

**STEPAN COMPANY BOARD OF DIRECTORS
HUMAN CAPITAL AND COMPENSATION COMMITTEE CHARTER
Amended February 15, 2023**

I. PURPOSE

The Human Capital and Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Stepan Company (the “Company”) shall (a) establish and administer the Company’s policies, programs and procedures for compensating its executive management; and (b) provide advice and counsel regarding executive development and succession planning.

II. COMPOSITION

Size. The Committee shall consist of no fewer than three members.

Qualifications. Each member of the Committee shall meet the independence requirements of the New York Stock Exchange and any other applicable laws or regulations.

Appointment and Removal. The members of the Committee shall be appointed and may be replaced by the Board. The Board shall appoint one member of the Committee as Committee Chair.

III. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee shall include the following:

1. Oversee Executive Compensation Policies and Programs. The Committee will oversee the development and implementation of the Company’s compensation policies and programs for executive officers.
2. Oversee Executive Officer Compensation. The Committee will review and approve the corporate goals and objectives with respect to the compensation of the Chief Executive Officer. The Committee will evaluate the Chief Executive Officer’s performance in light of these goals and objectives and, based upon this evaluation (either alone or, if directed by the Board, in conjunction with a majority of the independent directors on the Board), will set the Chief Executive Officer’s compensation. If the position of Chief Executive Officer and Chairman are held by different persons and the Chairman is not a non-employee director, the Committee shall review and determine the compensation, if any, of the Chairman on an annual basis. The Chief Executive Officer and the Vice President and Chief Human Resources Officer shall make recommendations to the Committee regarding compensation for all other executive officers. All recommendations made to the Committee shall be based upon the Company’s policies and guidelines. The Committee will review these recommendations and approve the final compensation for these individuals.

3. Recommend Incentive Compensation Plans. The Committee will make recommendations to the Board with respect to the approval, adoption and amendment of all cash-based and equity-based incentive compensation plans in which any executive officer of the Company participates.
4. Recommend Equity-Based Plans. The Committee will also make recommendations to the Board with respect to the approval, adoption and amendment of all other equity-based plans.
5. Administer Compensation Plans. The Committee will administer the Company's equity-based incentive compensation plans and other plans adopted by the Board that contemplate administration by the Committee. The Committee, or a subcommittee, shall approve all grants of equity-based awards, subject to the terms and conditions of applicable plans. The Committee's administrative authority shall include the authority to approve the acquisition by the Company of shares of the Company's stock from any plan participant.
6. Oversee Regulatory Compliance. The Committee will, in consultation with appropriate officers of the Company, oversee regulatory compliance with respect to compensation matters, including, but not limited to, overseeing any compensation programs intended to preserve tax deductibility. The Committee will also oversee compliance with other applicable requirements, including, but not limited to, the applicable rules and policies of the Securities and Exchange Commission and the New York Stock Exchange. Additionally, the Committee will assess the risks, if any, created by the Company's compensation policies and practices, and whether any such risks are reasonably likely to have a materially adverse impact on the Company.
7. Review and Approve Employment Agreements and Severance Arrangements. The Committee will review and approve any proposed employment agreement with, and any proposed severance or retention plans or agreements applicable to, any executive officer of the Company. The Committee shall review and approve any severance or other termination payments proposed to be made to any executive officer of the Company.
8. Board Reports. The Committee shall make regular reports to the Board regarding the activities of the Committee.
9. Review Executive Development and Succession. The Committee will review development and succession planning for the Company's executive officers, including but not limited to the Chief Executive Officer.

10. Establish and Review Stock Ownership Guidelines. The Committee shall establish stock ownership guidelines for the Board, executive officers and executives and monitor compliance therewith.
11. Oversee Board Compensation. The Committee shall periodically review and recommend to the Board appropriate compensation for non-employee Board members, including the Lead Independent Director or, if the Chairman is a non-employee director, the Chairman. The Committee may, at its discretion, obtain input and recommendations from an independent executive compensation consultant regarding non-employee Board member compensation.
12. Review Human Capital Management. Review and advise management regarding the Company's human capital management, including culture, diverse representation, inclusion and pay equity strategies, programs and initiatives.
13. Other Duties or Responsibilities. In addition to the duties and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities consistent with this Charter, the purposes of the Committee, the Company's bylaws and applicable New York Stock Exchange ("NYSE") rules.

IV. MEETINGS

The Committee shall meet regularly, with special meetings called as necessary to meet the requirements under this Charter. At a minimum, the Committee shall meet three times per year.

The Committee shall regularly meet in executive session with no members of management present. Any individual whose performance or compensation is to be discussed at a Committee meeting should not attend such meeting, or the portion of such meeting discussing that individual's compensation, unless specifically invited by the Committee.

V. DELEGATION

The Committee may form and delegate authority to subcommittees when appropriate or, to the extent permitted by applicable law, delegate authority to any other body or individual. In particular, the Committee may delegate the approval of certain transactions to a subcommittee consisting solely of members of the Committee who are "non-employee directors" within the meaning under Rule 16b-3 of the Securities Exchange Act of 1934, as amended.

VI. RESOURCES AND AUTHORITY

The Committee shall have the authority to retain any advisors that the Committee believes to be desirable and appropriate and shall have the authority to approve such advisors' fees and retention terms. Prior to retaining an advisor, the Committee must take into consideration all factors relevant to that advisor's independence from management, including those factors specified in the NYSE Listed Company Manual.

VII. HUMAN CAPITAL AND COMPENSATION COMMITTEE REPORT

The Committee will review and discuss the Company's Compensation Discussion and Analysis ("CD&A") with the management of the Company and will determine whether or not to recommend to the Board that the CD&A be included in the proxy statement and the Company's Annual Report on Form 10-K. In addition, the Committee will prepare a Committee report for inclusion in the Company's proxy statement.

VIII. CHARTER REVIEW AND PERFORMANCE EVALUATION

The Committee shall at least annually review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall annually review its own performance.