

ESG Analyst Download

The data in these tables provide summary information regarding Stepan's ESG performance. Additional context is provided in our [2021 Sustainability Report](#).

	2016	2017	2018	2019	2020	2021
Economic						
Financial						
Net sales (in thousands)	1,766,166	1,925,007	1,993,857	1,858,745	1,869,750	2,345,966
Net sales segment results — surfactants (in thousands)	1,181,563	1,297,555	1,385,932	1,272,723	1,351,686	1,562,795
Net sales segment results — polymers (in thousands)	498,826	546,634	527,420	512,347	452,277	713,440
Net sales segment results — specialty products (in thousands)	85,777	80,818	80,505	73,675	65,787	69,731
Gross profit (in thousands)	346,971	346,167	339,349	339,714	383,613	395,810
Operating income (in thousands)	135,532	154,840	149,265	127,260	171,522	170,781
Net income attributable to Stepan Company (in thousands)	90,999	100,774	111,117	103,129	126,770	137,804
Total assets (in thousands)	1,378,671	1,502,892	1,514,614	1,579,367	1,752,336	2,065,612

	2016	2017	2018	2019	2020	2021
Environmental						
Energy, GHG, and Other Air Emissions						
Scope 1 GHG emissions (kilotons CO ₂ e)	80.33	85.55	86.02	90.28	98.11 ^[1]	198.27 ^[1]
Scope 2 market-based GHG emissions (kilotons CO ₂ e)	142.70	132.04	134.78	131.48	87.4 ^[2]	68.43 ^[2]
Total scope 1 and 2 GHG emissions (kilotons CO ₂ e)	223.03	217.59	220.80	221.76	185.5 ^[1]	266.7 ^[1]
Emissions intensity (metric tons CO ₂ e per metric ton production)	0.181	0.181	0.183	0.188	0.15	0.21
Total energy consumed (1,000 terajoules)	2.56	2.59	2.54	2.70	2.89 ^[3]	3.65 ^[3]
Energy intensity (gigajoules/metric ton production)	2.08	2.16	2.11	2.29	2.37	2.84
Air emissions of NO _x (excluding N ₂ O) (metric tons) ^[4]					52.00	63.23
Air emissions of SO _x (metric tons) ^[4]					39.00	52.15
Air emissions of VOCs (metric tons) ^[4]					259.00	249.52
Air emissions of HAPs (metric tons) ^[4]					194	126.16
Percentage of gross global scope 1 emissions covered under emissions-limiting regulations					13.00	10.00
Percentage of renewable energy ^[5]					3.5%	40.0%
Percentage of energy from grid electricity ^[6]					30.0%	30.0%
CDP Climate Disclosure Score	D	D	D	B-	B-	C

[1] This data has been externally assured. Significant increase in 2021 Scope 1 emissions due to expanded manufacturing footprint and first time inclusion of process emissions.

[2] This data has been externally assured.

[3] This data has been externally assured. Energy consumption includes energy from biogenic sources in the amount of 18.9 TJ.

[4] U.S. manufacturing sites only. Data will be available and updated in this table on June 7, 2022.

[5] Covered by Renewable Energy Certificates.

[6] Percent of energy from grid electricity restated for 2020 to align with GRI reporting guidance.

	2016	2017	2018	2019	2020	2021
Water						
Percentage of operations in regions of high risk according to WRI Aqueduct Tool	N/A	N/A	N/A	50%	32%	32%
Total water consumed in Stepan products (1,000 megaliters)	0.25	0.24	0.25	0.25	0.26	0.25
Total water withdrawn at manufacturing facilities (1,000 megaliters)	4.63	4.46	3.99	4.4	3.89	3.97
Water use per unit production (megaliters per metric ton production)	0.0038	0.0037	0.0033	0.0037	0.0032	0.0031
Number of incidents of non-compliance associated with water quality permits, standards, and regulations					12	19
Waste						
Hazardous waste generated (metric tons) ^[7]				13,471	10,629	22,117
Non-hazardous waste generated (metric tons)				9,777	8,952	10,070
Percentage of hazardous waste recycled				6%	7%	30%
Total waste diverted from disposal (metric tons)				11,427	9,203	14,493
Total waste directed to landfill (metric tons)				5,639	5,633	7,032
Safety and Environmental Stewardship of Chemicals						
Percentage of products that contain GHS of classification and labeling of chemicals Category 1 and 2 Health and Environmental Hazardous Substances ^[8]				5.4%	5.4%	5.4%
Percentage of such products that have undergone hazard assessment ^[9]				100%	100%	100%

[7] Increase in waste from prior year due to added remediation products, demolition and construction projects, expanded boundary to include chemical recycling, and scheduled clean-outs.

[8] Percentage of Stepan chemicals that are classified as 'high-priority' chemicals according to GHS and other national and international standards.

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

	2016	2017	2018	2019	2020	2021
Social						
Workforce Demographics						
Global headcount ^[10]	2,145	2,096	2,250	2,284	2,293	2,439
Percentage of women in global workforce						24%
Total number of employees permanent equivalent employees — male						1,848
Total number of employees permanent equivalent employees — female						591
Total number of employees part-time temporary employees — male						60
Total number of employees temporary employees — female						22
Percentage of employee covered by collective bargaining agreements ^[11]				38%	38%	37%
Number of new hires					228	395 ^[12]
Voluntary turnover					126	137
Training and Education						
Percentage of employees receiving regular performance reviews					86%	82%
Safety						
Lost time incident rate (LTIR) — Stepan employees ^[13] and temporary workers	0.06	0.33	0.2	0.47	0.16	0.19
Lost time incident rate (LTIR) — chemical manufacturing (NAICS 325) ^[14]	0.6	0.6	0.6	0.6	0.7	N/A

[10] See page 34 of the [report](#) for a breakdown of employees by gender, region, and contract type.

[11] 2021 data will be available and updated in early June 2022.

[12] Includes new hires plus 84 employees that joined Stepan with our acquisitions.

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

[14] 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.

	2016	2017	2018	2019	2020	2021
Total recordable incident rate (TRIR) — Stepan employees ^[13] and temporary workers ^[15]	0.52	0.69	0.51	0.74	0.64	0.54
Total recordable incident rate (TRIR) — chemical manufacturing (NAICS 325) ^[14]	2	2	1.9	1.9	1.8	N/A
Days away, restrictions, and transfers (DART) rate — Stepan employees ^[13] and temporary workers	0.16	0.45	0.28	0.8	0.52	0.42
Days away, restrictions, and transfers (DART) rate — chemical manufacturing (NAICS 325) ^[14]	1.2	1.2	1.2	1.2	1.2	N/A
Fatalities — employees ^[13]	0	0	0	0	0	0
Fatalities — contractors	0	0	0	0	0	0
Number of employee ^[13] and contractor injuries					18 total incidents	17 total incidents
Process safety incidents count (PSIC) ^[16]				9	6	4
Process safety total incident rate (PSTIR) ^[16]				0.35	0.24	0.17
Process safety incident severity rate (PSISR) ^[16]				1.91	1.45	0.25
Number of transport incidents ^[17]					5	5
Supplier Management and Diversity						
Percentage of U.S. volume manufactured at OSHA VPP Star recognized plants	87%	87%	88%	88%	88%	86%

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

[16] 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. The definition for Tier 1 events was changed from prior years, accounting for the large shift in the performance metric.

[17] For U.S. only. Includes U.S. DOT 5800 events.

	2016	2017	2018	2019	2020	2021
Supplier Management Policy (Y/N)	N	N	Y	Y	Y	Y
Percent of new suppliers screened using social and environmental criteria (2019 baseline year) ^[18]	N/A	N/A	N/A	100%	100%	100%
Human Rights						
Percentage of operations that have been subject to human rights reviews or impact assessments					100%	100%
Percent of purchased palm derived material certified under RSPO ^[19]	N/A	4.0%	11.5%	16%	19%	29%
Human Rights Statement (Y/N)	N	N	N	Y	Y	Y
Equal Employment Opportunity Policy (Y/N)	Y	Y	Y	Y	Y	Y
Child Labor Policy (Y/N)	Y	Y	Y	Y	Y	Y
Conflict Mineral Policy (Y/N)	Y	Y	Y	Y	Y	Y
Modern Slavery Policy (Y/N)	Y	Y	Y	Y	Y	Y
Ethics						
Anti-Bribery and Anti-Corruption Policy (Y/N)	Y	Y	Y	Y	Y	Y
Code of Business Conduct and Ethics (Y/N)	Y	Y	Y	Y	Y	Y
Whistleblowing and Non-Retaliation Policy (Y/N)	Y	Y	Y	Y	Y	Y
Percent of operations assessed for risks related to corruption	N/A	N/A	100%	100%	100%	100%
Percent of employees that have completed training on Ethics and Compliance policies, procedures, and issues	N/A	N/A	91%	95%	100%	100%

[18] Prior to December 2019, suppliers completed a self-assessment on safety, quality management, environmental management, OSHA, and other regulatory compliance, however data is not available.

[19] Percent of purchased palm derived material certified under RSPO restated for 2019 and 2020 using updated methodology for internal tracking and accounting.

	2016	2017	2018	2019	2020	2021
Product Health, Safety, Labeling, Marketing						
Incidents of non-compliance concerning product and service information and labeling ^[20]					0	0
Incidents of non-compliance concerning marketing and communications ^[21]					0	0
Data/Information Privacy & Security						
Substantiated complaints concerning breaches of customer privacy and losses of customer data ^[22]					0	0
Governance						
Board Composition and Independence						
Number of directors	8	8	8	7	7	8
Board average age	62	63	64	63	64	64
Mandatory retirement age (Y/N)	Y	Y	Y	Y	Y	Y
Average director tenure (years)	13	14	15	11	12	12
Number of independent directors	6	6	6	6	6	7
Percentage of directors who are independent	75%	75%	75%	86%	86%	75%
Independence of committees (other than executive committee)	Y	Y	Y	Y	Y	Y
Independence of chairman (Y/N)	N	N	N	N	N	N
Independent lead director (Y/N)	Y	Y	Y	Y	Y	Y

[20] No incidents resulting in a fine, penalty, or warning concerning product and service information and labeling to Stepan's direct customers.

[21] No non-compliance with warnings, fines, or penalties, based on sharing of misinformation on our products or through our marketing communications.

[22] Stepan did not have any substantiated complaints concerning breaches of customer privacy.

	2016	2017	2018	2019	2020	2021
Board Diversity						
Number of women on the board	1	1	1	1	1	2
Percent of directors who are women	13%	13%	13%	14%	14%	25%
Board and Committee Meetings						
Number of board and committee meetings during the calendar year	16	16	23	20	21	24
Number of directors attending less than 75% of meetings during calendar year	0	1	0	0	0	0
Executive Compensation						
CEO Stock ownership guidelines (Y/N)					Y	Y
CEO stock ownership multiple of base salary					5 x Base Salary	5 x Base Salary
Vice chairmen and executive vice presidents stock ownership guidelines (Y/N)					Y	Y
Vice chairmen and executive vice presidents stock ownership multiple of base salary					2 x Base Salary	2 x Base Salary
Director Stock Ownership Guidelines (Y/N)					Y	Y
Director stock ownership multiple of annual deferred stock award					5 x Annual Cash Retainer	5 x Annual Cash Retainer
Shareholder Rights						
Single voting class (Y/N)	Y	Y	Y	Y	Y	Y
Proxy access (Y/N)	N	N	N	N	N	N