Stepan Increases Quarterly Cash Dividend, Marking the 54th Consecutive Year of Increases, and Announces Share Repurchase Program

October 20, 2021

NORTHBROOK, Ill., Oct. 20, 2021 /PRNewswire/ -- Stepan Company (NYSE:SCL) today reported:

On October 19, 2021, the Board of Directors of Stepan Company approved an increase of $0.030 per share, or 9.8%, on its quarterly cash dividend on its common stock. The dividend of $0.335 per share is payable on December 15, 2021, to common stockholders of record on November 30, 2021. The increase marks the 54th consecutive year in which the quarterly dividend rate on the Company's common stock has increased.

In addition, the Board of Directors of the Company authorized the Company to repurchase up to $150,000,000 of its common stock.

"Today's announcement demonstrates our confidence and commitment to deliver stockholder value through a disciplined capital allocation," said F. Quinn Stepan, Jr., Chairman and Chief Executive Officer. "Our strong balance sheet and solid cash flow generation will allow us to continue to invest in our current business, pursue strategic opportunities and return capital to our stockholders."

Under the share repurchase program, the Company is authorized to repurchase shares of common stock in the open market, privately negotiated transactions or a combination of the foregoing. The timing and amount of shares repurchased will be subject to the Company's evaluation of market conditions, applicable legal requirements and other factors. The share repurchase program does not have an expiration date and share repurchases under the program may be commenced, suspended or discontinued from time to time without prior notice. The program authorization supersedes the Company's prior share repurchase authorization.

Corporate Profile

Stepan Company is a major manufacturer of specialty and intermediate chemicals used in a broad range of industries. Stepan is a leading merchant producer of surfactants, which are the key ingredients in consumer and industrial cleaning and disinfection products and in agricultural and oilfield solutions. The Company is also a leading supplier of polyurethane polyols used in the expanding thermal insulation market, and CASE (Coatings, Adhesives, Sealants, and Elastomers) industries.

Headquartered in Northbrook, Illinois, Stepan utilizes a network of modern production facilities located in North and South America, Europe and Asia.

The Company's common stock is traded on the New York Stock Exchange (NYSE) under the symbol SCL. For more information about Stepan Company please visit the Company online at www.stepan.com.

More information about Stepan's sustainability program can be found on the Sustainability page at www.stepan.com.

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Certain information in this news release consists of forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include statements about Stepan Company's plans, objectives, strategies, financial performance and outlook, trends, the amount and timing of future cash distributions, prospects or future events and involve known and unknown risks that are difficult to predict. As a result, Stepan Company's actual financial results, performance, achievements or prospects may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "guidance," "predict," "potential," "continue," "likely," "will," "would," "should," "illustrative" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by Stepan Company and its management based on their knowledge and understanding of the business and industry, are inherently uncertain. These statements are not guarantees of future performance, and stockholders should not place undue reliance on forward-looking statements.

There are a number of risks, uncertainties and other important factors, many of which are beyond Stepan Company's control, that could cause actual results to differ materially from the forward-looking statements contained in this news release. Such risks, uncertainties and other important factors include, among other factors, the risks, uncertainties and factors described in Stepan Company's Form 10-K, Form 10-Q and Form 8-K reports and exhibits to those reports, and include (but are not limited to) risks and uncertainties related to the impact of the COVID-19 pandemic; accidents, unplanned production shutdowns or disruptions in manufacturing facilities; reduced demand due to customer product reformulations or new technologies; our inability to successfully develop or introduce new products; compliance with laws; our ability to identify suitable acquisition candidates and successfully complete and integrate acquisitions; global competition; volatility of raw material and energy costs and supply; disruptions in transportation or significant changes in transportation costs; downturns in certain industries and general economic downturns; international business risks, including currency exchange rate fluctuations, legal restrictions and taxes; unfavorable resolution of litigation against us; maintaining and protecting intellectual property rights; our ability to access capital markets; global political, military, security or other instability; costs related to expansion or other capital projects; interruption or breaches of information technology systems; our ability to retain executive management and key personnel; and our debt covenants.

These forward-looking statements are made only as of the date hereof, and Stepan Company undertakes no obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

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