



# Stepan



**Investor Presentation**  
**NYSE : SCL**

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April 2026

# Safe Harbor

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Certain information in this presentation 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 (the Exchange Act). 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," "aim," "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 presentation. 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 disruptions in production or accidents at 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 make acquisitions of suitable candidates and successfully 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, changes in global trade policies, including tariffs; 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 our executive management and key personnel; and our debt covenants. In addition to the risks described in the Company's periodic reports, the restructuring actions described herein may involve risks related to the execution of facility closures and asset decommissioning, potential operational disruptions, impacts on employees and local communities, environmental compliance, and the realization of anticipated cost savings and efficiencies.

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, except to the extent required by applicable laws.

# INNOVATIVE CHEMICAL SOLUTIONS FOR A CLEANER, HEALTHIER, MORE ENERGY EFFICIENT WORLD



Customer-Driven Innovation & Application Leadership

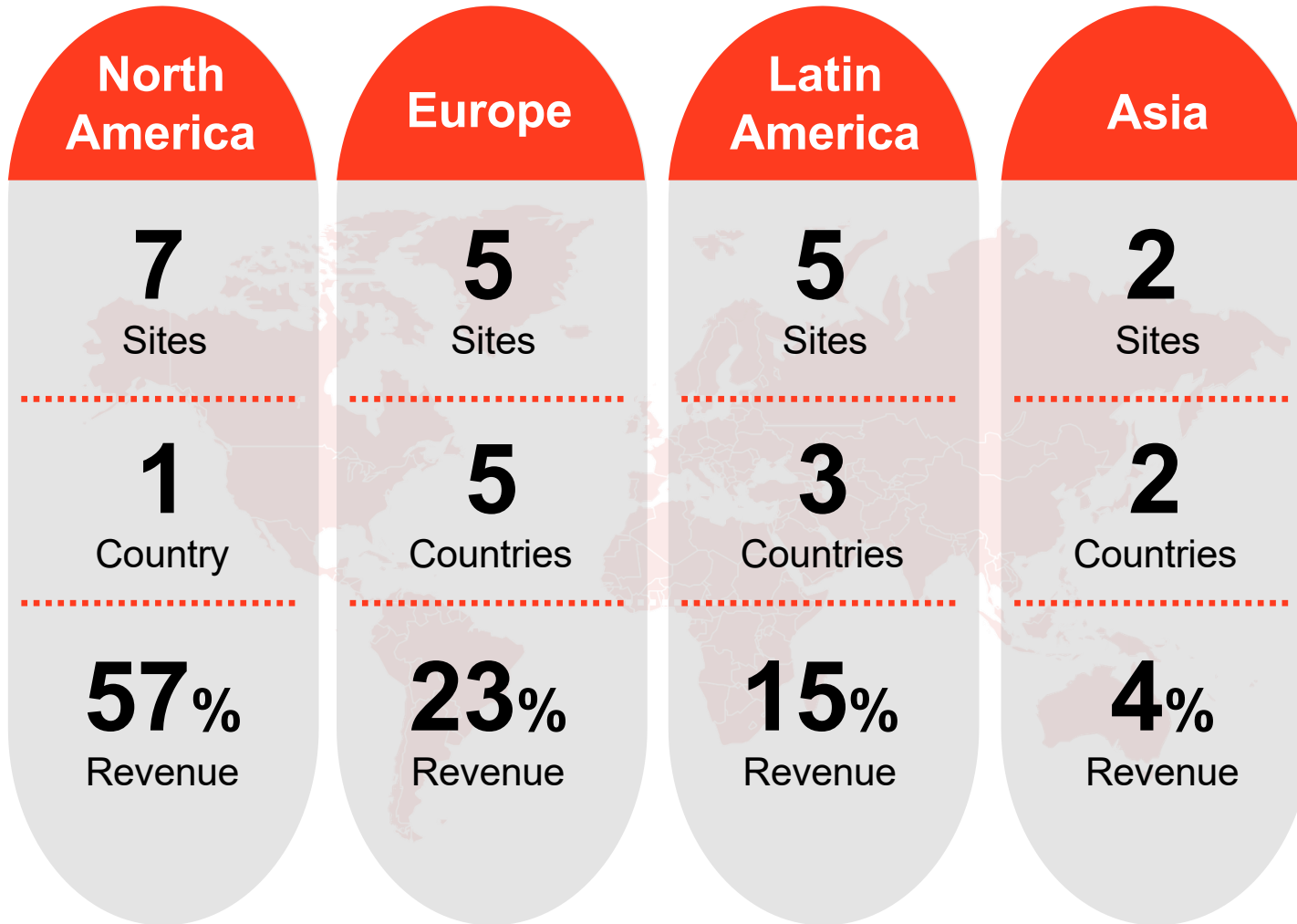
High-Return Diversification & Portfolio Optimization

Operational Excellence & Asset Optimization

Core Financial Strength & Capital Discipline

Organizational Agility, Safety & Governance Excellence

# Global Scale. Regional Strength. Disciplined Diversification.

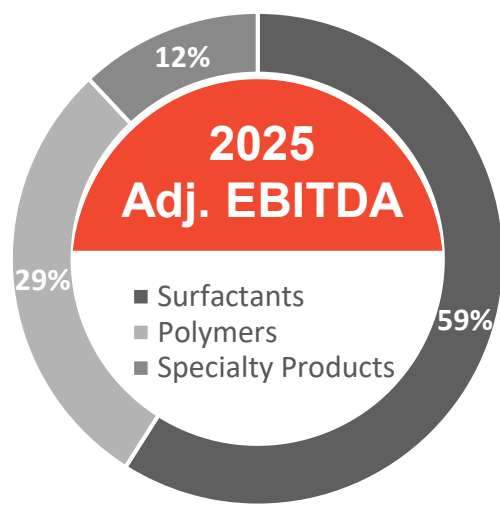
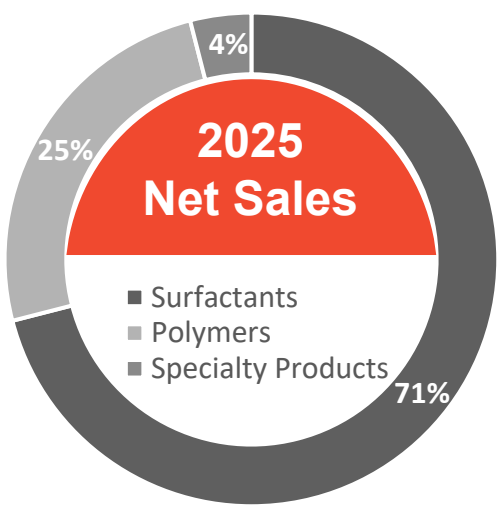


## Our Platform:

- Diverse Product Portfolio
- Prominent Standing in Appealing & Expanding End-Markets
- Innovation & Sustainability
- Strong & Resilient Financial Performance
- Strategic Cost Management
- Expansion & Diversification

*Note: As of Financial Year 2025*





**Crop Productivity**



**Oilfield Chemicals**



**Construction & Industrial Solutions**



**Personal Care Specialties**



**Rigid - Polyols**



**Rigid - Spray Foam**

**Market Drivers**

Food Security, Sustainability

**GDP+**  
Growth

Productivity, Energy Efficiency

**GDP+**  
Growth

Government Investment, Technological Infrastructure

**GDP**  
Growth

Wellness, Urbanization, Natural Ingredients

**GDP**  
Growth

Energy Conservation, Regulatory Requirements

**GDP**  
Growth

Energy Conservation, Regulatory Requirements

**GDP+**  
Growth

# Delivering Superior Shareholder Value Through a Balanced Growth Strategy



# Customer-Focused Solutions

## *Strategic Customer Integration*

Embedded Technical  
Collaboration with Key  
Customers

Application-Driven  
Formulation Development

Long-Term Partnerships Across  
Global Accounts



## *Specialty Growth Acceleration*

Faster Adoption of  
Customer Solutions

Expanded Share in Priority  
End-Markets

Shift Toward Higher-  
Margin Specialty Products

# Customer-Focused Solutions

230

Scientists,  
Engineers & Staff

14

Application Centers

41

New Products in  
2025

10%

Revenue from Recent Product  
Launches



**Technical  
Service**



**Chemistry &  
Biology**



**Partnership  
Ecosystem**

## Customer Centric Innovation

**Formulation &  
Application**



**Process  
Technology**



**Analysis &  
Testing**



## New Products & Solutions

New TERATE® Polyols for Boardstock & Sprayfoam with Superior Burn Performance and Cost-Efficiency in both Halogen and Non-Halogen based foams

SULFATE-FREE SOLUTIONS through a Broad Portfolio of Anionic and Nonionic surfactants, Blends and Formulations for Personal Care

PETROSTEP® Demulsifiers and Resins for Superior Separation for Oil and Sediment Removal

DIGITAL: Use of external platforms enabling AI/ML-driven R&D alongside high-throughput capabilities for greater efficiencies

# Customer-Focused Solutions



## Strategic Partnerships with Global Tier 1 Customers

Collaborate and Execute Joint Business Development Plans with Key Customers

Create Mutual Value Through Global Scale, Capacity, and Technical Leadership

Partner with Customers on Sustainability Transition and Carbon Reduction Goals



## Global Tier 2 and Tier 3 Customer Base Growth

Win Through Customer Intimacy, Combining Differentiated Commercial and Technical Support

Deliver Sustainable Growth Through Customer Expansion Across Multiple End-Markets

Scale Efficiently Through Omni-Channel Model, Leveraging Direct, Indirect, and Digital Channels



Added  
**1,677+**  
New Global Surfactant Customers in 2025

Sold  
**3,600+**  
New Customer/Product Combinations in 2025

Targeting to Cross Sell our Products to  
**20,000+**  
New and Existing Customers

Surfactant Customer Mix:

	# Active Global Customers	Average # Products Sold
Tier 1		
Tier 2		
Tier 3		

# Customer-Focused Solutions

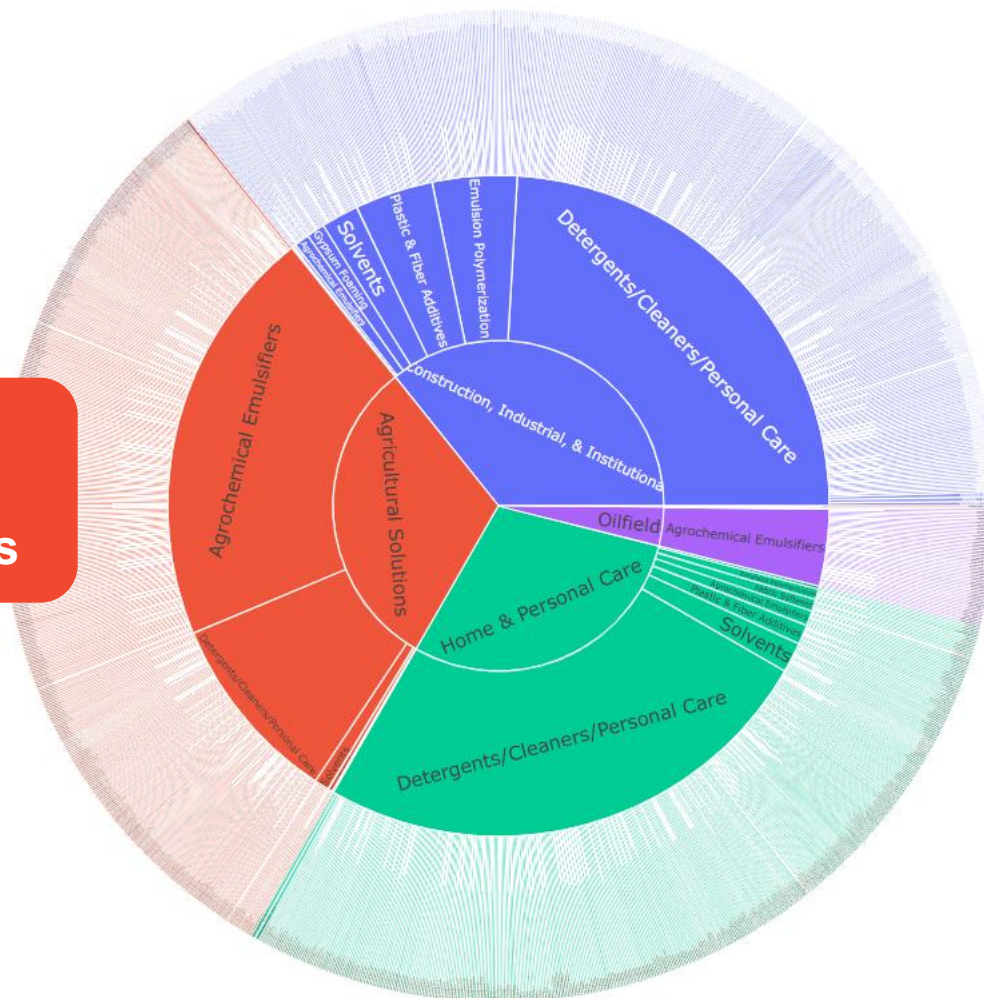
**Stepan Company** is the One-Stop Shop for Surfactant Solutions, Boasting an Impressive Portfolio of Products with Versatile Functionality and Exceptional Chemistry Expertise Across Diverse End-Markets

**788**  
**Total Products**

**32**  
**Unique Functions**

**14**  
**End-Markets**

- **Product Diversity:** Comprehensive Range of Surfactants for Home & Personal Care, Industrial, and Construction Markets
- **Functional Offerings:** Specialized Solutions for Plastic Additives and Cleaning Agents, Tailored to Customer Needs (Including **Sulfate Free** and **Low 1, 4 Dioxane Ether Sulfates**)
- **Expertise:** Backed by 92 years of Innovation and Leadership in Surfactant Technology
- **Global Reach:** Trusted Worldwide Partner, Providing Localized Solutions Globally



# Customer-Focused Solutions

## Sustainability Achievements & Recognition

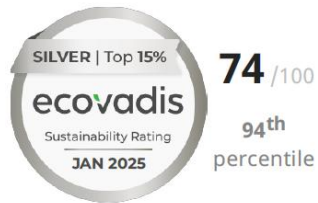
Recognized as “The Most Sustainable Chemical Company” by *World Magazine* in 2023



Stepan Company Issued its 6<sup>th</sup> annual Sustainability Report in 2025 highlighting its Advancements for a Resilient Future. Key Highlights Include:

- Advancements in Innovation
- Progress on Sustainability Goals
- Supplier Engagement
- ISCC PLUS Certifications

## Partnerships & Collaborations



Stepan Ranks in the **Top 94%** of Chemical Industry Manufacturers Assessed by EcoVadis



Stepan has Attained **International Sustainability & Carbon Certification (ISCC+)** for Multiple Manufacturing Sites, Enabling Intake and Production of Certified Bio-Based and Sustainable Materials



Stepan **Joined ASD** to Support Industry Efforts to Monitor and Engage on Emerging Supply Chain Risks



Through CO<sub>2</sub> Value Europe and Renewable Carbon Initiative, Stepan Engages and Seeks **Partnerships for New Raw Material Options** Converted from Emissions and Alternative Carbon Streams

# Diversified Growth

## *Expand the Addressable Market*

Faster Penetration into Growing End-Markets (GDP+)

Penetrate Tier 2/3 Customers and New Channels

Expand Global Reach in Priority Regions

## *Shift the Portfolio Up-Market*

Increase Mix of Higher-Margin Specialties

Scale Differentiated Applications Across Markets

Allocate Capital to the Highest-Return Platforms



# Diversified Growth



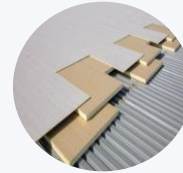
## Crop Productivity

- \$19B TAM
- Growth > GDP
- Accretive Margins



## Oilfield Solutions

- \$10B TAM
- Growth > GDP
- Accretive Margins



## Rigid Polyols

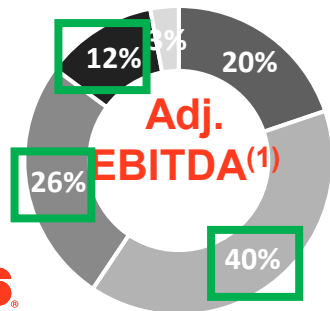
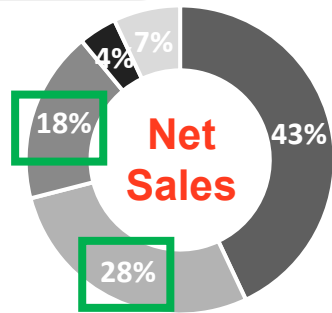
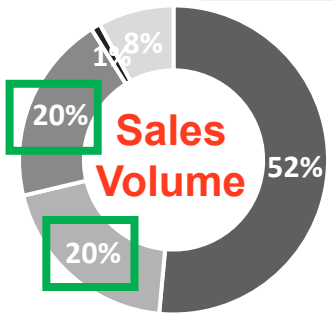
- \$1Tn+ North America Gov. Spending
- AI/Data Center CapEx
- GDP Growth
- Accretive Margins

## Other Key Growth Drivers

- Construction & Industrial Solutions Growth
- Tier 2 & 3 Customer Diversification
- Specialty Alkoxylation Growth
- Personal Care Specialties
- Stay-to-Play Investments in Core Consumer Business



## Current Positioning

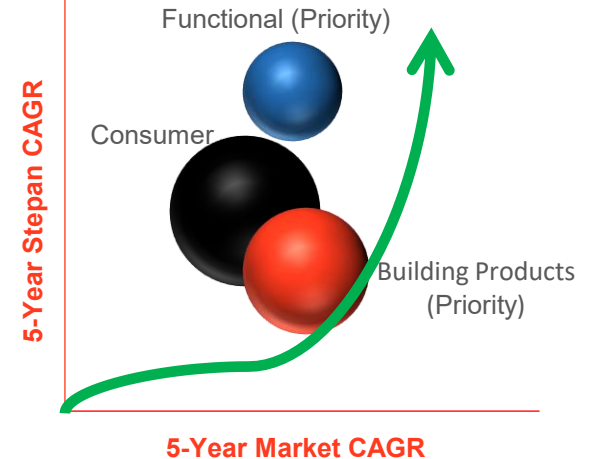


- Surfactants Commodity
- Surfactants Priority Markets
- Polymers Priority Markets
- Specialty Products Priority Markets
- All Other

## Strategy Alignment



## Strategy Focus:





# Diversified Growth

## Surfactants - Growth Engines



### Crop Productivity



### Oilfield Chemicals



### Construction & Industrial Solutions



### Personal Care Specialties



Market Growth Rate	GDP+	GDP+	GDP	GDP
Market Size (TAM/SAM)	\$19B / \$3B	\$10B / \$2B	Broad / \$7.3B	\$26B / \$8B
Estimated Market Share	~7%	~2%	~2%	~4%
Market Attractiveness	<ul style="list-style-type: none"> <li>Above GDP Growth Rates</li> <li>Long Term Macro Drivers for Growth are in Place</li> <li>Low Market Share Outside US</li> </ul>	<ul style="list-style-type: none"> <li>Above GDP Growth Rates</li> <li>Large Market Potential</li> <li>High Share Growth Potential for Stepan</li> </ul>	<ul style="list-style-type: none"> <li>GDP growth rates</li> <li>Aligns with Key Macro Trends</li> </ul>	<ul style="list-style-type: none"> <li>Personal Care has Robust Demand and has Held up well in the Market Environment</li> </ul>
Reason to Believe	<ul style="list-style-type: none"> <li>We Have a Strong Position with Tier 1 Crop Protection Companies</li> <li>Proven Partner to Crop Productivity Companies Through Formulation Services</li> <li>Agile Team in Brazil with Good Channel Partner Access</li> <li>EU Diversification Paying Off</li> </ul>	<ul style="list-style-type: none"> <li>Strong and Capable New Team, Supported by Industry Expertise and Experience</li> <li>Dedicated Laboratory Testing and Application Serving Global Customers</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrating GDP Growth Levels Through Portfolio Expansion</li> <li>Stepan Caters to These Specialty Applications with Broad Expertise in CASE &amp; Gypsum Wallboard Surfactant Chemistry and Applications</li> </ul>	<ul style="list-style-type: none"> <li>Diverse Sulfate-Free Portfolio, Including Alpha Olefin Sulfonate (AOS), Sulfonated Methyl Esters and Amino Acid Surfactants</li> <li>Strong Position in AOS Manufacturing</li> </ul>



# Diversified Growth

## Polymers - Growth Engines



### Rigid - Polyiso



### Rigid - Spray Foam



Market Growth Rate	GDP	GDP+
Market Size (TAM/SAM)	\$23B / \$13B	\$2B / \$2B
Estimated Market Share	~60%	~2%
Market Attractiveness	<ul style="list-style-type: none"> <li>GDP Growth Rates</li> <li>Long Term Macro Drivers for Growth are in Place</li> <li>Market Share Leadership</li> </ul>	<ul style="list-style-type: none"> <li>Above GDP Growth Rates</li> <li>Large Market Potential</li> <li>High Share Growth Potential for Stepan</li> </ul>
Reason to Believe	<ul style="list-style-type: none"> <li><b>Global Demand:</b> Insulation is vital for protecting food cold chains, managing data center temperatures, coping with erratic weather, and need to reroof an aging building stock..</li> <li><b>Energy Efficiency:</b> Insulation reduces energy use and carbon emissions, with the built environment contributing nearly 50% of global emissions.</li> <li><b>Polyiso's Position:</b> Polyiso offers top R-value insulation, providing economic benefits to contractors and building owners.</li> <li><b>Industry Stability:</b> The Polyiso industry invests in innovation and capacity, ensuring stability and high switching costs for partners.</li> <li><b>Sustainability:</b> Lower Carbon Footprint Future Including Bio and Recycled Raw Materials</li> </ul>	<ul style="list-style-type: none"> <li><b>Superior Insulation:</b> Spray foam offers excellent thermal resistance (R-value), reducing energy costs more effectively than traditional materials.</li> <li><b>Air-Tight Seal:</b> It expands to fill cracks and crevices, enhancing energy efficiency and reducing moisture, pests, and allergens.</li> <li><b>Durability:</b> Spray foam maintains its shape and effectiveness over time, providing long-term benefits.</li> <li><b>Environmental Benefits:</b> It helps reduce greenhouse gas emissions by improving energy efficiency, aligning with government regulations and sustainability goals.</li> </ul>

# Operational Excellence

## *Endeavor to Unlock Asset Efficiency*

Increase Utilization Across the Production Network

Drive Structural Cost and Productivity Gains

Capture More Output From Existing Assets

## *Build Resilient Supply Network*

Strengthen Supply Chain Reliability and Flexibility

Simplify Operations and Reduce Complexity

Deliver Consistent Service to Key Customers



# Operational Excellence

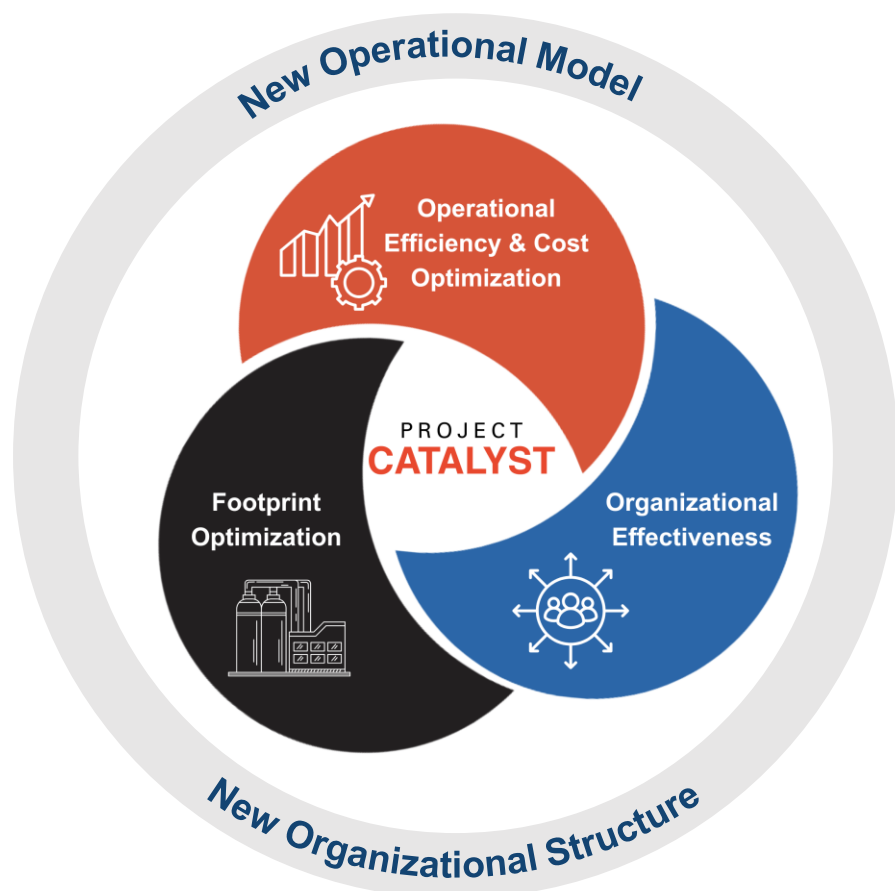


- Strengthen Continuous Improvement **Culture & Mindset**
- Drive Throughput **Productivity Gains**
- Improve **Reliability**
- Reduce **Cost**
- Limit **Overhead** Growth
- Help **Offset Inflation**
- Invest in **Automation**
- **Data Analytics** Roadmap
- Optimize **Asset Base**

# Project Catalyst

Strengthening our Foundation for Long-Term Excellence

Project Catalyst is a comprehensive operational and efficiency initiative designed to deliver approximately **\$100 million in pre-tax savings over the next two years**, with an expected ~60% realized in 2026. This program will streamline our global manufacturing footprint and strengthen the foundation for sustainable and profitable growth.



## Operational Efficiency & Cost Optimization

- Capturing procurement savings while advancing productivity through end-to-end operational excellence



## Footprint Optimization

- Optimize production and reduce cost by consolidating volumes into our network at efficient sites and high-performing assets, enhancing scale, reliability and productivity



## Organizational Effectiveness

- Implement clear accountabilities across businesses and functions and focus resources to capture market opportunities to advance the Company's growth strategy



## Footprint Optimization

*These initiatives are intended to optimize production and reduce cost by consolidating volumes into our network at efficient sites and high-performing assets, enhancing scale, reliability and productivity. These actions follow the previously announced sale of the Philippines and Lake Providence sites at the end of 2025. We will continue looking for opportunities to optimize our asset base.*

### »»» Fieldsboro, New Jersey – Site Closure<sup>1</sup>

The **Fieldsboro site** provides sulfonation, betaine, and specialty-tolled products. Consolidating production into our broader network better aligns capacity with demand and is expected to reduce structural costs, streamline operations and strengthen supply reliability. This is in response to continued lower demand in commodity surfactants used in the production of laundry detergents.

### »»» Stalybridge, UK – Organics, Asset Decommissioning<sup>1</sup>

The **Stalybridge organics assets** face high operating costs and decreased utilization. As a result, we are consolidating volumes into other more efficient assets across our network. In parallel, we are exiting a small, unprofitable, capital-intensive business to enhance the site's overall cash profitability.

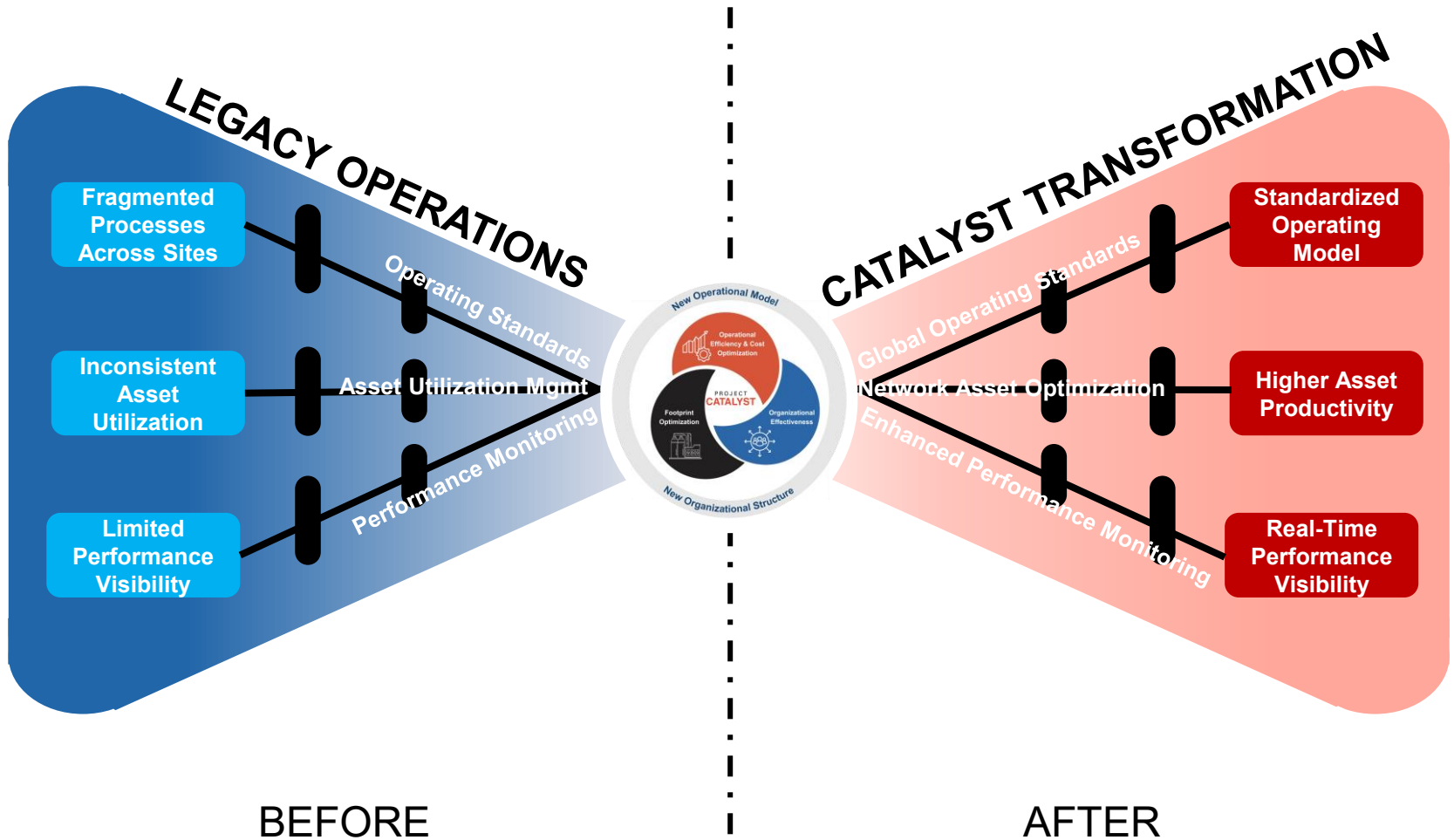
### »»» Elwood (Millsdale) IL – Alkoxylation Asset Decommissioning<sup>1</sup>

The **Millsdale alkoxylation assets** are being decommissioned and products previously manufactured here will be consolidated across our broader network with a primary shift to our new, modern and more efficient facility in Pasadena, Texas. This transition leverages scale advantages that are expected to reduce structural costs, improve reliability, and support long-term growth in high-value market segments.

# Operational Excellence

## Project Catalyst

Standardizing Global Operations to Unlock Productivity and Margin Expansion



# Core Financial Strength

## *Strengthen Cash Generation*

Increase Operating Cash Conversion

Improve Working Capital Discipline

Expand Sustainable Free Cash Flow

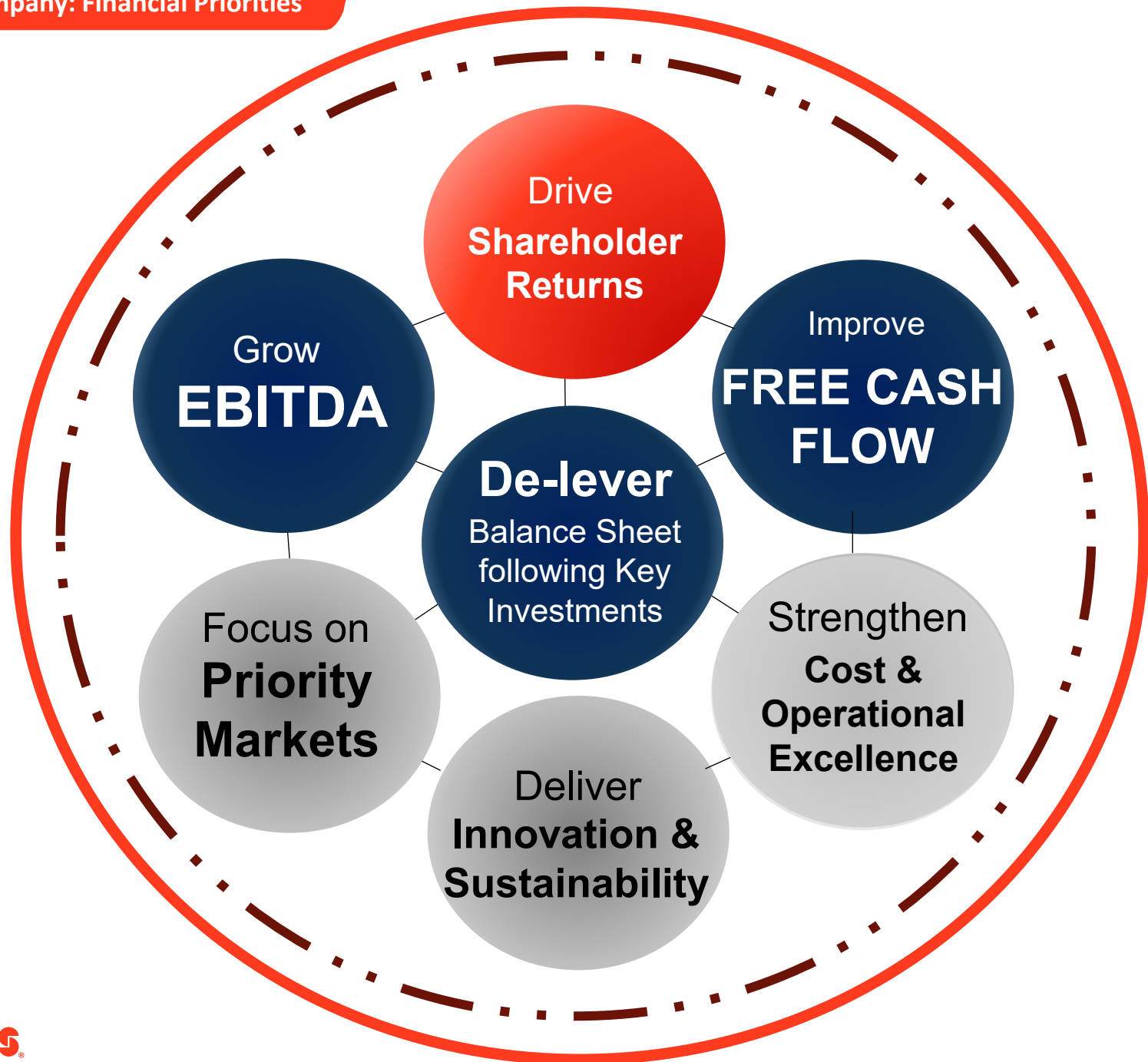
## *Deploy Capital for Maximum Return*

Invest Behind the Highest-Return Growth Platforms

Maintain a Resilient Balance Sheet

Sustain a Disciplined Shareholder Return Framework



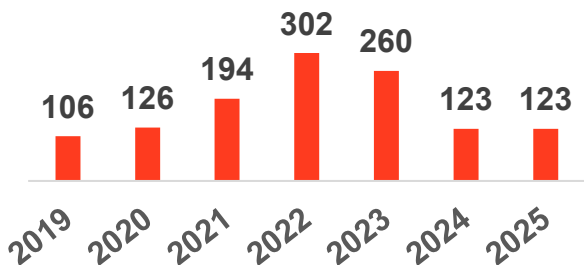


# Core Financial Strength

## Investment Impact:

- Improve Operational Efficiency & Performance
- Improve Operational Reliability
- Increase Capacity & Utilization

Investment in Infrastructure, EHS, and Strategic Growth Projects (\$MM)



## Alkoxylation Investment



## M&A



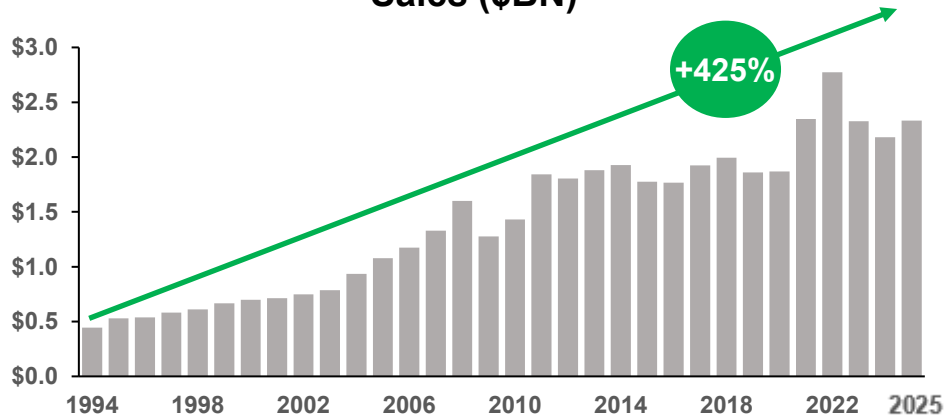
## Low 1,4 Dioxane Investment



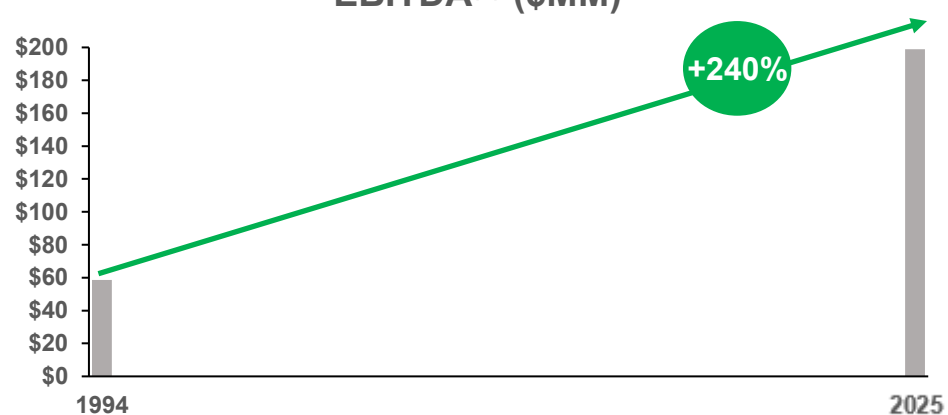
# Core Financial Strength



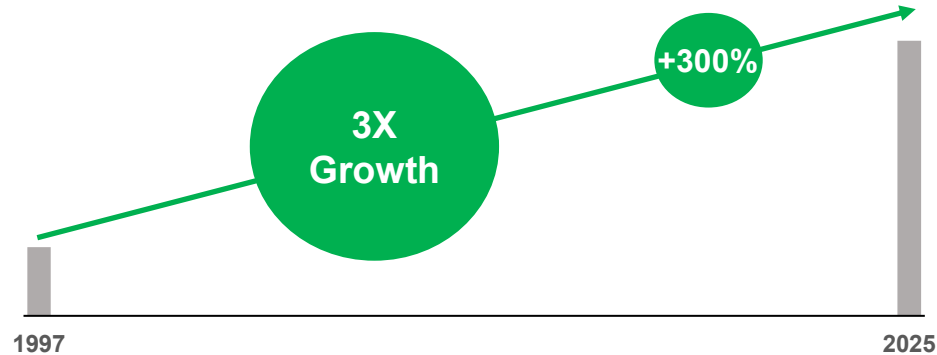
Sales (\$BN)



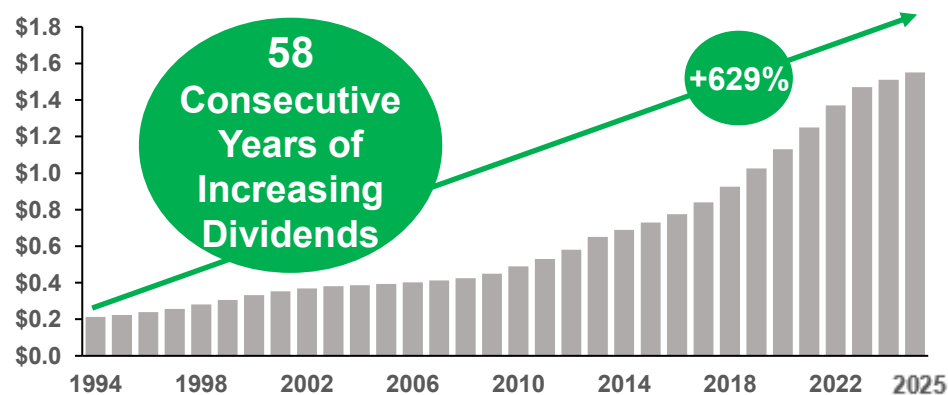
EBITDA<sup>(1)</sup> (\$MM)



Volume (Lbs, BN)



Dividends (\$)





**Segment Performance &  
Strategic Outlook**





# Stepan Surfactants

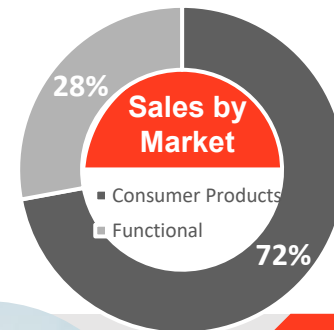
## MARKETS WE SERVE

- Agriculture
- Oilfield
- Construction & Industrial Solutions
- Personal Care
- Laundry & Cleaning
- Household, Industrial & Institutional Cleaning
- Antimicrobials
- Emulsion Polymerization

*Innovative chemical solutions for a cleaner, healthier, more energy efficient world.*

# Surfactants

One of the World's Largest Merchant Producers of Surfactants



**\$1.7B**

Net Sales

**9.2%**

Adj. EBITDA Margin\*



40+ years of Tier 1 customer relationships with growth emphasis on Tier 2/3 expansion and retention

**CUSTOMER-FOCUSED SOLUTIONS**

Continued Expansion of Innovation Efforts with Growth Focus in Functional Markets - Agriculture, Oilfield, & Industrial

Relentless focus on fixed cost reduction, asset effectiveness and plant optimization

**OPERATIONAL EXCELLENCE**

STEPAN SURFACTANTS

**DIVERSIFICATION STRATEGY**

Execute on Expansion of Global Alkoxylation Platform, Sulfate-Free Toolbox, New Markets Entry Through Strategic M&A and Partnerships

# Consumer Products

Broad Product Offerings and Expertise



## Personal Care

- Sulfate-Free Toolbox
- Expanded AOS Capacity
- Expanding Specialty Portfolio
- Naturally Derived Ingredients
- Customized Formulation Support
- Low 1,4 Dioxane Ether Sulfates

**GDP**  
Growth



## Laundry

- Process Efficiencies
- Flexible Feedstocks
- Low 1,4 Dioxane Ether Sulfates
- Alternative Chemistries
- Broad NA Mfg Network

**GDP-**  
Growth



## HI&I

- Concentrated/Solid Formats
- Green Certifications/Bio-Based
- No/Low Volatile Organic Compounds (VOC)
- Low Foam, Film and Streak
- Alkoxylates Portfolio and Capabilities

**GDP**  
Growth



# Consumer

Delivering on Investments in our Core While Expanding Customer Reach Aggressively

**\$37B**

Total Addressable Market

**GDP-**

Market Growth



Personal Care



Laundry



Household Industrial & Institutional

Stepan Supplies Some of the Largest Cleaning Companies in the World with a Broad Platform Commodity and Specialty Surfactants

Large Production Network Paired with Cost Control, Operational Excellence and Regulatory Compliance Enables Security of Supply, Stability & Scale

Continual Deepening of our Reach into Broad, Fragmented Segments to Access Fast-Moving, Agile, Growing Customers

Innovation Efforts Emphasize Sustainability, Ranging from Biobased to Sulfate-Free with Expansion and Speed via Digital Transformation Platforms

Critical, Regulatory-Driven Investments at **3 Separate Sites** Mark Stepan's Commitment to the Consumer Market



Stepan's Winder, Georgia Surfactant Plant, One of the Locations of Strategic 1,4-Dioxane Mitigation Investment

# Functional Products

Broad Product Offerings and Expertise



## Crop Productivity

- Environmentally Friendly and Sustainable Solutions
- Improved Safety and Ecotox Profile
- Formulation Expertise & Services
- Customer Training
- World-Class Research & Development Facility

**GDP+**  
Growth



## Oilfield

- Serving Drilling, Production, and Stimulation Market Segments
- R&D and Sales Center located in Houston, Texas
- Focus on Reducing Operator Costs
- Enabling Freshwater Reuse
- Reducing Formation Damage

**GDP+**  
Growth



## Construction & Industrial

- Serving a Variety of Construction and Industrial End Markets
- Broad Portfolio of Chemistries for a Multitude of Applications:
  - Alkylbenzene Sulfonic Acids
  - Ether Sulfates
  - Nonionic Surfactants
  - Esters and Cationic Surfactants
  - Emulsifiers
- Proprietary Blends & Developmental Chemicals

**GDP**  
Growth

# Crop Productivity

Expanding Crop Protection Solutions with Growth in Soil Health

**\$3B** **GDP+**

CAGR

Current  
Addressable Market



Agricultural  
Chemicals

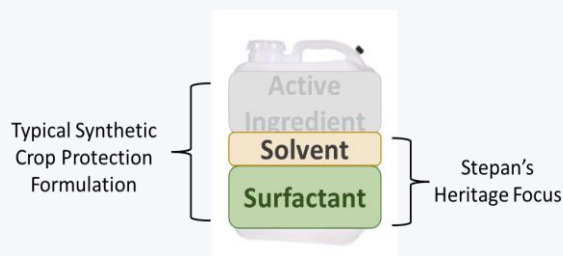


**\$19B**

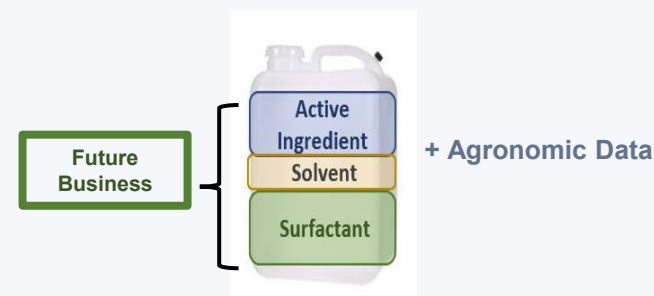
Total  
Addressable Market

*Traditional Agricultural Surfactants Business  
Focused on Formulation Efficacy for  
Fungicides, Insecticides, Herbicides and  
Tank Mix Adjuvants.*

*Future Formulations Emphasize Plant and Soil,  
Utilizing a Broader Toolbox of Chemistry and Biology  
to Create a Valuable Optimization of the Sustainable  
Growth of Food, Fiber and Energy for the World.*



Enhancing Efficacy & Application of  
Synthetic Pesticides

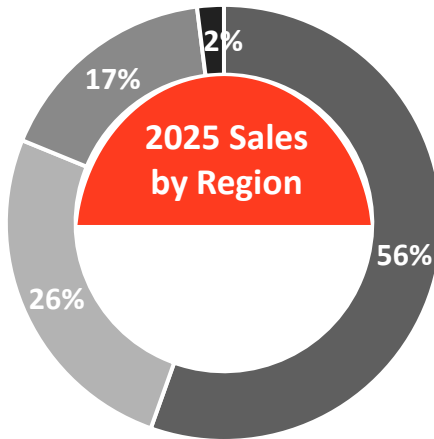


Enhancing Plant and Soil Health Through  
Synergistic Benefits of Chemistry, Biology  
and Application Technology

# Crop Productivity

Food Production Growth is Fueling Agricultural Chemical Demand

Stepan's Ag Segment Sales Growth



■ North America ■ Europe ■ LATAM ■ ASIA

“Food demand is expected to increase by 50% by 2050.”  
Source: Nature, July 21, 2021

“Tank Mix Adjuvants have shown to positively impact yield and generate sizable ROI (up to 39x) based on crop and location.”  
Source: Crop Life and Winfield United, February 2022

“Brazil projected to bring an additional 49 million acres into crop production by 2031.” Source: U.S. Department of Agriculture, September 2022

For reference: 49 million acres represents ~50% of corn planted acres in the US (2023)



Key Player in the North American Market and an Established, Fast-Growing Presence in the South American Breadbasket. Stepan Continues to Commit to Innovation Investments Aimed at Addressing the World's Ever-Increasing Need for Food and Energy.

# Oilfield Solutions

Diversified Upstream Market Portfolio for Global Use in Stimulation and Production



# \$10B

Total Addressable Market

# GDP+

CAGR

Core Chemistries From Other Segments Create Significant Value in Production and Stimulation

Oilfield Chemical Usage  
>> Stepan's Current Penetration, Offering Huge Opportunity For Future Growth

Expanded Alkoxylates Platform (Startup Late 2024) Adds Valuable Chemistry Toolkit to Grow Hydraulic Fracturing and Production Segments

Heavy North America Emphasis Today, but with Huge Market Opportunities in Other Regions

Through Focused Regulatory Support and EPA Registrations, Stepan is a Market Leader in Biocidal Components

*Stepan Oilfield Solutions Validates its Optimized Product Performance in Field Applications, Enabling Further Product Development Efforts Focused on the Dynamic Needs of the Industry.*



Demulsifiers



Production Enhancement



Registered Biocides



Flowback Aids

**\$2B  
Global  
Market  
Size<sup>1</sup>**

# Construction and Industrial Solutions (CIS)

Extensive Reach into Specialty Applications Across Broad End Markets

## \$7.3B

Total Addressable Market

## GDP

CAGR



Paints & Coatings



Construction



Other Industrial

Small Platform of Specialty Applications; Growing Rapidly

Overall Market Growth Fueled by Housing Starts and Renovations

Demonstrating >> GDP Growth Levels Through Portfolio Expansion

Stepan Caters to These Specialty Applications with Broad Expertise in Formulation Science, Bringing Value via System Solutions

High Application Know-How Enables Strong Customer Relationships

### Emulsion Polymerization & CASE

- Stepan's Alkoxylate Investment Enables Disproportionate Growth
- Activity Fueled by Paint and Coatings Market; Emulsion Expertise Valued

### Gypsum Wallboard

- Continued Growth Driven by Housing Starts and Renovations
- Stepan is an Established Leader in Critical Drywall Components

### Lubes & Textiles

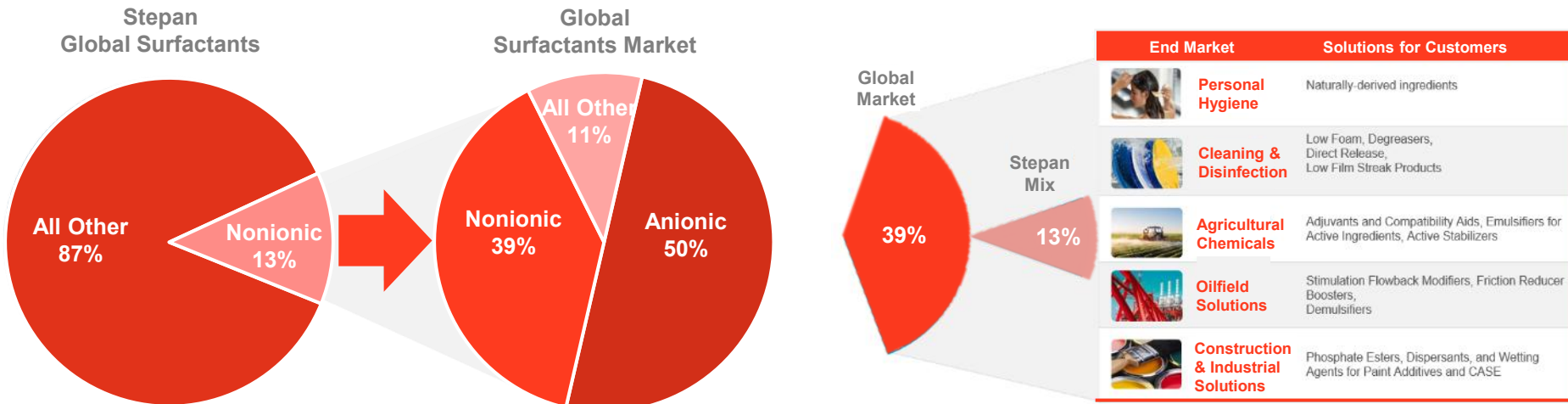
- Developing Key Industry Relationships
- Expanding Reach and Intimacy in Lubricants Through Partnerships

### Mining & Firefighting

- Developing Portfolio for Sulfide Separation & Optimizing Existing Products for Non-Sulfide Flotation
- Developing New Products for Fluorosurfactant Substitution Projects

# Specialty Alkoxylates Expansion

Enabling Strategically-Targeted Growth Across our Surfactants Segment



Pasadena will be Stepan's Third Alkoxylation Site, Providing Strategically Located Redundancy and Long-Term Capacity for Growth in Ethoxylates and Propoxates

Alkoxylates are a Core Surfactant Technology Consumed Across Stepan's Key End Use Markets

State of the Art, Flexible, Multi-Reactor Facility with Approximately 75KTA of Annual Alkoxylation Capacity

Business Continued growing volume in 2024

## New Alkoxylation Operation in Pasadena, Texas



Pasadena, Texas, United States

# BioSolutions

Stepan's Innovation Incubator to Access Higher Value Solutions and End Markets



## Crop Productivity

Biocontrol



Biostimulants



**GDP+**

Growth



## Skin Care

Dandruff benefits



Acne benefits



**GDP+**

Growth



## Health Care

Wound Care



Infection Control



**GDP+**

Growth

Stepan Capabilities are Growing and Enhanced by Strategic Partnerships

# Stepan Polymers

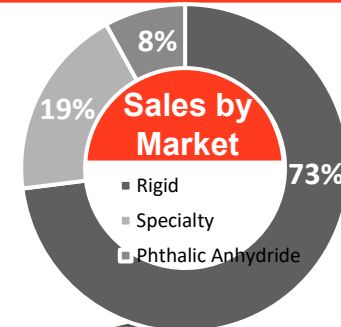
## MARKETS WE SERVE

- Rigid Polyols
- Spray Foam
- C.A.S.E. Polyols
- Powder Coating Resins
- Phthalic Anhydride

*Innovative chemical solutions for a cleaner,  
healthier, more energy efficient world.*

# Polymers

A Leading Manufacturer of Polyester Polyols Used in Rigid Foam Insulation with Ample Capacity to Support Future Demand Growth



**\$0.6B**    **13.1%**

Net Sales

Adj. EBITDA Margin\*



**Provide Best-in-Class Technical Service to Deliver Value to our Global Customers**



**CUSTOMER-FOCUSED SOLUTIONS**

**Superior Performance Through Leading Products Including Sustainability (Rigid Polyol) and Explore Options in the Building Envelope (M&A)**

**Complete Strategic Projects to Increase Business Continuity and Capacity and Manufacture at a Lower Cost**



**OPERATIONAL EXCELLENCE**



**DIVERSIFICATION STRATEGY**

**Capture Growth in Spray Foam, Increase Penetration in Specialty Polyol, and Further PA Integration to Scale and Expand Global Network**



# Polymers Focus Area

Attractive Solutions for High-Growth Markets



## Rigid Polyols

Insulation  
Performance for  
Commercial Space:

- High Insulation Energy Efficiency
- Emission Reduction
- Lower Carbon Footprint

**GDP**  
Growth



## Spray Foam

Insulation  
Performance for  
Residential Space:

- Insulation
- Air Barrier
- Moisture Barrier

**GDP+**  
Growth



## Specialty Polyols

- Coatings
- Adhesives
- Sealants
- Elastomers (CASE)
- Powder Resins

**GDP**  
Growth



## Phthalic Anhydride

Prominent Manufacturer and Supplier of Phthalic Anhydride (PA), with Over 50 Years of Experience in the Industry.

- Vertically Integrated to Support Increased Rigid Polyol Demand
- Complex and Challenging Chemistry Leads to Market Exclusivity within PA's Additional Revenue Stream, the Merchant Market
- Diverse Applications of PA in Polyester Resins, Alkyd Resins, Plasticizers, and Engineered Plastics Across Multiple, Targeted, Growth End-Markets

**GDP-**  
Growth

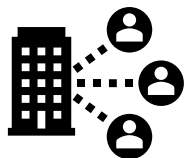
# Polymers

## Reason to Believe in Insulation and Polyiso Growth

### Megatrends and The Built Environment



Climate Change



Urbanization



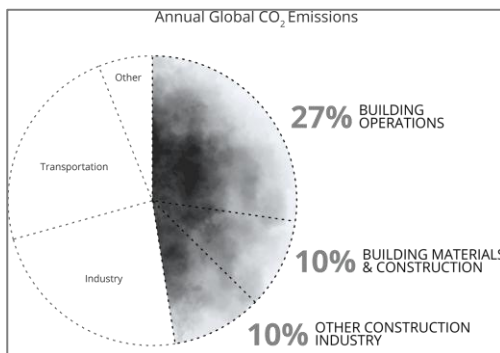
Demographic Shift



Emerging Wealth



Technology Shifts



The Built Environment is Responsible for About 42% of Annual Global CO<sub>2</sub> Emissions

Source: **BlackRock** architecture 2030

### Polyisocyanurate: Performance & Savings



Re-Roofing and Retrofits Offsets Cyclical Construction Downturns



Familiarity Within Architectural, Engineering & Contractor (AEC) Community



Applied Economics to Owner, Established Practices & Ease of Use/Installation



Long Term Warranties Ensure Replacement Pipeline



Size & Scale of Supply Chain, Distribution and Contractor Network



Investments in Capacity, Capability, Innovation & Sustainability

# Global Building Insulation Market

Developing Next Generation Polyols to Meet Increasing Energy Conservation Efforts and Regulatory Requirements

**\$37B**

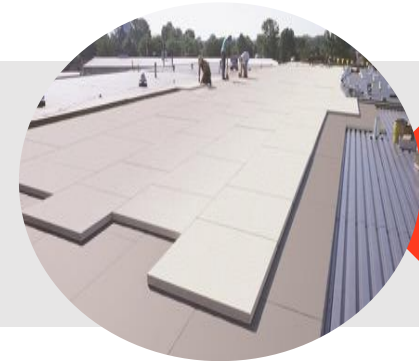
Market Size

**GDP**

CAGR<sup>1</sup>

**7%**

Historical CAGR<sup>2</sup>



Global Energy Conservation Efforts and Growth in Construction

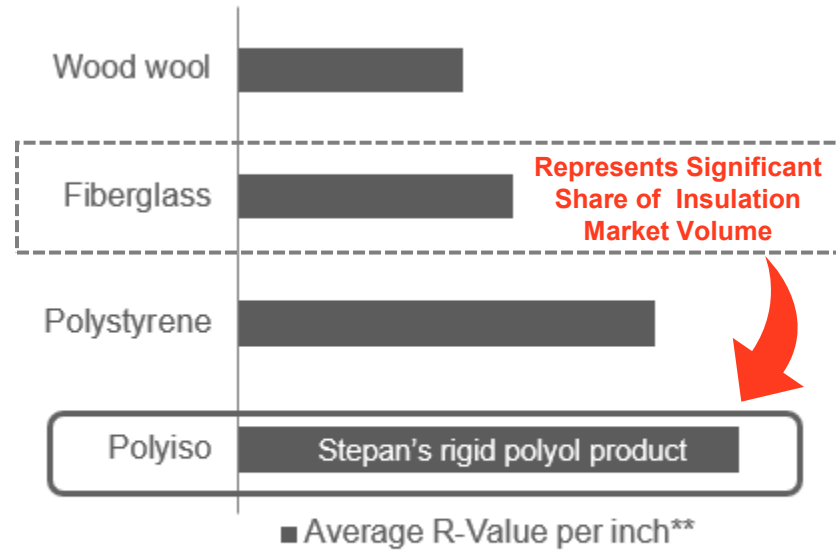
Government Mandated or Recommended Higher Insulation Levels in Buildings

Relative to Cost, our Polyiso (PIR) Polyols Impart Superior Insulation Performance and Versus Alternative Commercial Insulation Boards

Innovation in Product Technologies and Service Solutions to Lead Industry Productivity and Sustainability

Stepan Polyols Benefitting from Growth into Spray Polyurethane Foam (SPF) Insulation Where Superior Thermal, Air Sealing, and Structural Performance is Penetrating Residential Applications

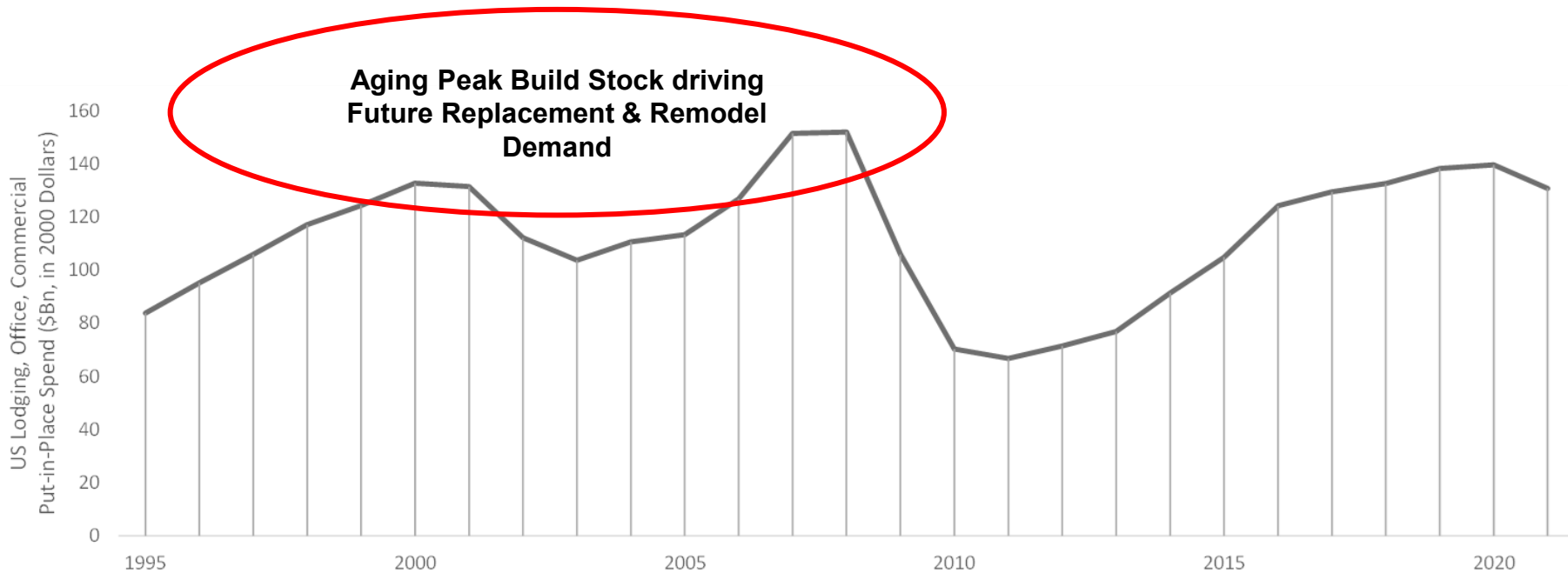
Opportunity



\*\*R-Value = measures the effectiveness of insulating materials; a higher R-value represents greater insulation performance

# Rigid Polyol US Re-Roofing – Growth Drivers

The US Building Stock has Aging Commercial Roofs that will Need to be Replaced



**Steady Increase in Re-roofing Demand as the Average Age of Roofs Continues to Increase**

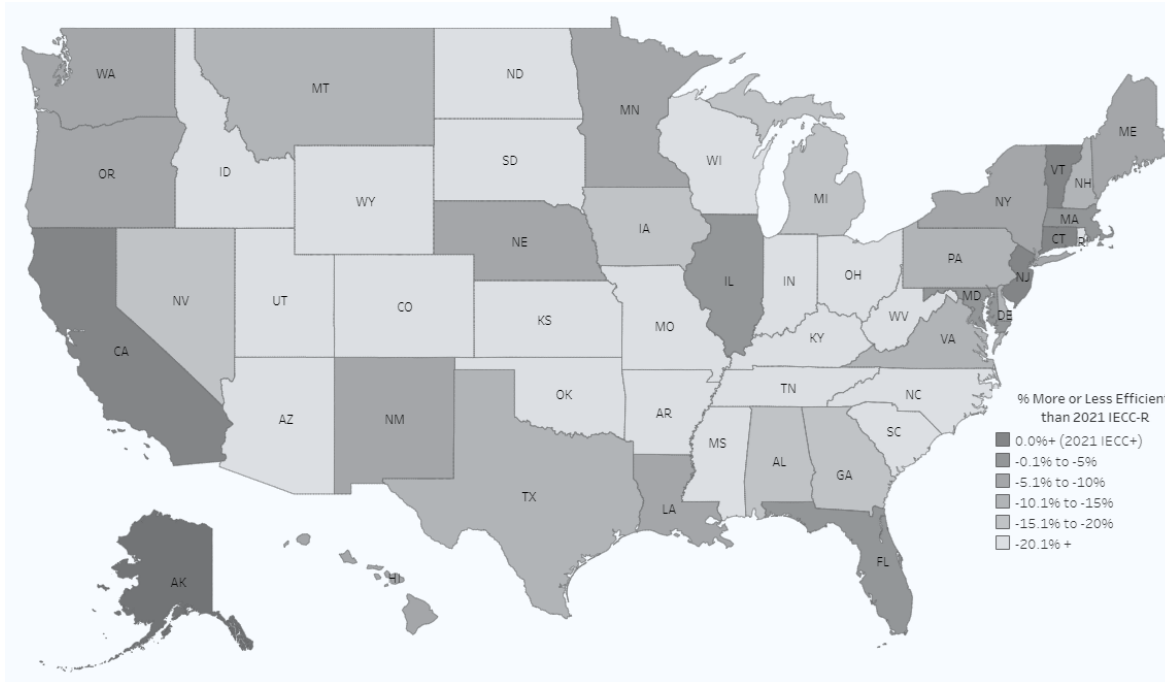
**Polyiso Manufacturers are Investing in New Capacity, Signaling Higher Future Demand**

**Commercial Roofing Systems Typically Have a Useful Life of ~20 to 30 Years Before Replacement**

# Rigid Polyol U.S. Market Trend

State Adoptions of Updates to Model Energy Code Provide Growth Opportunities

## Room to Grow Into Latest Energy Codes



Source: ICC, BECP



The Amount of Insulation Required by the Model Energy Code **Doubled** From 2003 to 2019

# Rigid Polyol European Market Trend

Strong Historical and Projected Market Growth

## The Revised Energy Performance of Buildings Directive (EPBD)

Mandates Zero-Emission Standards for New Buildings by 2030 (2028 for New Public Buildings) and Targets Zero Emissions for all Existing Buildings by 2050.

Focuses on increasing the rate of renovation in the EU, particularly for the worst-performing buildings in each country.

Member States must transpose the directive into national law in May 2026.

**Renovation** - each EU country will develop national building renovation plans, setting out the national strategy to decarbonize the building stock, including financing (submission by EOY, 2026).

For non-residential buildings, revised rules target renovating 16% of the worst-performing buildings by 2030 and 26% by 2033.

For the residential buildings, revised rules target reduce average primary energy use by 16% by 2030 and 20-22% by 2035 At least 55% of this reduction must come from renovating the worst-performing buildings.

**Zero-emission building** is the new standard for new buildings (ZEB needs very little to no energy - thanks to good insulation, smart design and efficient systems).

**Sustainable construction** - life-cycle global warming potential to be calculated and disclosed to all new buildings as of 2030, which will drive demand for low-carbon materials and construction methods.

**European Affordable Housing Plan (EU) presented in December 2025** - a plan to increase supply of affordable, sustainable and quality housing

To close the supply-demand gap, the European Commission projects the EU will need to add about 650,000 new homes annually to the current supply of 1.6 million over the next decade.

Amount of Polyol Required by Building Codes



# Rigid Polyol China Market Trend

Strong Historical and Projected Market Growth

## China Market Growth Highlights

China Rigid Polyol Growth is Driven by the Dynamics of the Cold Storage Industry

China Cold Storage Capacity is Expected to Grow Annually by 5%, Attributing to the Significant Increase in Demand for Fresh Food and Produce

Higher Energy Efficiency Requirements and New Building Codes Secure Polyurethane Panel as the Predominate Insulation Solution (>90%) in the Cold Storage Industry



Nanjing, China

## Amount of Polyol Required by Cold Storage Space



Less Polyol  More Polyol

0.5 Kg Polyol / M<sup>2</sup>  
( Year 2017 )

1.7 Kg Polyol / M<sup>2</sup>  
( Year 2023 )

# Spray Foam's (SPF) Rise in North America

SPF Provides Powerful Insulation Advantages to Home and Building Owners



Spray Foam Coalition to Drive Greater Adoption vs. Fiberglass



## Spray Foam Insulation Driven by Strong Tailwinds:

- Closed & Open Cell CAGR in Low Double Digits
- Adoption of Spray Foam vs. Fiberglass is Increasing
- Key Customers Advancing Investments in Spray Foam Mid-to-Long Term
- Increasing Number of Market Entrants Illustrates Attractiveness

### Performance Benefits

Vs.

### Other Insulations



Well Insulating



Air Tightness



Prevents Moisture Intrusion



Durable & Resilient



The Preferred Platform for Spray Foam Insulation



Tactics

### Phase 1:

- Market Entry with Stable Industry Equivalent Products

### Phase 2:

- Develop Differentiated Products that Offer Improved Fire Properties or Reduced Customer Formula Cost
- Project Pipeline Fill Through the Technology Roadmap Process

# Polymers – Rigid Polyol Innovation

Advancing Product and Service Leadership in the Rigid Polyurethane Insulation Market

## Next Generation Polyols

- Commercialized New Polyol with Enhanced Thermal Insulation Performance Across a Wide Range of Temperatures
- New TERATE® Polyols for North American Spray Foam Market to Improve Formulation Flexibility and Performance
- New Polyols Under Development to Improve Embodied and Operational Carbon Along with Performance Enhancements by Integrating STEPANPOL® and TERATE® Technology Know-How



## Sustainability Innovations

### Decarbonization of Building Materials

- Polyols Derived from Bio-Based and Recycled Content to Reduce Scope 3 Emissions and Product Carbon Footprint
- Developing Advanced Chemical Recycling Technology to Enable Circularity Polyurethane/Polyisocyanurate Foam
- Progressed ISCC+ Certification in 2023 for Mass-Balanced Low Embodied Carbon Polyols Commercialization



## Digitalization in the Polyisocyanurate Production Process

- Introduction of Patented 'Smart Laydown' Technology Utilizing Computer Vision Hardware and Software to Optimize Foam Distribution in the Production Process
- Development of Smart Laydown and Rapid Quality Control Tools to Enable an Autonomous Process Through Machine Learning
- Data Science Based Advanced Technical Service Solutions to Improve Product Quality and Production Economics

# Polymers Specialties

Key Component of Polymers Diversification Plans

Specialties Include Polyester Polyols Used to Formulate Polyurethane Coatings, Adhesives, Sealants and Elastomers (CASE)



Flexible Packaging Adhesive



Floor Coatings

CASE Assets are Positioned in Major Regions to Allow Supply to a Global Customer Base



Powder Coatings on Agriculture Equipment



Elastomers for Conveyor Belts

Regional Powder Resins Business Brings Additional Diversification for North America

## Trends

- Low VOC Coatings
- Functional Adhesives to Replace Mechanical Fasteners
- Circular Economy Leading to Increased Recycled Content
- Non-Isocyanate/Non-Amine Curing



## Customer Needs

- Polyurethane Formulating Experience
- Sustainable Solutions with Reduced Carbon Footprint



## Stepan Focus

- Service Excellence
- Technical Service with Targeted Solutions
- Hybrid Technology (PEEPs)



# Stepan Specialty Products

## MARKETS WE SERVE

- Beverages
- Dietary Supplements
- Flavors
- Food
- Nutrition
- Nutritional Powders
- Pharmaceutical

*Innovative chemical solutions for a cleaner,  
healthier, more energy efficient world.*

# Specialty Products

Producer of Natural Ingredients Used in Food, Nutrition & Pharmaceutical Industries



**\$82MM**

Net Sales

**38.6%**

Adj. EBITDA Margin\*



**Maintain Service to Existing Business and Evaluate Long-Term Growth Strategy in the Food and Nutrition Segment**

**Expand Margin While Optimizing Supply Chain**



**Leverage Patented Technology to Continue Growth in Multiple Product Lines In Addition to Formula Mix**

**Diversify Medium-Chain Triglycerides (MCTs) into Higher Margin Products (Pharma-Grade)**

# Medium-Chain Triglycerides (MCTs)

Driving Growth Through Focused Excellence and Providing Customers with Value-Added Solutions

**\$1B+**

Market Size

**GDP+**

Market CAGR



Market and Share Growth with our **NEOBEE®** Product Line. White Space Expansion Opportunities.

**Partner with Customers to Drive Mutual Success and Value-Added Solutions**

**Focus on Fundamental Operations to Reduced Cost, Accelerate Growth and Deliver Best-in-Class Service**



**CUSTOMER-FOCUSED SOLUTIONS**



**OPERATIONAL EXCELLENCE**



**DIVERSIFICATION STRATEGY**

**STEPAN SPECIALTY PRODUCTS**

**Expand Reach into Adjacent Markets Through Low-Risk Innovation and Strategic Partnerships**

**Optimize Product Portfolio to Align with Long-Term Market Trends**

# Thank You

Ruben Velasquez  
Vice President & Chief Financial Officer  
+1-847-446-7500

**Stepan** 

# Appendix

Additional Sources of Information and Definitions



# Our Global Presence

19 Manufacturing Sites Across 11 Countries



# Financials



# Financials

## Consolidated Statements of Income for the Years Ended December 31, 2025, 2024, and 2023

<i>(In thousands, except per share amounts)</i>	2025	2024	2023
<b>Net Sales</b> (Note 1)	\$ <b>2,332,114</b>	\$ 2,180,274	\$ 2,325,768
Cost of Sales	<b>2,062,226</b>	1,908,060	2,048,170
Gross Profit	<b>269,888</b>	272,214	277,598
Operating Expenses:			
Selling (Note 1)	<b>48,767</b>	45,628	48,367
Administrative (Note 1)	<b>90,789</b>	98,277	93,202
Research, development and technical services (Note 1)	<b>59,278</b>	55,674	59,039
Deferred compensation expense (Note 12)	<b>2,155</b>	2,155	4,371
	<b>200,989</b>	201,734	204,979
Goodwill and other intangibles impairment (Note 4)	<b>6,245</b>	—	2,038
Business restructuring and assets impairment (Note 22)	—	—	11,968
Gain on sales of assets (Note 20)	<b>15,895</b>	—	—
Operating Income	<b>78,549</b>	70,480	58,613
Other Income (Expense):			
Interest, net (Note 6)	<b>(22,115)</b>	(14,182)	(12,103)
Other, net (Note 8)	<b>3,470</b>	4,141	1,881
	<b>(18,645)</b>	(10,041)	(10,222)
Income Before Provision for Income Taxes	<b>59,904</b>	60,439	48,391
Provision for Income Taxes (Note 9) <sup>\</sup>	<b>13,009</b>	10,069	8,187
Net Income	<b>46,895</b>	50,370	40,204
Net Income Per Common Share (Note 18):			
Basic	\$ <b>2.05</b>	\$ 2.21	\$ 1.77
Diluted	\$ <b>2.05</b>	\$ 2.20	\$ 1.75
Shares Used to Compute Net Income Per Common Share (Note 18):			
Basic	<b>22,872</b>	22,832	22,777
Diluted	<b>22,890</b>	22,931	22,946

# Financials

## Consolidated Balance Sheets December 31, 2025 and 2024

<i>(Dollars in thousands)</i>	2025	2024
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 132,688	\$ 99,665
Receivables, less allowances of \$10,533 in 2025 and \$10,827 in 2024	387,959	388,027
Inventories (Note 5)	298,827	288,722
Other current assets	39,485	34,015
Total current assets	<u>858,959</u>	<u>810,429</u>
<b>Property, Plant and Equipment:</b>		
Land	58,403	54,464
Buildings and improvements	455,064	399,226
Machinery and equipment	2,160,665	1,917,196
Construction in progress	112,904	275,045
	<u>2,787,036</u>	<u>2,645,931</u>
Less: Accumulated depreciation	<u>(1,567,409)</u>	<u>(1,447,477)</u>
Property, plant and equipment, net	<u>1,219,627</u>	<u>1,198,454</u>
Goodwill, net (Note 4)	92,570	91,368
Other intangible assets, net (Note 4)	39,526	42,673
Long-term investments (Note 2)	21,270	25,558
Operating lease assets (Note 7)	62,494	71,477
Other non-current assets	63,256	64,689
Total Assets	<u>\$ 2,357,702</u>	<u>\$ 2,304,648</u>
<b>Liabilities and Equity</b>		
<b>Current Liabilities:</b>		
Current maturities of debt (Note 6)	\$ 285,735	\$ 292,807
Accounts payable	261,723	258,787
Accrued liabilities (Note 14)	119,036	117,440
Total current liabilities	<u>666,494</u>	<u>669,034</u>
Deferred income taxes (Note 9)	11,450	9,612
Long-term debt, less current maturities (Note 6)	340,975	332,632
Non-current operating lease liability (Note 7)	49,340	57,392
Other non-current liabilities (Note 15)	45,433	66,044
<b>Commitments and Contingencies (Note 16)</b>		
<b>Equity (Note 10):</b>		
Common stock, \$1 par value; 60,000,000 authorized shares; 27,301,177 issued shares in 2025 and 27,156,436 issued shares in 2024	27,301	27,156
Additional paid-in capital	259,820	253,779
Accumulated other comprehensive loss (Note 19)	(138,974)	(196,838)
Retained earnings	1,285,752	1,273,886
Less: Common treasury stock, at cost, 4,676,739 shares in 2025 and 4,655,798 shares in 2024	<u>(189,889)</u>	<u>(188,049)</u>
Total Stepan Company stockholders' equity	<u>1,244,010</u>	<u>1,169,934</u>
Total Liabilities and Equity	<u>\$ 2,357,702</u>	<u>\$ 2,304,648</u>

# Financials

Reconciliations of Non-GAAP Adjusted Net Income and Adjusted Diluted Earnings per Share

(\$ in thousands, except per share amounts)	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2025	EPS	2024	EPS	2025	EPS	2024	EPS
Net Income Reported	\$ 5,004	\$ 0.22	\$3,350	\$ 0.15	\$ 46,895	\$ 2.05	\$50,370	\$ 2.20
Deferred Compensation (Income) Expense	\$ 76	\$ 0.01	\$ (762)	\$(0.03)	\$ (473)	\$(0.02)	\$ (1,805)	\$(0.08)
Business Restructuring and Asset Impairment Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Goodwill and Other Intangibles Impairment Expense	\$ 6,245	\$ 0.27	\$ -	\$ -	\$ 6,245	\$ 0.27	\$ -	\$ -
Cash-Settled SARs (Income)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Environmental Remediation Expense	\$ 65	\$ 0.00	\$ 169	\$ -	\$ 934	\$ 0.04	\$ 1,905	\$ 0.08
Gain on Sale of Assets	\$(11,921)	\$(0.52)	\$ -	\$ -	\$(11,921)	\$(0.52)	\$ -	\$ -
Adjusted Net Income	<u>\$ (531)</u>	<u>\$(0.02)</u>	<u>\$2,757</u>	<u>\$ 0.12</u>	<u>\$ 41,680</u>	<u>\$ 1.82</u>	<u>\$50,470</u>	<u>\$ 2.20</u>

# Financials

Reported Operating Income to Adjusted Operating Income<sup>(1)</sup>

	2025				Total Stepan
	Surfactants	Polymers	Specialty Products	Corporate	
Reported Operating Income	67.4	43.3	25.6	-	136.3
Cash Settled SARS	-	-	-	-	0.0
Corporate Expenses	-	-	-	(64)	(64)
Adjusted Operating Income	67.4	43.3	25.6	(64)	72.3

	2024				Total Stepan
	Surfactants	Polymers	Specialty Products	Corporate	
Reported Operating Income	85.6	40.6	20.9	-	147.1
Cash Settled SARS	-	-	-	-	0.0
Corporate Expenses	-	-	-	(72)	(72)
Adjusted Operating Income	85.6	40.6	20.9	(72)	75.2

	2023				Total Stepan
	Surfactants	Polymers	Specialty Products	Corporate	
Reported Operating Income	72.4	60.8	11.5	-	144.7
Cash Settled SARS	(0.1)	(0.0)	0.0	-	(0.1)
Corporate Expenses	-	-	-	(67)	(67)
Adjusted Operating Income	72.4	60.8	11.5	(67)	77.9

# Financials

## Operating Income to Non – GAAP Adjusted EBITDA<sup>(1)</sup>

### Twelve Months Ended December 31, 2025

<i>(\$ in millions)</i>	<b>Surfactants</b>	<b>Polymers</b>	<b>Specialty Products</b>	<b>Unallocated Corporate</b>	<b>Consolidated</b>
Operating Income	\$ 67.4	\$ 43.3	\$ 25.6	\$ (57.8)	\$ 78.5
Interest, Net	\$ -	\$ -	\$ -	\$ (22.1)	\$ (22.1)
Other, Net	\$ -	\$ -	\$ -	\$ 3.6	\$ 3.6
Provision for Income Taxes	\$ -	\$ -	\$ -	\$ (13.0)	\$ (13.0)
<b>Net Income</b>	<b>\$ 67.4</b>	<b>\$ 43.3</b>	<b>\$ 25.6</b>	<b>\$ (89.4)</b>	<b>\$ 46.9</b>
Depreciation and Amortization	\$ 85.6	\$ 33.1	\$ 5.9	\$ 1.4	\$ 126.0
Interest, Net	\$ -	\$ -	\$ -	\$ 22.1	\$ 22.1
Provision for Income Taxes	\$ -	\$ -	\$ -	\$ 13.0	\$ 13.0
<b>EBITDA</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (52.8)</b>	<b>\$ 208.0</b>
Deferred Compensation	\$ -	\$ -	\$ -	\$ (0.6)	\$ (0.6)
Environmental Remediation	\$ -	\$ -	\$ -	\$ 1.2	\$ 1.2
Goodwill Impairment	\$ -	\$ -	\$ -	\$ 6.2	\$ 6.2
Gain on Sale of Assets	\$ -	\$ -	\$ -	\$ (15.9)	\$ (15.9)
<b>Adjusted EBITDA</b>	<b>\$ 153.0</b>	<b>\$ 76.4</b>	<b>\$ 31.5</b>	<b>\$ (61.9)</b>	<b>\$ 198.9</b>

### Twelve Months Ended December 31, 2024

<i>(\$ in millions)</i>	<b>Surfactants</b>	<b>Polymers</b>	<b>Specialty Products</b>	<b>Unallocated Corporate</b>	<b>Consolidated</b>
Operating Income	\$ 85.6	\$ 40.6	\$ 20.9	\$ (76.6)	\$ 70.5
Interest, Net	\$ -	\$ -	\$ -	\$ (14.2)	\$ (14.2)
Other, Net	\$ -	\$ -	\$ -	\$ 4.1	\$ 4.1
Provision for Income Taxes	\$ -	\$ -	\$ -	\$ (10.1)	\$ (10.1)
<b>Net Income</b>	<b>\$ 85.6</b>	<b>\$ 40.6</b>	<b>\$ 20.9</b>	<b>\$ (96.7)</b>	<b>\$ 50.4</b>
Depreciation and Amortization	\$ 72.0	\$ 32.4	\$ 6.0	\$ 1.9	\$ 112.3
Interest, Net	\$ -	\$ -	\$ -	\$ 14.2	\$ 14.2
Provision for Income Taxes	\$ -	\$ -	\$ -	\$ 10.1	\$ 10.1
<b>EBITDA</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (70.6)</b>	<b>\$ 186.9</b>
Deferred Compensation	\$ -	\$ -	\$ -	\$ (2.4)	\$ (2.4)
Environmental Remediation	\$ -	\$ -	\$ -	\$ 2.5	\$ 2.5
<b>Adjusted EBITDA</b>	<b>\$ 157.6</b>	<b>\$ 73.0</b>	<b>\$ 26.9</b>	<b>\$ (70.5)</b>	<b>\$ 187.0</b>

# Financials

Calculation of Adjusted EBITDA Margin<sup>(1)</sup>, 2025 – 2019

<i>(in millions)</i>	2025 <sup>(2)</sup>	2024	2023	2022	2021	2020	2019
Net Sales	2,332.1	2,180.3	2,325.8	2,773.3	2,346.0	1,869.8	1,858.7
Net Income Attributable to Stepan Company	46.9	50.4	40.2	147.2	137.8	126.8	103.1
Provision for Income Taxes	13.0	10.1	8.2	41.6	34.6	43.4	22.8
Income Before Provision for Income taxes	59.9	60.4	48.4	188.7	172.4	170.2	125.9
Interest, Net	22.1	14.2	12.1	9.8	5.8	5.4	5.9
<b>EBIT</b>	<b>82.0</b>	<b>74.6</b>	<b>60.5</b>	<b>198.5</b>	<b>178.2</b>	<b>175.6</b>	<b>131.9</b>
Depreciation & Amortization	126.0	112.3	105.3	94.7	90.9	81.9	78.7
<b>EBITDA</b>	<b>208.0</b>	<b>186.9</b>	<b>165.8</b>	<b>293.2</b>	<b>269.1</b>	<b>257.4</b>	<b>210.6</b>
<b>Pre-tax Adjustments</b>							
Deferred Compensation	(0.6)	(2.4)	(0.7)	(2.4)	2.0	5.3	10.5
Cash Settled SARs			(0.1)	(0.3)	0.2	0.4	2.7
Goodwill and Other Intangibles Impairment	6.2		2.0				
Business Restructuring			12.0	0.2	3.4	1.2	2.7
Environmental Remediation	1.2	2.6	1.0	8.7	2.0		4.3
Gain on Sale of Asstes	(15.9)						
Early Debt Repayment							1.2
Interest Adjustment							(1.2)
<b>Adjusted EBITDA</b>	<b>198.9</b>	<b>187.0</b>	<b>180.0</b>	<b>301.5</b>	<b>276.6</b>	<b>264.4</b>	<b>230.8</b>
<b>Adjusted EBITDA Margin</b>	<b>8.5%</b>	<b>8.6%</b>	<b>7.7%</b>	<b>10.9%</b>	<b>11.8%</b>	<b>14.1%</b>	<b>12.4%</b>

Adjusted EBITDA Margin Calculation: [Adjusted EBITDA / Net Sales = Adjusted EBITDA Margin]

# Financials

Reconciliation of Non-GAAP Adjusted EBITDA and Adjusted EBITDA Margin by Segment, 2025<sup>(1)</sup>

	<b>Twelve Months Ended December 31, 2025</b>				
<i>(\$ in millions)</i>	<b>Surfactants</b>	<b>Polymers</b>	<b>Specialty Products</b>	<b>Unallocated Corporate</b>	<b>Consolidated</b>
Net Sales	\$ 1,666.0	\$ 584.5	\$ 81.7	N/A	\$ 2,332.1
Net Income	\$ 67.4	\$ 43.3	\$ 25.6	\$ (89.4)	\$ 46.9
Depreciation and Amortization	\$ 85.6	\$ 33.1	\$ 5.9	\$ 1.4	\$ 126.0
Interest, Net	\$ -	\$ -	\$ -	\$ 22.1	\$ 22.1
Provision for Income Taxes	\$ -	\$ -	\$ -	\$ 13.0	\$ 13.0
EBITDA	\$ -	\$ -	\$ -	\$ (52.8)	\$ 208.0
Deferred Compensation	\$ -	\$ -	\$ -	\$ (0.6)	\$ (0.6)
Environmental Remediation	\$ -	\$ -	\$ -	\$ 1.2	\$ 1.2
Goodwill Impairment	\$ -	\$ -	\$ -	\$ 6.2	\$ 6.2
Gain on Sale of Assets	\$ -	\$ -	\$ -	\$ (15.9)	\$ (15.9)
Adjusted EBITDA	\$ 153.0	\$ 76.4	\$ 31.5	\$ (61.9)	\$ 198.9
Adjusted EBITDA Margins	9.2%	13.1%	38.6%	N/A	8.5%

Adjusted EBITDA Margin Calculation: [Adjusted EBITDA / Net Sales = **Adjusted EBITDA Margin**]

# Financials

Quarterly Non-GAAP Adjusted EBITDA and Adjusted EBITDA Margin, 2023 - 2024

Adjusted EBITDA Total Stepan (millions USD)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Net Sales	551	556	547	526	593	595	590	554
Net Income	14	9	24	4	20	11	11	5
Depreciation & Amortization	28	28	28	29	29	31	32	33
Interest, Net	(3)	(3)	(4)	(5)	(4)	(6)	(7)	(6)
Provision for Income Taxes	6	8	(2)	(1)	5	2	6	0
Other Adjustments	6	6	7	8	8	12	15	2
Adjusted EBITDA	51	48	53	35	58	51	56	34
Adjusted EBITDA Margin	9.3%	8.6%	9.7%	6.7%	9.7%	8.6%	9.5%	6.1%

Adjusted EBITDA Margin Calculation: [Adjusted EBITDA / Net Sales = **Adjusted EBITDA Margin**]

# Financials

Total Debt to Net Debt<sup>(1)</sup>

(millions USD)	December 31, 2025	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
Total Debt	626.7	625.4	654.1	587.1	363.6	198.7	222.1
Cash	132.7	99.7	129.8	173.8	159.2	349.9	315.4
Net Debt	494.0	525.7	524.3	413.3	204.4	(151.2)	(93.3)
Equity	1,244.0	1,169.9	1,216.5	1,166.1	1,074.2	986.7	891.8
Net Debt + Equity	1,738.0	1,695.6	1,740.8	1,579.4	1,278.6	835.5	798.5
Net Debt / (Net Debt + Equity)	28%	31%	30%	26%	16%	(18%)	(12%)

Net Debt/TTM Adjusted EBITDA Ratio = 494/199 = 2.5

# Financials

Consolidated Statement of Income for the Year Ended December 31, 1994

Net Income to Non – GAAP Adjusted EBITDA<sup>(1)</sup>

<i>(In thousands, except per share amounts)</i>	<b>Twelve Months Ended December 31, 1994</b>
<b>Net Sales</b>	\$ 443,948
<b>Cost of Sales</b>	362,848
<b>Gross Profit</b>	81,100
<b>Operating Expenses:</b>	
Marketing	16,972
Administrative	17,082
Research, Development and Technical Services	12,281
Other Operating Expense	5,117
	51,452
Goodwill and Other Intangibles Impairment	-
Business Restructuring and Asset Impairment	-
<b>Operating Income</b>	29,648
<b>Other Income (Expense):</b>	
Interest, Net	(7,136)
Other, Net	(7,136)
<b>Income Before Provision for Income Taxes</b>	22,512
<b>Provision for Income Taxes</b>	8,667
<b>Net Income</b>	13,845
<b>Net Income Per Common Share</b>	
Basic	\$ 1.29
Diluted	\$ 1.26
<b>Shares Used to Compute Net Income Per Common Share</b>	
Basic	10,733
Diluted	10,988

<i>(\$ in millions)</i>	<b>Twelve Months Ended December 31, 1994</b>
	<b>Consolidated</b>
Operating Income	\$ 29.6
Interest, Net	\$ (7.1)
Other, Net	
Provision for Income Taxes	\$ (8.7)
<b>Net Income</b>	<b>\$ 13.8</b>
Depreciation and Amortization	\$ 28.9
Interest, Net	\$ 7.1
Provision for Income Taxes	\$ 8.7
<b>EBITDA</b>	<b>\$ 58.6</b>
Deferred Compensation	\$ -
Environmental Remediation	\$ -
<b>Adjusted EBITDA</b>	<b>\$ 58.6</b>

## Estimated Cash Impact – Site Closure & Select Asset Decommissioning (Project Catalyst)

(USD millions)	Total Cash Impact Estimate <sup>1</sup>		Non-Cash Impact	Cash Expense Q1 2026	Cash Expense Full Year 2026	Cash Expense 2027-2035	
	Low	High				Low	High
<i>Decommissioning, Dismantling &amp; Environmental</i> <sup>2</sup>	\$24	\$37	-	\$0.4	\$8	\$16	\$29
<i>Severance and People Related</i>	\$6	\$7	-	\$3	\$6	-	-
<i>Asset Write-Offs/Accelerated Depreciation</i> <sup>3</sup>	-	-	\$58 - \$62	-	-	-	-
<b>Total</b>	\$29	\$44	\$58 - \$62	\$3	\$14	\$16	\$29

<sup>1</sup> Estimates reflect a preliminary range and are subject to change. Variability within the range is primarily driven by uncertainties associated with the scope, timing and outcomes of environmental testing at the Fieldsboro, NJ facility, including the potential identification of conditions requiring additional remediation or regulatory actions.

<sup>2</sup> Decommissioning, dismantling and environmental costs reflect estimated cash expenditures associated with site closures, asset decommissioning and related compliance activities. Estimates are subject to variability based on the scope and timing of environmental assessments, regulatory review processes and remediation requirements.

<sup>3</sup> Severance and people related costs include employee separation, transition and benefit costs, as well as other costs directly related to the restructuring and organizational effectiveness actions undertaken as part of Project Catalyst. These costs exclude ongoing operating expenses and costs not directly associated with the restructuring actions described herein.

## Slide 14 – Market Sizes

- SP Global 2024 data; Spears & Associated January 2024; The Freedonia Group, Global Insulation, 2024

## Slide 15 and 16 – Market Growth and Size

- Stepan Projections, SP Global 2024 data; Spears & Associated January 2024; The Freedonia Group, Global Insulation, 2024

## Slide 34 – Agricultural Chemical Markets CAGR and Size

- SP Global 2024 data

## Slide 35 – Oilfield Chemical Market CAGR and Size

- Spears & Associates January 2024

## Slide 37 – Surfactants Market

- Stepan Projections, IHS Markit, Wood Mackenzie

## Slide 43 – Market CAGR, Size and Maps

- The Freedonia Group, Global Insulation, 2024

## Slide 44 - US Building Spend and Age

- US Census ([www.census.gov](http://www.census.gov))

## Slide 45 – US Commercial Energy Code Adoption Maps

- US Department of Energy

## Slide 46 – Rigid Polyol European Market Trends and Green Deal Information

- Document 2018/844/EU: Energy Performance of Buildings Directive as published by the European Commission
- Document ISBN 978-92-76-13831-0: The European Green Deal as published by the European Commission
- Document SWD(2020) 550 final: A Renovation Wave for Europe - greening our buildings, creating jobs, improving lives

## Slide 47 – Rigid Polyol China Market Trend

- Cold Chain Association of China Federation of Logistics & Purchasing

## Slide 53 – MCT Markets CAGR and Size

- DataIntelto

The information contained herein is provided for informational purposes only and is not intended to be all-inclusive. The information is based on Stepan Company's own knowledge at such time it is given and on the works of others and is subject to change without prior notice.

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