

## Identifying information

Questions marked with an asterisk (\*) are mandatory.

### 1. \*This report is for which of the following? (Required)

- Entity

### 2. \*Legal name of reporting entity or government institution (Required)

- Stepan Company

### 3. \*Financial reporting year (Required)

- Start date: January 1, 2023
- End date: December 31, 2023

### 4. \*Is this a revised version of a report already submitted this reporting year? (Required)

- No

#### 4.1 \*If yes, identify the date the original report was submitted. (Required)

- N/A

#### 4.2 \*Describe the changes made to the original report, including by listing the questions or sections that were revised (1,500 character limit). (Required)

- N/A

### 5. For entities only: Business number(s) (if applicable):

- N/A

### 6. For entities only: \*Is this a joint report? (Required)

- No

**6.1 \*If yes, identify the legal name of each entity covered by this report. (Required)**

- N/A

**6.2 Identify the business number(s) of each entity covered by this report (if applicable).**

- N/A

**7. For entities only: \*Is the entity also subject to reporting requirements under supply chain legislation in another jurisdiction? (Required)**

- Yes

**7.1 \*If yes, indicate the applicable law(s). Select all that apply. (Required)**

- *California's Transparency in Supply Chains Act*

**8. For entities only: \*Which of the following categorizations applies to the entity? Select all that apply. (Required)**

- Canadian business presence (select all that apply):
  - Does business in Canada
- Meets size-related thresholds (select all that apply):
  - Has at least \$20 million in assets for at least one of its two most recent financial years
  - Has generated at least \$40 million in revenue for at least one of its two most recent financial years
  - Employs an average of at least 250 employees for at least one of its two most recent financial years

**9. For entities only: \*Which of the following sectors or industries does the entity operate in? Select all that apply. (Required)**

- Manufacturing

**10. For entities only: \*In which country is the entity headquartered or principally located? (Required)**

- United States of America

**10.1 If in Canada: \*In which province or territory is the entity headquartered or principally located? (Required)**

- N/A

**11. For government institutions only: \*Is this a report for a federal Crown corporation or a subsidiary of a federal Crown corporation? (Required)**

- N/A

**11.1 \*If yes, which of the following sectors or industries does the Crown corporation or subsidiary operate in? Select all that apply. (Required)**

- N/A

**11.2 \*If yes, in which province or territory is the Crown corporation or subsidiary headquartered or principally located? (Required)**

- N/A

## **Annual Report**

### **Reporting for entities**

**1. \*What steps has the entity taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity? Select all that apply. (Required)**

- Mapping supply chains
- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists
- Developing and implementing grievance mechanisms
- Developing and implementing procedures to track performance in addressing forced labour and/or child labour

**2. Please provide additional information describing the steps taken (if applicable) (1,500 character limit).**

**3. \*Which of the following accurately describes the entity's structure? (Required)**

- Corporation

**4. \*Which of the following accurately describes the entity's activities? Select all that apply. (Required)**

- Producing goods (including manufacturing, extracting, growing and processing)
  - outside Canada
- Selling goods
  - in Canada
  - outside Canada
- Importing into Canada goods produced outside Canada
- Controlling an entity engaged in producing goods in Canada or outside Canada, or importing into Canada goods produced outside Canada

**5. Please provide additional information on the entity's structure, activities and supply chains (1,500 character limit).**

**6. \*Does the entity currently have policies and due diligence processes in place related to forced labour and/or child labour? (Required)**

- Yes

**6.1 \*If yes, which of the following elements of the due diligence process has the entity implemented in relation to forced labour and/or child labour? Select all that apply. (Required)**

- Embedding responsible business conduct into policies and management systems

**7. Please provide additional information on the entity's policies and due diligence processes in relation to forced labour and child labour (if applicable) (1,500 character limit).**

**8. \*Has the entity identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used? (Required)**

- Yes, we have started the process of identifying risks, but there are still gaps in our assessments.

**8.1 \*If yes, has the entity identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains? Select all that apply. (Required)**

- The raw materials or commodities used in its supply chains
- Tier three suppliers
- Suppliers further down the supply chain than tier three

**9. \*Has the entity identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries? Select all that apply. (Required)**

- Agriculture, forestry, fishing and hunting

**10. Please provide additional information on the parts of the entity's activities and supply chains that carry a risk of forced labour or child labour being used, as well as the steps that the entity has taken to assess and manage that risk (if applicable) (1,500 character limit).**

**11. \*Has the entity taken any measures to remediate any forced labour or child labour in its activities and supply chains? (Required)**

- Not applicable, we have not identified any forced labour or child labour in our activities and supply chains.

**11.1 \*If yes, which remediation measures has the entity taken? Select all that apply. (Required)**

- N/A

**12. Please provide additional information on any measures the entity has taken to remediate any forced labour or child labour (if applicable) (1,500 character limit).**

**13. \*Has the entity taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains? (Required)**

- Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

**14. Please provide additional information on any measures the entity has taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains (if applicable) (1,500 character limit).**

**15. \*Does the entity currently provide training to employees on forced labour and/or child labour? (Required)**

- Yes

**15.1 \*If yes, is the training mandatory? (Required)**

- Yes, the training is mandatory for all employees.

**16. Please provide additional information on the training the entity provides to employees on forced labour and child labour (if applicable). (1,500 character limit).**

**17. \*Does the entity currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains? (Required)**

- Yes

**17.1 \*If yes, what method does the entity use to assess its effectiveness? Select all that apply. (Required)**

- Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators

**18. Please provide additional information on how the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains (if applicable). (1,500 character limit).**

## **Attestation**

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full name: David G. Kabbes

Title: Vice President, General Counsel and Secretary

Date: May 31, 2024

          /s/ David G. Kabbes          

I have the authority to bind Stepan Company.