants.com/">http://sustainability.galaxysurfactants.com/</a>	-
<b>Energy</b>			-
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		-
	103-2 The management approach and its components	15 - 18	-
	103-3 Evaluation of the management approach		-
GRI 302: Energy 2016	302-3 Energy intensity		-
<b>Water</b>			-
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		-
	103-2 The management approach and its components	15 - 17	-
	103-3 Evaluation of the management approach		-
GRI 303: Water 2016	303-3 Water recycled and reused		-
<b>Emissions</b>			-
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		-
	103-2 The management approach and its components		-
	103-3 Evaluation of the management approach		-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	15 - 19	-
	305-2 Energy indirect (Scope 2) GHG emissions		-
	305-4 GHG emissions intensity		-
	305-5 Reduction of GHG emissions		-
	305-7 Nitrogen oxides (NO <sub>x</sub> ), sulphur oxides (SO <sub>x</sub> ), and other significant air emissions		-
<b>Effluents and Waste</b>			-
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		-
	103-2 The management approach and its components	17	-
	103-3 Evaluation of the management approach		-
GRI 306: Effluents and Waste 2016	306-1 Water discharge by quality and destination		-
<b>Supplier - Environmental</b>			-
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		-
	103-2 The management approach and its components		-
	103-3 Evaluation of the management approach	24	-
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria		-
<b>Social Performance</b>			-
<b>Employment</b>			-
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		-
	103-2 The management approach and its components	25, 26	-
	103-3 Evaluation of the management approach		-
GRI 401: Employment 2016	401-1 New employee hires and employee turnover		We have considered India as region for reporting purpose as majority of our facilities are located in western region.

GRI Standards	Disclosure	Page number(s) and/or URL(s)	Reasons for Omission
<b>Occupational Health and Safety</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1, 19, 20, 29	-
	103-2 The management approach and its components		-
	103-3 Evaluation of the management approach		-
GRI 403: Occupational Health and Safety 2016	403-1 Workers representation in formal joint management-worker health and safety committees		-
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities		Absenteeism rate is not included due to unavailability of information. We have considered India as region for reporting purpose as majority of our facilities are located in western region.
<b>Training and Education</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		-
	103-2 The management approach and its components	1, 25, 28	-
	103-3 Evaluation of the management approach		-
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee		-
<b>Human Rights</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		-
	103-2 The management approach and its components	27	-
	103-3 Evaluation of the management approach		-
GRI 412: Human Rights Assessment 2016	412-2 Employee training on human rights policies or procedures		-
<b>Local Communities</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		-
	103-2 The management approach and its components	1, 30 - 34	-
	103-3 Evaluation of the management approach		-
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes		-
<b>Supplier - Social</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		-
	103-2 The management approach and its components	24	-
	103-3 Evaluation of the management approach		-
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria		-
<b>Customer Health and Safety</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	21, 23	-
	103-2 The management approach and its components		-
	103-3 Evaluation of the management approach		-
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		-
GRI 417: Marketing and Labelling	417-1 Requirements for product and service information and Labelling		-
<b>Innovation</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2, 21, 23	There is no GRI topic-specific Standard related to Innovation.
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		



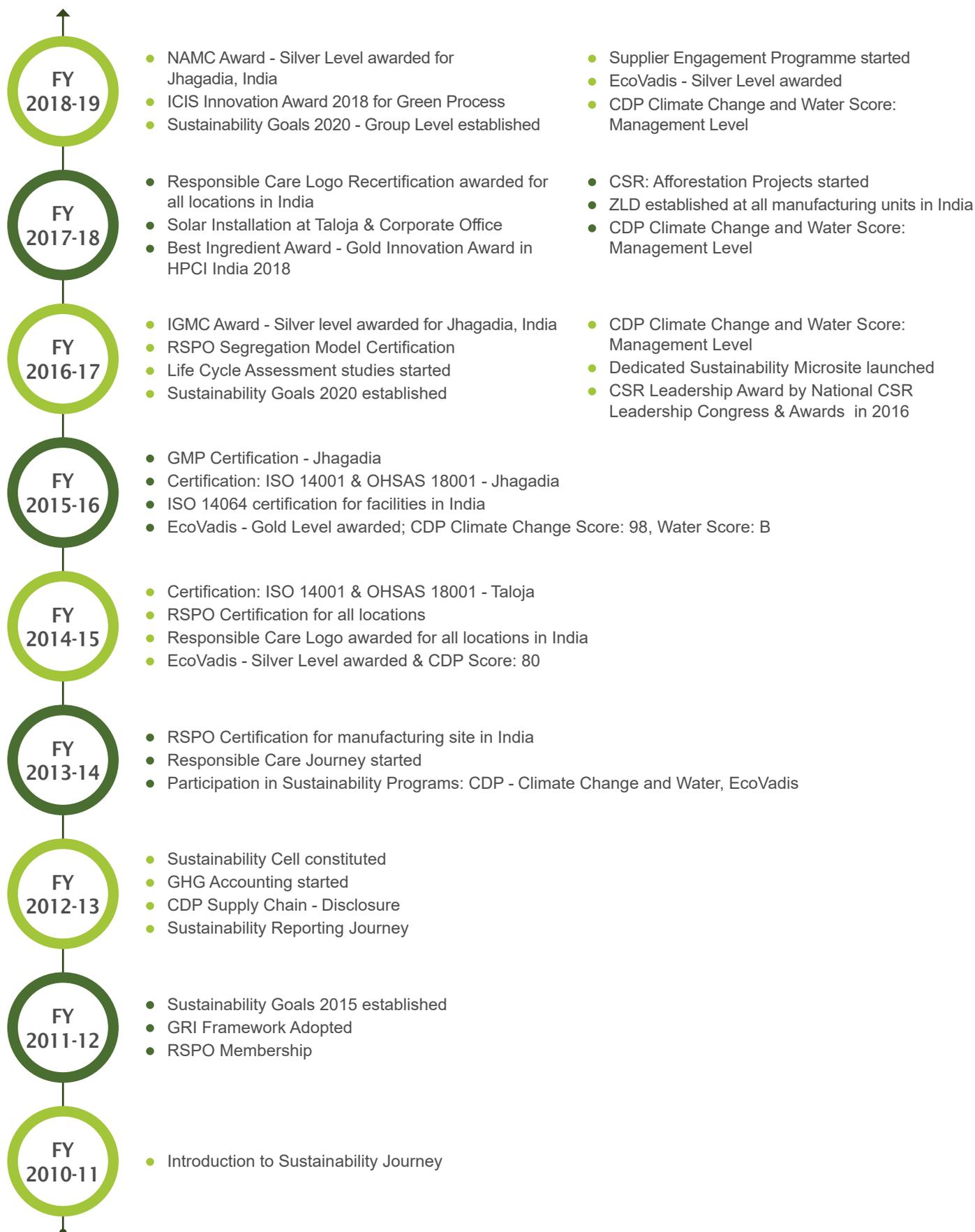
# Glossary

Abbreviations	Full Form
ACI	American Cleaning Institute
AGM	Annual General Meeting
AMET	Africa, Middle East, Turkey
BBS	Behavioural Based Safety
BPE	Business Process Excellence
BRR	Business Responsibility Report
BS OHSAS	British Standard - Occupational Health and Safety
CCQC	Chapter Convention on Quality Concepts
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CH <sub>4</sub>	Methane
CHG	Common Health Games
CLP	Classification, Labelling and Packaging
CO <sub>2</sub>	Carbon Dioxide
COO	Chief of Operations
CSR	Corporate Social Responsibility
EBITDA	Earnings before interest, tax, depreciation and amortisation
EO	Ethylene Oxide
EU	European Union
EWC	Employee Welfare Council
FY	Financial Year
GCD	Global Customer Delight
GCE	Galaxy Chemicals Egypt (S.A.E.)
GHG	Greenhouse Gas
GHS	Global Harmonised System
GMP	Good Manufacturing Practices
GRI	Global Reporting Initiative
GSL	Galaxy Surfactants Limited
HFC	Hydrofluoro Carbon
HPCI	Home and Personal Care Ingredients
IATA	International Air Transport Association
IMDG	International Maritime Dangerous Goods
INR	Indian National Rupees
IOT	Internet of Things
IPCC	Intergovernmental Panel on Climate Change
ISDC	International Conference on Soaps, Detergents & Cosmetics
ISO	International Organisation for Standardisation
IWD	International Women's Day
KAM	Key Account Manager
LCA	Life Cycle Assessment
LDR	Lost Day Rate i.e. Severity Rate
MNC	Multi-national Company
NCQC	National Convention on Quality Concepts
NGO	Non-Governmental Organisation
NOx	Nitrogen Oxides
NPT	New Projects and Technology
PAT	Profit after Tax
PEP	People Energy Process
PM	Particulate Matter
R&D	Research and Development
RM	Raw Materials
RMU	Resource Mobilisation and Utilisation
RoC	Registrar of Companies
RSPO	Roundtable on Sustainable Palm Oil
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
SOx	Sulphur Oxides
TPM	Total Productive Maintenance
TRIFR	Total Recordable Injury Frequency Rate
UN	United Nations
USA	United States of America
UV	Ultra Violet
ZLD	Zero Liquid Discharge

## Abbreviation for Units of Measurement

Abbreviations	Full Form
CO <sub>2</sub> e	Carbon Dioxide Equivalent
Cubic m / m <sup>3</sup>	Cubic Meter
Hrs	Hours
KL	Kilolitre
kWh	Kilo Watt hour
MT	Metric Tonnes
MW	Mega Watt
MWh	Mega Watt hour

# Sustainability Initiatives and Achievements



## **GALAXY SURFACTANTS LIMITED**

C-49/2, TTC Industrial Area, Pawne, Navi Mumbai - 400 703, Maharashtra, India.  
Phone : +91-22-65134444 / 27616666 | Fax : +91-22-27615883 / 27615886  
E-mail: [sustainability@galaxysurfactants.com](mailto:sustainability@galaxysurfactants.com)

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