Sustainability from a downstream ingredient perspective

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Galaxy Surfactants at Glance

- **Business**: 6+
- **Growth Rate**: 20%
- **Revenues**: 300
- **Employees**: 900+
- **No. of Countries**: 106

**Diverse Product Portfolio**
- Products find applications in Skin Care, Hair Care, Oral Care, Sun Care, Baby Care and Home Care

**Sustainable Growth**
- Global sales CAGR of ~20% during year 2008-14

**Growing Revenues**
- Global Revenues of USD 380M

**Talent pool**
- Highly Innovative, Agile & Solution driven Team
- Global & diverse talent pool

**Global Footprint**
- Calverts 106 countries with 86 products
- Global Suppliers to Global Brands in Personal and Home Care segment
Flow of the Presentation

- Ingredient & Oil Palm
- Indian context for Oil Palm
- Indian ingredient industry
- What has Galaxy done?
- Challenges & Opportunities
- Summary & Conclusion

Ingredients & Oil Palm

Nomenclature:
- FFB – Fresh fruit bunches
- CPO – Crude Palm Oil
- CPKO – Crude Palm Kernel Oil
- PKE – Palm Kernel Expeller

Ingredients industry use Palm oil, Palm Kernel oil & Stearin as feedstock
Indian Context for Oil Palm

- 88% of production in Asia
- More than 50% of Consumption in Asia
- Indian context
  - 15% of global consumption of Palm oil (≈ 10 m tpa)
  - Largest importer of Palm oil
  - Edible oil market characteristics
    - Fragmented market
    - Low brand awareness – non branded oils
    - Low Consumer awareness on Sustainability
    - Price sensitive market
- Palm Kernel oil imports less than 0.2 m tpa

India’s participation in palm oil sustainability – Important for overall traction

Indian Ingredient Industry

- India has emerged as a cluster for ingredients
- Enablers
  - Indigenous technology
  - Frugal innovation
  - World class quality
- Export focused Industry
- Exposure to Global Customers
  - Transmission of good practices
  - Partners in global Sustainability initiative
- Regional Customers
  - Lower traction on Sustainable oil palm

Ingredient industry is part of global supply chains with high awareness on Oil Palm sustainability
What has Galaxy done?

Three pronged approach

1. **Company - Build Capability**
   - RSPO membership
   - Supply chain certifications
   - Migration plan from MB to SG

2. **Industry – Share good practices**
   - RSPO Workshop on Certification
   - Indian Surfactant Group conference

3. **Interface with Customers**
   - Educate & learn
   - Participate in Customer initiatives
   - Promote certified products

Every journey begins with a single step

Challenges & Opportunities

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<td>Managing complex Palm Kernel oil supply chain in interim</td>
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In Summary

1. Ingredient companies committed to Oil Palm Sustainability
2. Edible oil traction critical for building momentum
3. Need for unified approach
4. Critical to enhance supply of Certified oils

Galaxy is committed to engage with stakeholders to deliver on the agenda of Sustainable Oil Palm

Thank You