

2025 ESG Analyst Download

	2023	2024	2025
Economic			
Financial			
Net sales (in thousands)	2,325,768	2,180,300	2,332,114
Net sales segment results—surfactants (in thousands)	1,602,819	1,532,115	1,665,983
Net sales segment results—polymers (in thousands)	642,471	584,905	584,477
Net sales segment results—specialty products (in thousands)	80,478	63,254	81,654
Gross profit (in thousands)	277,598	272,200	269,900
Operating income (in thousands)	58,613	70,500	78,549
Net income attributable to Stepan Company (in thousands)	40,204	50,370	46,895
Total assets (in thousands)	2,363,354	2,304,648	2,357,702
Environmental			
Energy, GHG, and Other Air Emissions			
Scope 1 GHG emissions (kilotons CO ₂ e)	184.05 ^[1]	192.53 ^[1]	185.33 ^[1]
Scope 2 GHG emissions—market based (kilotons CO ₂ e)	62.93 ^[1]	60.91 ^[1]	68.43 ^[1]
Scope 2 GHG emissions—location based (kilotons CO ₂ e)	113.24 ^[1]	115.17 ^[1]	113.78 ^[1]
Total Scope 1 and 2 GHG emissions—market based (kilotons CO ₂ e)	246.98 ^[1]	253.45 ^[2]	253.77 ^[1]
Emissions intensity—market based (metric tons CO ₂ e per metric ton throughput volume) ^[3]	0.126	0.134	0.125
Year-over-year reduction of market based GHG emissions	0.3% decrease	2.6% increase	0.1% increase
Total energy consumed (1,000 terajoules)	3.9 ^[4]	4.16 ^[4]	4.18 ^[4]
Energy intensity (gigajoules per metric ton throughput volume)	2.00	2.20	2.06

[1] This data has undergone external limited assurance.

[2] This data has undergone external limited assurance. In Stepan's 2024 report, we reported emissions reduction performance against a recalculated 2016 baseline due to acquisitions that impacted Stepan's operational footprint.

[3] Shifts in intensity-based emissions reflect annual variability in production activity and other operational activities.

[4] This data has undergone external limited assurance. Energy consumption includes energy from biogenic sources, which were in the amount of 12.3 terajoules in 2025.



	2023	2024	2025
Total Scope 1 energy consumed (1,000 terajoules) ^[5]	2.84	3.00	2.95
Total Scope 2 energy consumed (1,000 terajoules) ^[6]	1.04	1.15	1.23
Renewable energy usage (terajoules)	490	497	179
Emissions from ozone-depleting substances (ODS) (metric tons of CO ₂)	1,719	569	648
Air emissions of NO _x (excluding N ₂ O) (metric tons) ^[7]	187.00	242.52	217.40
Air emissions of SO _x (metric tons) ^[7]	42.00	9.50	9.40
Air emissions of VOCs (metric tons) ^[7]	256.00	157.40	130.30
Air emissions of HAPs (metric tons) ^[7]	92.00	35.50	18.10
Percent of renewable electricity ^[8]	52%	43%	18%
Percent of energy from grid electricity	26.0%	26.0%	23.5%
CDP climate disclosure score	B	B	B
Water			
Percent of operations in regions of high or extremely high risk according to WRI Aqueduct Tool ^[9]	18%	18% ^[10]	18%
Total water consumed in Stepan products (1,000 megaliters)	0.25	0.27 ^[10]	0.27 ^[11]
Total freshwater withdrawn at manufacturing facilities (1,000 megaliters) ^[12]	4.79	4.62 ^[10]	3.97
Freshwater use per unit production (megaliters per metric ton production)	0.0029	0.0024 ^[10]	0.0020
Total water discharged at manufacturing facilities (1,000 megaliters)	2.20	2.02 ^[10]	2.15
Number of incidents resulting in non-compliance associated with water quality permits, standards, and regulations	6	9	4

[5] Intensity based Scope 1 energy consumed (Gigajoules/mt throughput volume)=1.5. Stepan includes measures or estimates of natural gas, diesel, biodiesel, propane, petrol (gasoline) and number two fuel oil in our Scope 1 energy use calculation. Small quantities of other fuels (e.g., acetylene) are also included in the calculation. Stepan includes energy usage within the organizational boundaries for this metric.

[6] Intensity based Scope 2 energy consumed (Gigajoules/mt throughput volume)=0.61. Stepan includes measures or estimates of electricity and purchased steam for our Scope 2 energy use calculation. Stepan includes energy usage within the organizational boundaries for this metric.

[7] Global manufacturing sites. U.S. EPA emission factors and standard methods are used to determine emissions from combustion-related activities across our sites.

[8] Covered by Renewable Energy Certificates, Green Origin Certificates, Power Purchase Agreements and on-site solar power generation.

[9] This metric includes only those manufacturing sites ranked as "high" or "extremely high" overall risk according to WRI.

[10] This data has undergone external limited assurance.

[11] Water consumed in Stepan products (1,000 megaliters), a. 267,197 cubic meters of water in Stepan Products, 267.2 megaliters of total water consumed (in products, evaporation, other removals or losses). b. 60.2 megaliters for total water consumption from all areas identified by WRI Aqueduct as high water stress.

[12] a. Total water withdrawn across all categories: 3,972.51 megaliters (3,972,510 cubic meters). Surface water: 1,021 megaliters, Groundwater: 2,150.9 megaliters, Third Party water: 771.5 megaliters. b. Water withdrawn from high or extremely high water stressed areas: 265.5 megaliters and 265,542 cubic meters, based on WRI Aqueduct water risk analysis. Surface water: 0 megaliters, Groundwater: 1,060.6 megaliters, Third Party water: 557.2 megaliters. Water use includes water obtained from surface, ground, municipal and third-party sources for the purposes of cooling, cleaning, processing, and product manufacturing.



	2023	2024	2025
Waste			
Hazardous waste generated (metric tons) ^[13]	15,032	14,600	12,809
Non-hazardous waste generated (metric tons) ^[13]	13,918	21,169	19,898
Percent of hazardous waste recycled ^[14]	18.0%	32.0%	12.0%
Percent of non-hazardous waste recycled	19.0%	33.0%	22%
Hazardous waste incineration with energy recovery (metric tons)	2,801	1,500	1,052
Non-hazardous waste incinerated with energy recovery (metric tons)	4,971	637	197
Hazardous waste incineration without energy recovery (metric tons)	7,639	8,200	8,377
Non-hazardous waste incinerated without energy recovery (metric tons)	1,699	90	79
Total waste diverted from disposal (metric tons)	9,478	9,642	11,420
Total waste directed to landfill (metric tons) ^[13]	6,816	14,875	11,582
Safety and Environmental Stewardship of Chemicals			
Percent of products that contain GHS of classification and labeling of chemicals Category 1 and 2 Health and Environmental Hazardous Substances	N/A	76.0%	76.0%
Percent of such products that have undergone hazard assessment ^[15]	N/A	100%	100%
Social			
Workforce Demographics			
Global headcount ^[16]	2,393	2,396	2,408
Percent of women in global workforce	24.0%	24.0%	25.0%
Total number of employees permanent full-time equivalent employees—Men	1,797	1,802	1,731
Total number of employees permanent full-time equivalent employees—Women	571	561	561
Total number of non-binary employees ^[17]	4	15	1
Percent of employee covered by collective bargaining agreements	38.0%	33.0%	34.0%
Number of new hires	277	285	306
Voluntary turnover	309	214	194

[13] Reporting on waste excludes demolition and construction projects for more consistent tracking over time. 2023–2024 data updated versus prior report due to improved data quality.

[14] Waste data is collected and tracked for our global facilities using the STEMS data management system. Site personnel share data based on information from our waste management partners and other site measurements and is reviewed by a team based at Company headquarters.

[15] Percent of Stepan's 'high-priority' chemicals that have Product Stewardship summaries prepared and publicly available on the company website.

[16] See page 37 of the [Sustainability Report](#) for a breakdown of employees by gender, region, and contract type.

[17] This information was self-declared through an internal survey and represents voluntary disclosure of individuals who identify as non-binary.



	2023	2024	2025
Training and Education			
Percent of employees eligible for regular performance reviews	66.0%	67.0%	70.0%
Safety			
Lost time incident rate (LTIR)—Stepan employees and temporary workers ^[18]	0.39	0.43 ^[19]	0.22
Lost time incident rate (LTIR)—Chemical manufacturing (NAICS 325) ^[20]	0.60	0.5	N/A
Total recordable incident rate (TRIR)—Stepan employees and temporary workers ^{[18][21]}	0.53	0.65 ^[19]	0.36
Total recordable incident rate (TRIR)—Chemical manufacturing (NAICS 325) ^[20]	1.8	1.6	N/A
Days away, restrictions, and transfers (DART) rate—Stepan employees and temporary workers ^[18]	0.46	0.51 ^[19]	0.25
Days away, restrictions, and transfers (DART) rate—Chemical manufacturing (NAICS 325) ^[20]	1.2	1	N/A
Fatalities—Employees ^[18]	0	0	0
Fatalities—Contractors	0	0	0
Number of employee and contractor injuries ^[18]	19	19	10
Process Safety Incidents Count (PSIC) ^[22]	4	2	2 ^[19]
Process Safety Total Incident Rate (PSTIR) ^[22]	0.19	0.09	0.07 ^[19]
Process Safety Incident Severity Rate (PSISR) ^[22]	0.38	0.18	0.215 ^[19]
Number of transport incidents ^[23]	2	0	0
Supplier Management and Diversity			
Supplier Management Policy (Y/N)	Y	Y	Y
Percent of new suppliers screened using social and environmental criteria	100%	100%	100%

[18] Employee means Stepan employees, temporary workers, and supervised contractors.

[19] This data has undergone external limited assurance.

[20] Source: Bureau of Labor Statistics, U.S. Department of Labor, Survey of Occupational Injuries and Illnesses, in cooperation with participating state agencies. Industry values above are for NAICS Code 325—Chemical Manufacturing.

[21] Number of work-related injuries or illnesses per 200,000 worked hours during a one year period.

[22] This includes only Tier 1 Process Safety events. The methodology is based on ANSI/API Recommended Practice 754 3rd Edition: Process Safety Performance Indicators for the Refining and Petrochemical Industries.

[23] For U.S. only. Includes U.S. DOT 5800 events related to hazardous material shipment. Reported with a one year time lag according to American Chemistry Council standard.



	2023	2024	2025
Human Rights			
Percent of operations that have been subject to human rights reviews or impact assessments	100%	100%	100%
Percent of Palm Derived Material Certified under RSPO ^[24]	14.0%	21.0%	27.0%
Human Rights Statement (Y/N)	Y	Y	Y
Equal Employment Opportunity Policy (Y/N)	Y	Y	Y
Child Labor Policy (Y/N)	Y	Y	Y
Conflict Mineral Policy (Y/N)	Y	Y	Y
Modern Slavery Policy (Y/N)	Y	Y	Y
Ethics			
Anti-Bribery and Anti-Corruption Policy (Y/N) ^[25]	Y	Y	Y
Code of Business Conduct and Ethics (Y/N)	Y	Y	Y
Whistleblowing and Non-Retaliation Policy (Y/N)	Y	Y	Y
Percent of operations assessed for risks related to corruption	100%	100%	100%
Percent of employees that have completed training on Ethics and Compliance policies, procedures, and issues	100%	100%	100%
Product Health, Safety, Labeling, and Marketing			
Incidents of non-compliance concerning product and service information and labeling ^[26]	0	N/A	N/A
Incidents of non-compliance concerning marketing and communications ^[27]	0	N/A	N/A

[24] Annual variability in certified raw material percentages may occur due to changes in customer demand.

[25] Stepan's Ethics and Compliance team manages training and actions aimed at prevention of corruption and bribery, among many other ethics related practices. Incidents will be managed according to the defined process outlined in Stepan's Code of Conduct. Additional context is provided in Stepan's Form 10-K.

[26] Incidents resulting in warnings, fines, or penalties concerning product and service information and labeling to Stepan's direct customers. Reported with a one year time lag. While there were no incidence connected to direct customers, on March 19, 2025, the Company received a pre-filing notice from USEPA for violations of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) associated with certain of the Company's biocide products sold by a licensed distributor. USEPA assessed a civil penalty of \$1.1 million, which the Company paid on July 2, 2025. During the third quarter of 2025, the Company recovered \$0.5 million of the US EPA penalty from third parties and continues to pursue complete recovery.

[27] Non-compliance with warnings, fines, or penalties, based on sharing of misinformation on our products or through our marketing communications. Reported with a one year time lag.



	2023	2024	2025
Governance			
Board Composition and Independence			
Number of directors	7	8	8
Board average age	62	62	62
Mandatory retirement age (Y/N)	Y	Y	Y
Average director tenure (years)	12	11	9.7
Number of independent directors	5	6	6
Percent of directors who are independent	71.0%	75.0%	75.0%
Independence of committees (other than executive committee)	Y	Y	Y
Independence of chairman (Y/N)	N	N	N
Independent lead director (Y/N)	Y	Y	Y
Board Diversity			
Number of women on the board	3	3	3
Percent of directors who are women	37.5%	37.5%	37.5%
Board and Committee Meetings			
Number of board and committee meetings during the calendar year	21	30	31
Number of directors attending less than 75% of meetings during calendar year	0	0	0
Executive Compensation			
CEO stock ownership guidelines (Y/N)	Y	Y	Y
CEO stock ownership multiple of base salary	5 × Base Salary	5 × Base Salary	5 × Base Salary
Executive officer stock ownership guidelines (Y/N)	Y	Y	Y
Executive officer stock ownership multiple of base salary	2.5 × Base Salary	2.5 × Base Salary	2.5 × Base Salary
Director stock ownership guidelines (Y/N)	Y	Y	Y
Director stock ownership multiple of annual deferred stock award	5 × Annual Cash Retainer	5 × Annual Cash Retainer	5 × Annual Cash Retainer
Shareholder Rights			
Single voting class (Y/N)	Y	Y	Y
Proxy access (Y/N)	N	N	N

