YOUNG & PARTNERS
CHEMICAL AND LIFE SCIENCE INVESTMENT BANKING

# Chemical Executives Survey Summary

**YOUNG & PARTNERS**

**Chemical and Life Science Investment Banking**

**August 1, 2026**

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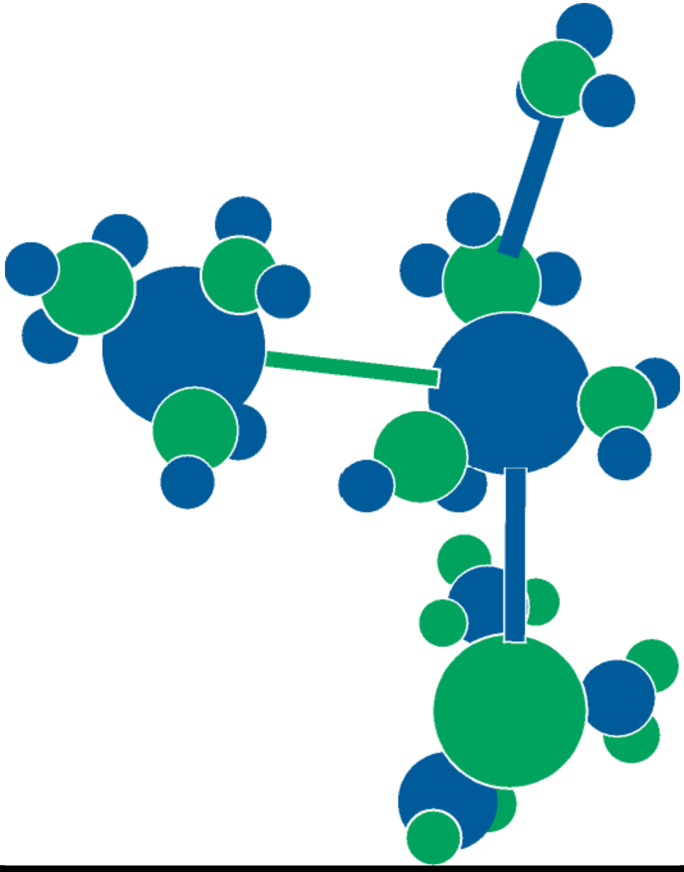
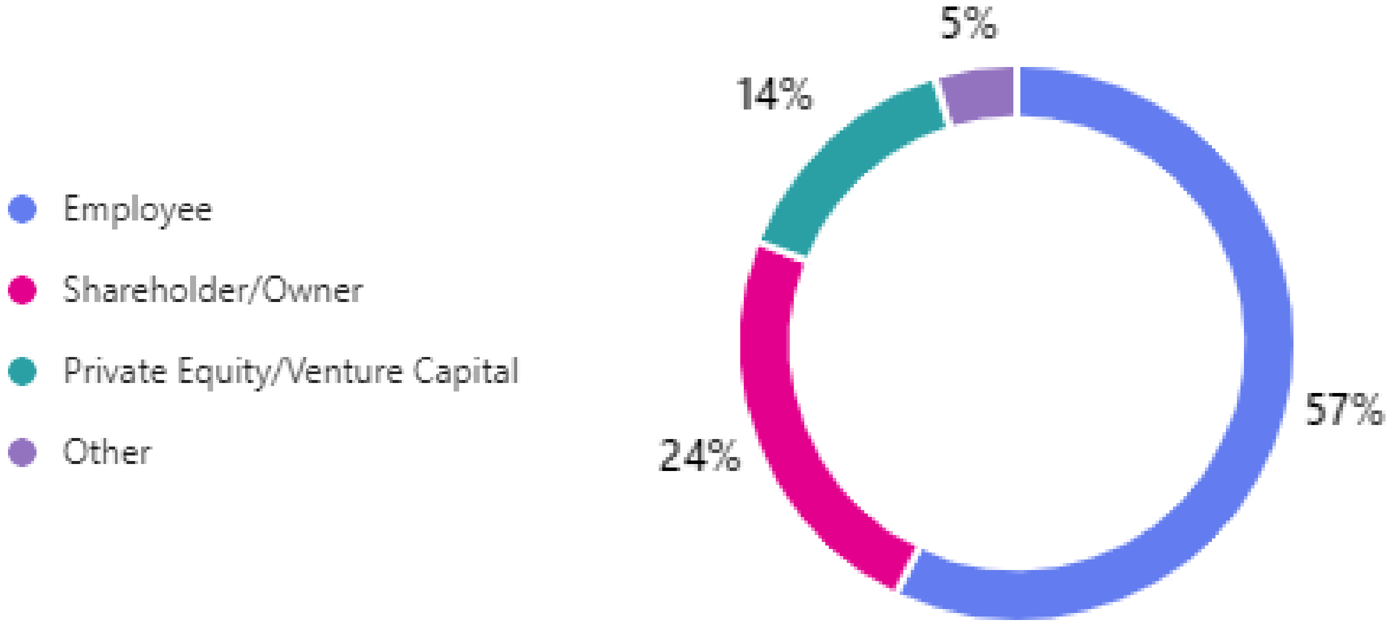


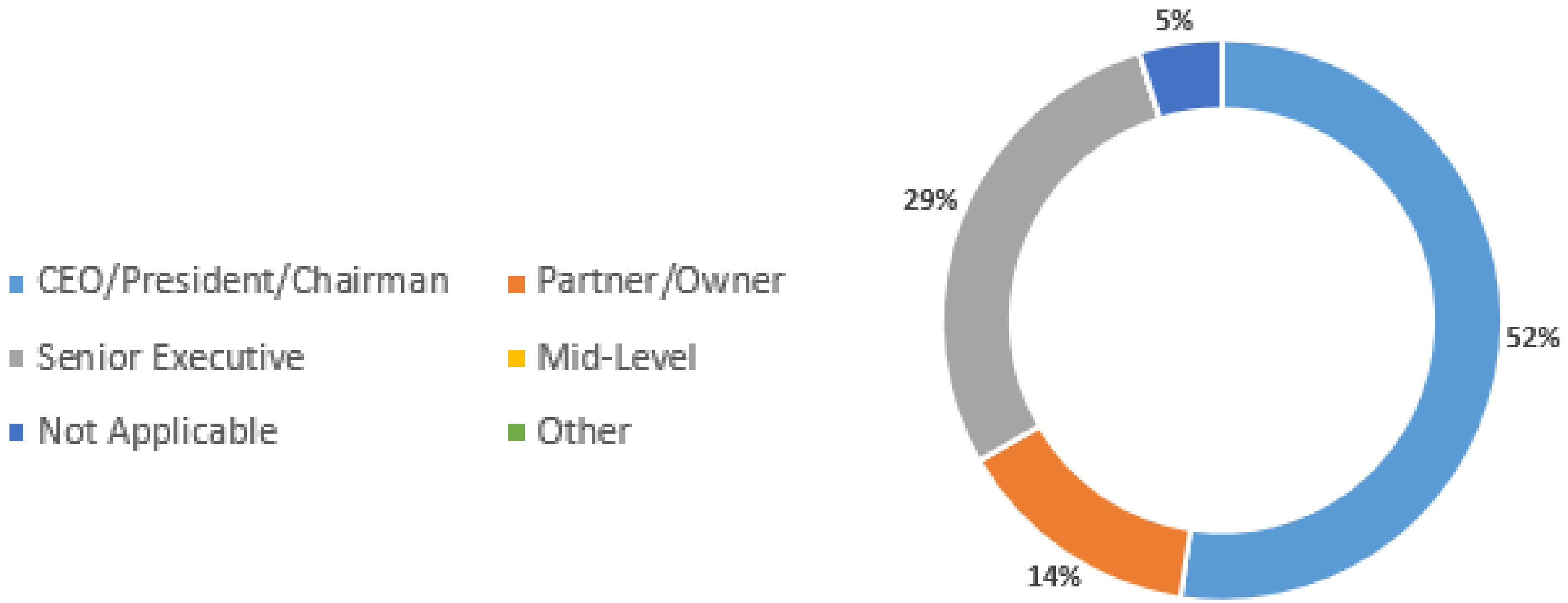
- In a period of great industry structural changes and disruptions, it is important to understand how executives are dealing with the disruptions and trends that they are facing and their outlook for the future.
- Young & Partners felt that it was important to understand the view of industry executives and we decided to conduct a survey of chemical industry executives and owners. The responses were very revealing.
- The following are a few of the insights from the responses.
- When asked, what their view of the economic outlook was in the next 1-3 years, the respondents had a positive view. 5% indicated a very positive outlook, 42% indicated a positive outlook, 42% indicated a neutral outlook, 5% a negative outlook, and 5% a very negative outlook.
- When asked if the industry overcapacity had a negative impact on their company, the view was more negative, with 37% indicating they were heavily impacted, 21% indicating they were modestly impacted, and 16% indicating they were somewhat impacted.

- When asked how long they felt the overcapacity situation would last, 20% said greater than 6 years, 13% said 5 to 6 years, 53% indicated 3 to 4 years, and 13% said 1 to 2 years. So their outlook is somewhat pessimistic in terms of overcapacity.
- When asked to what extent have the U.S. tariff/trade policies impacted their business, 42% said heavily impacted, 21% said modestly impacted, 21% said somewhat impacted, and only 16% said there was no impact.
- When asked the extent to which the disruption in and around the Strait of Hormuz has impacted their business, 42% said modestly impact, 37% said a heavy impact, 16% said somewhat impacted, and only 5% said no impact.
- The details of the remaining responses are captured in our more detailed report.
- However, some of the general sentiments are captured in the following respondent comments:
  - “Uncertainty is a huge negative and a concern”
  - “Shifting away from commodity chemicals”
  - “U.S. competitive advantage over Europe is permanent and structural”

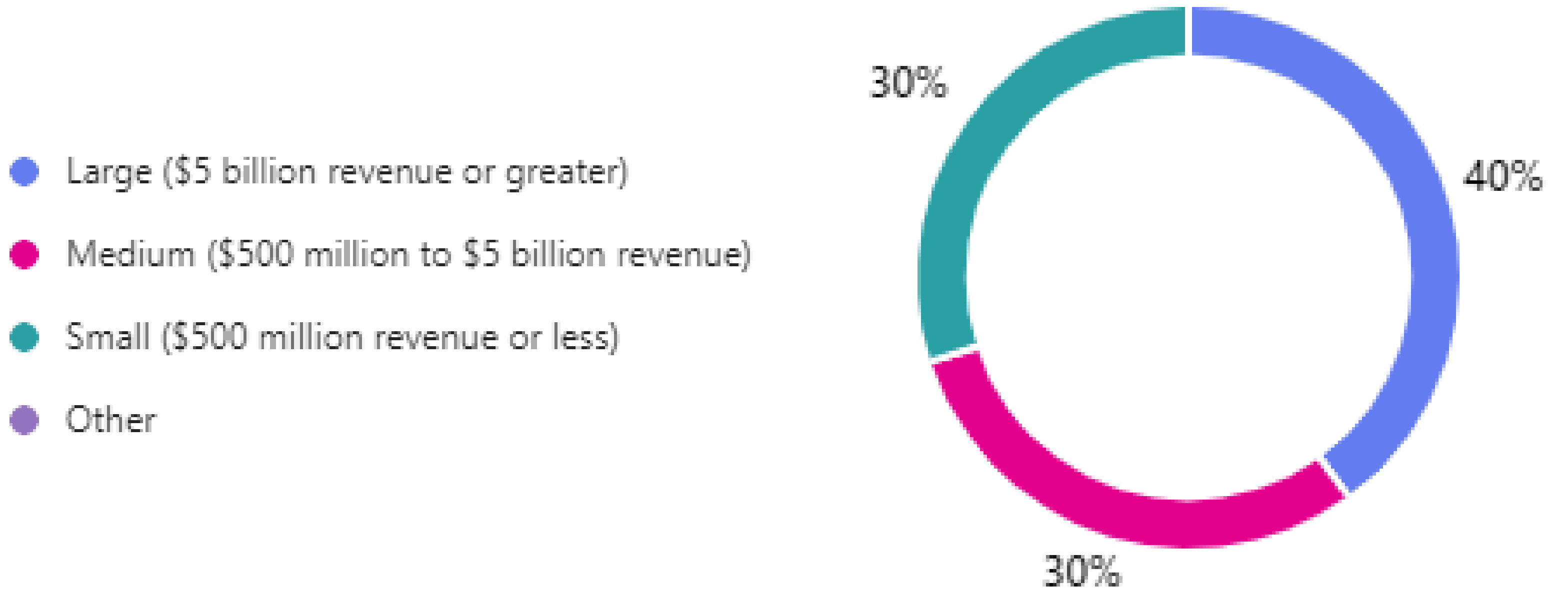
- What best describes your position (Choose all that apply)?



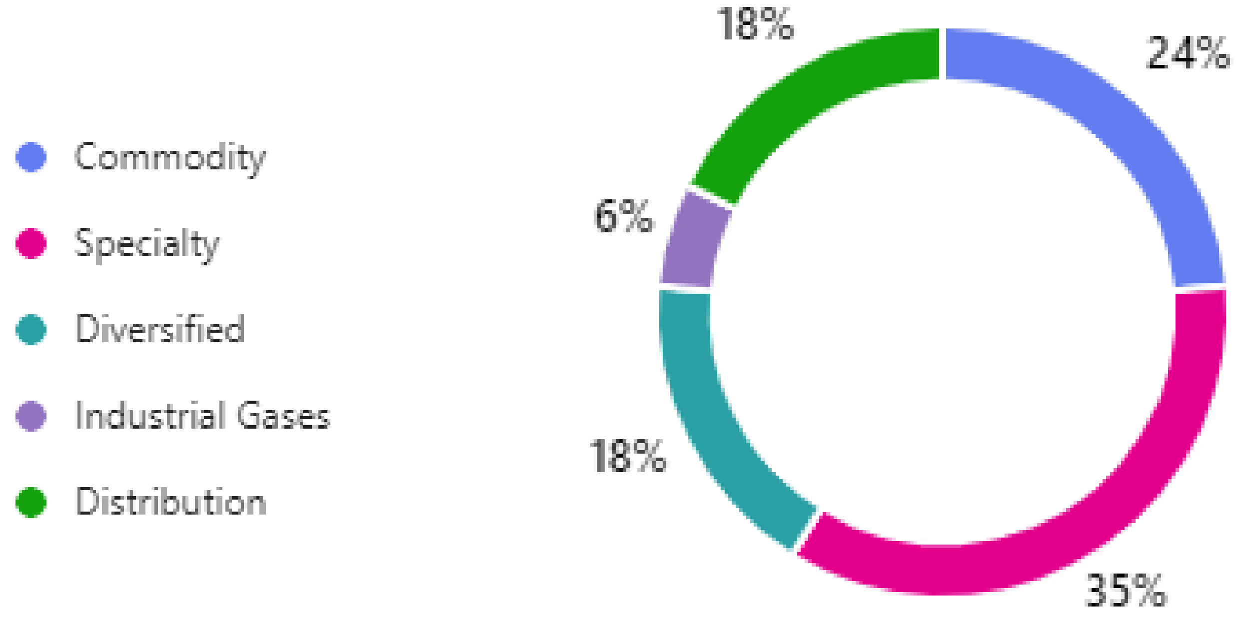
- If you are employed by a chemical company, how would you describe your seniority?



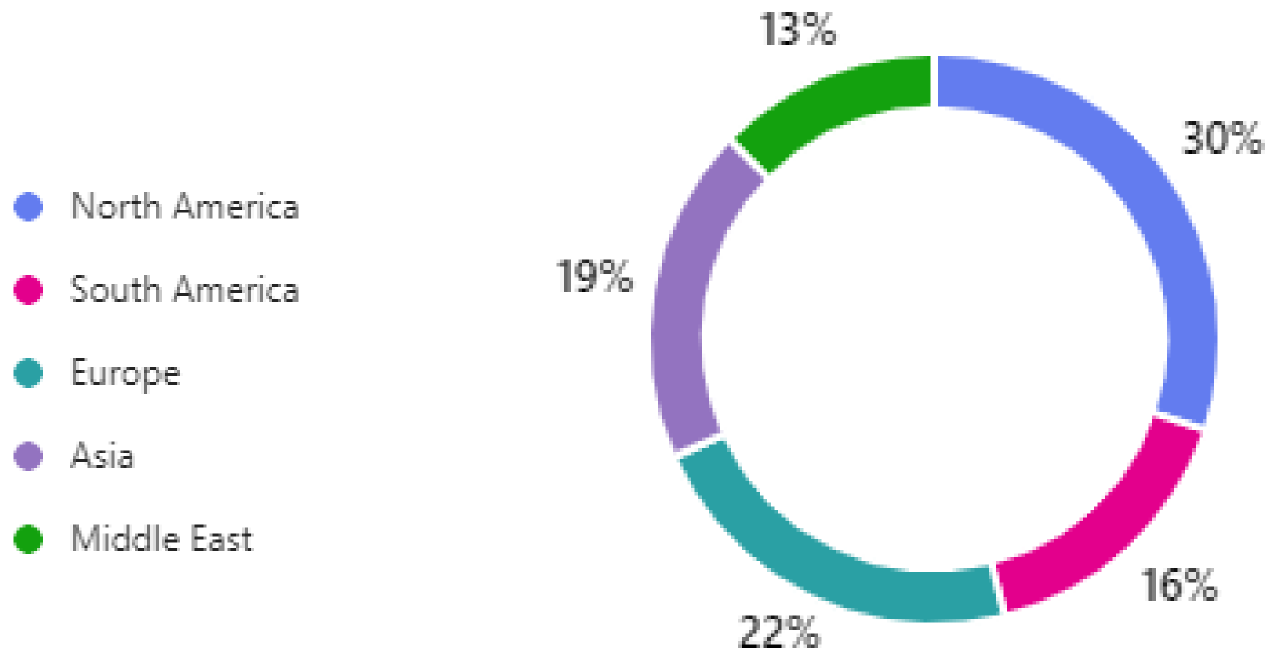
- What is the size of your company?



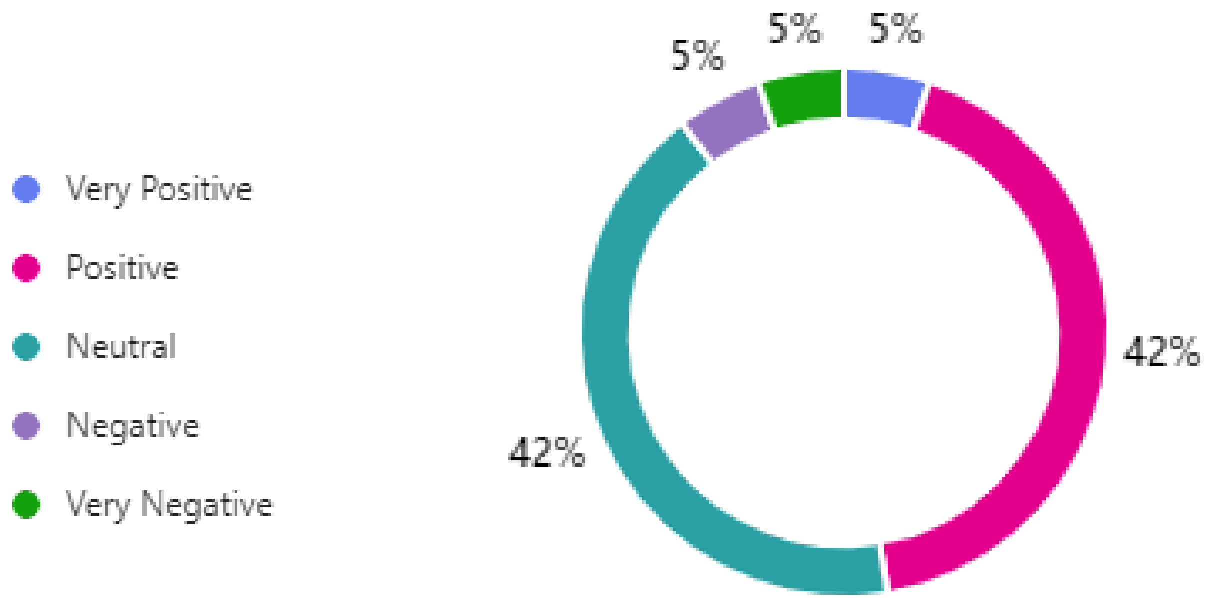
- How would you describe the companies you are involved with (Choose all that apply)?



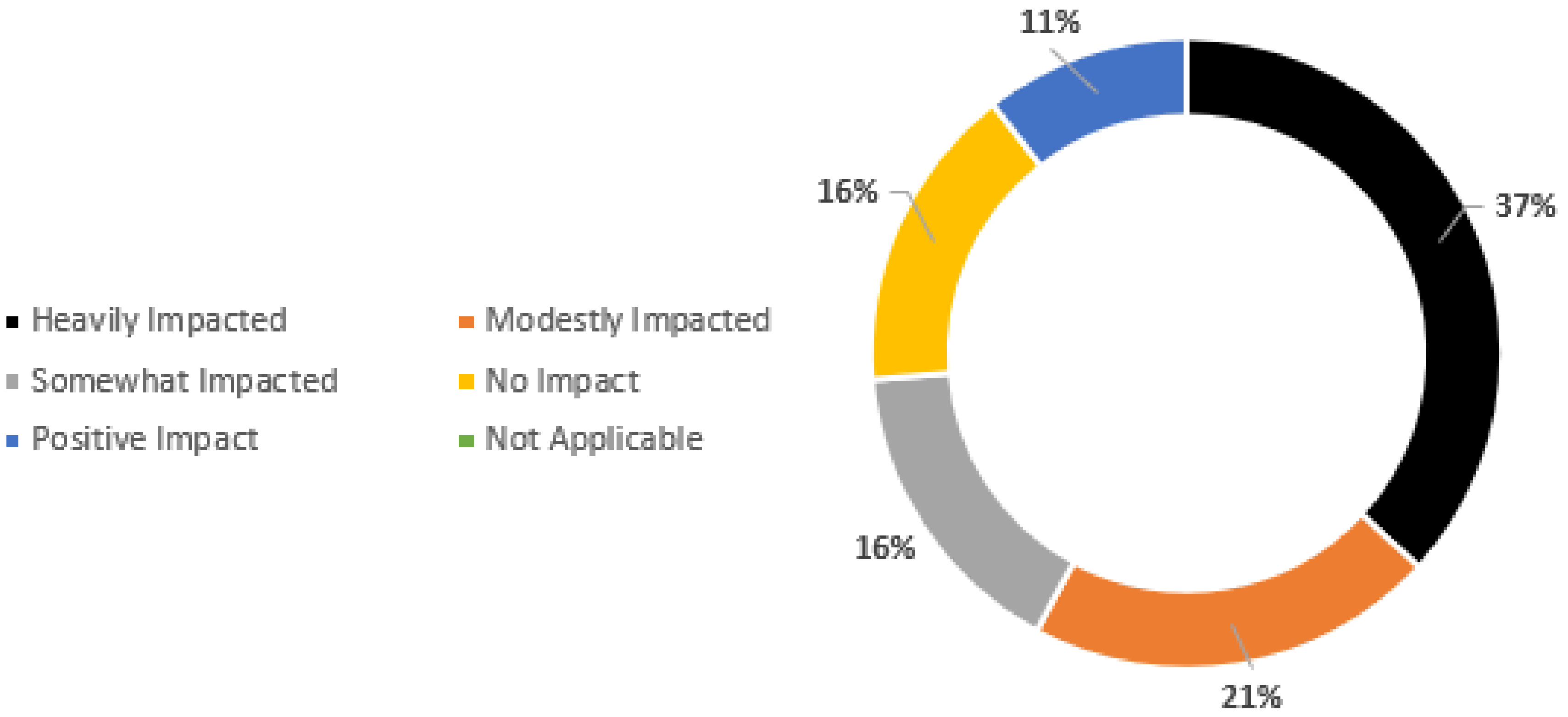
- In which geographies do the chemical businesses you are involved with have a meaningful presence (Choose all that apply)?



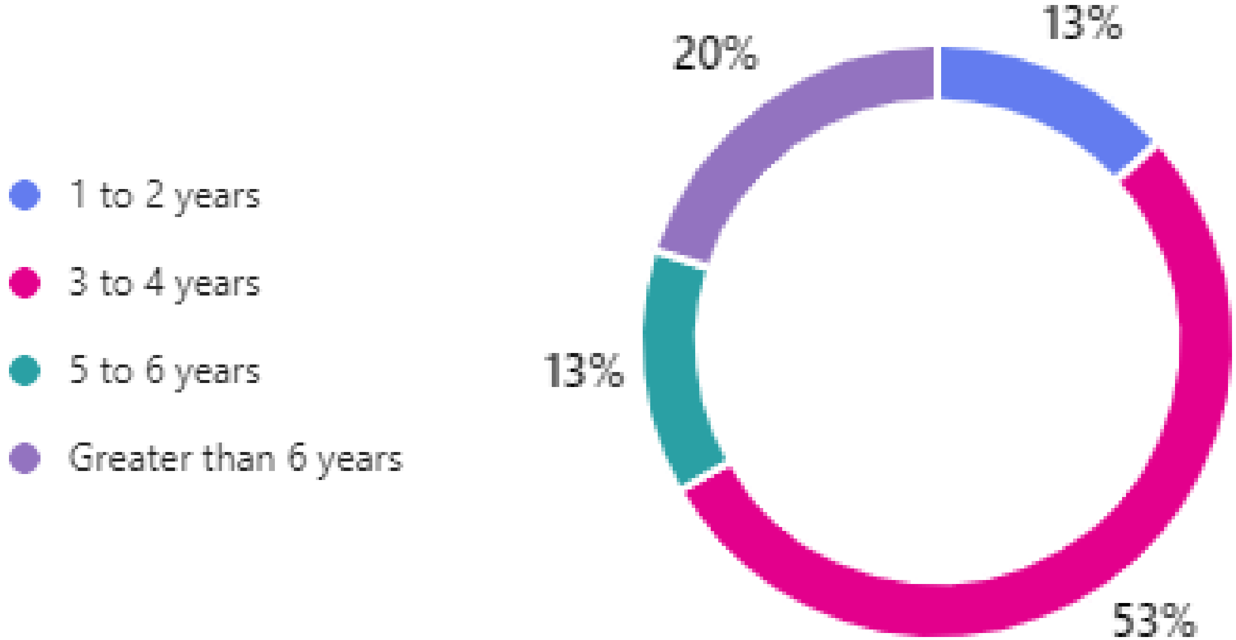
- What do you see as the economic outlook in the next 1-3 years?



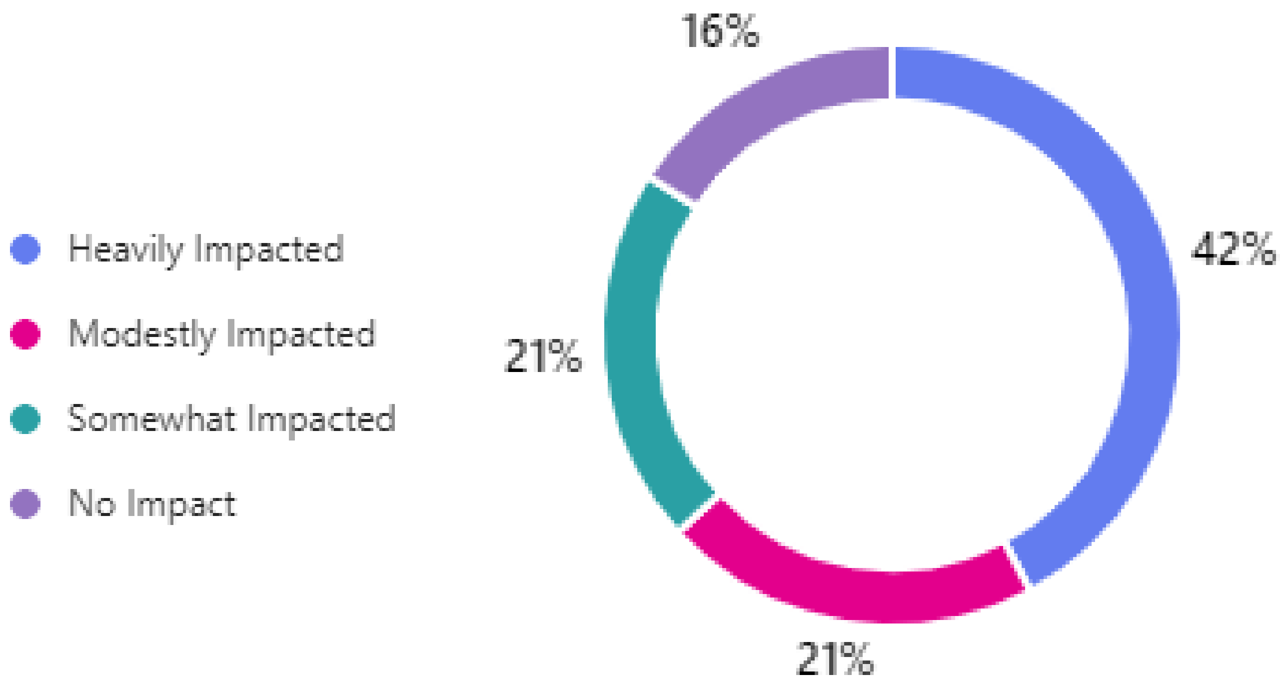
- To what extent has industry overcapacity had a negative impact on your company?



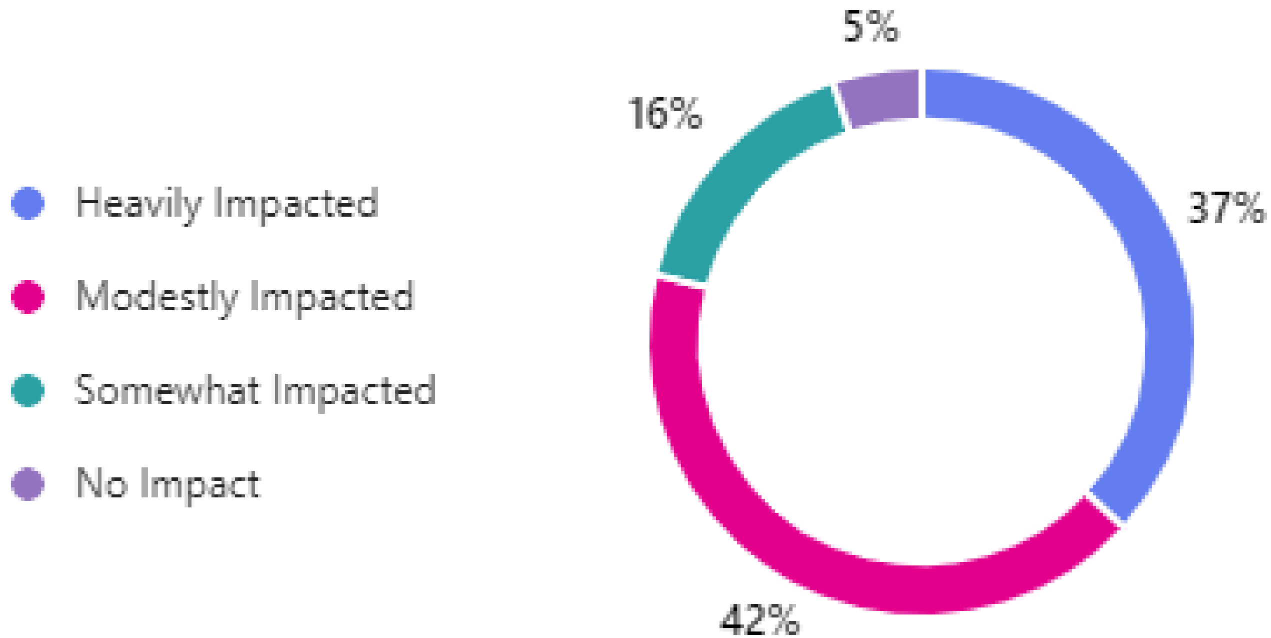
- If your answer to the previous question is that there has been an impact, how long do you think the overcapacity will last in your business?



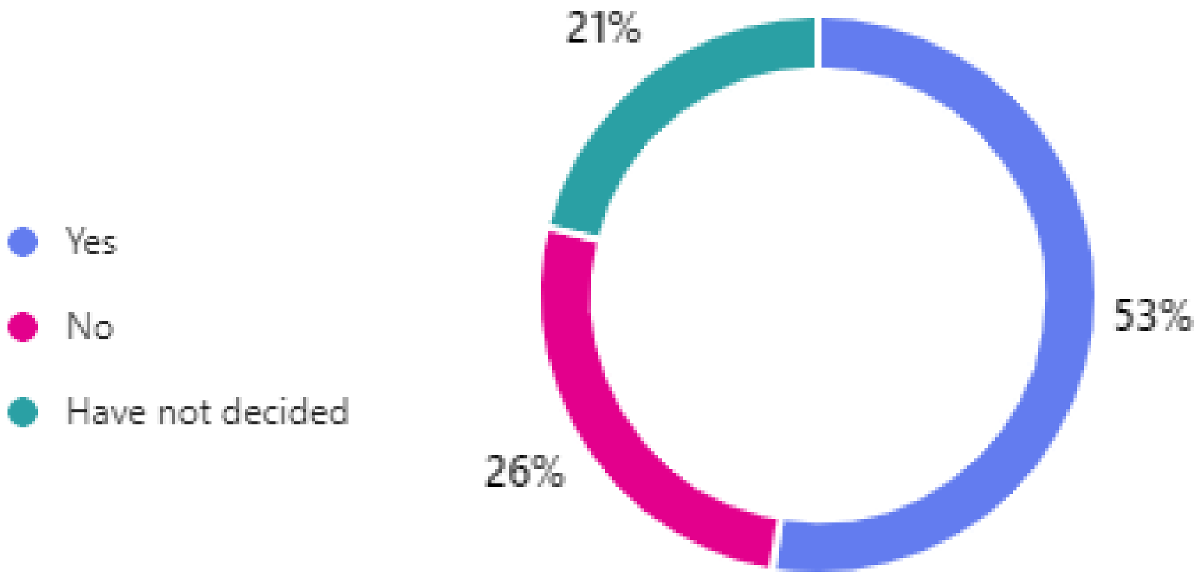
- To what extent have the U.S. tariffs / trade policies impacted your way of doing business (supply chain management, pricing, etc.)?



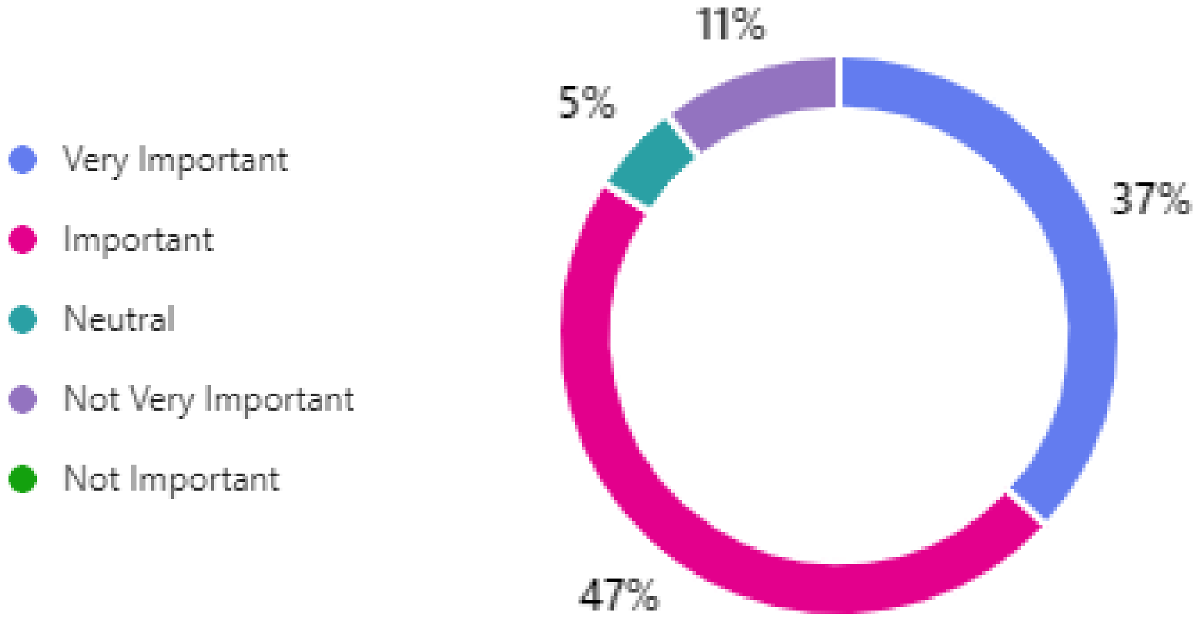
- To what extent will disruption in and around the Strait of Hormuz impact your business?



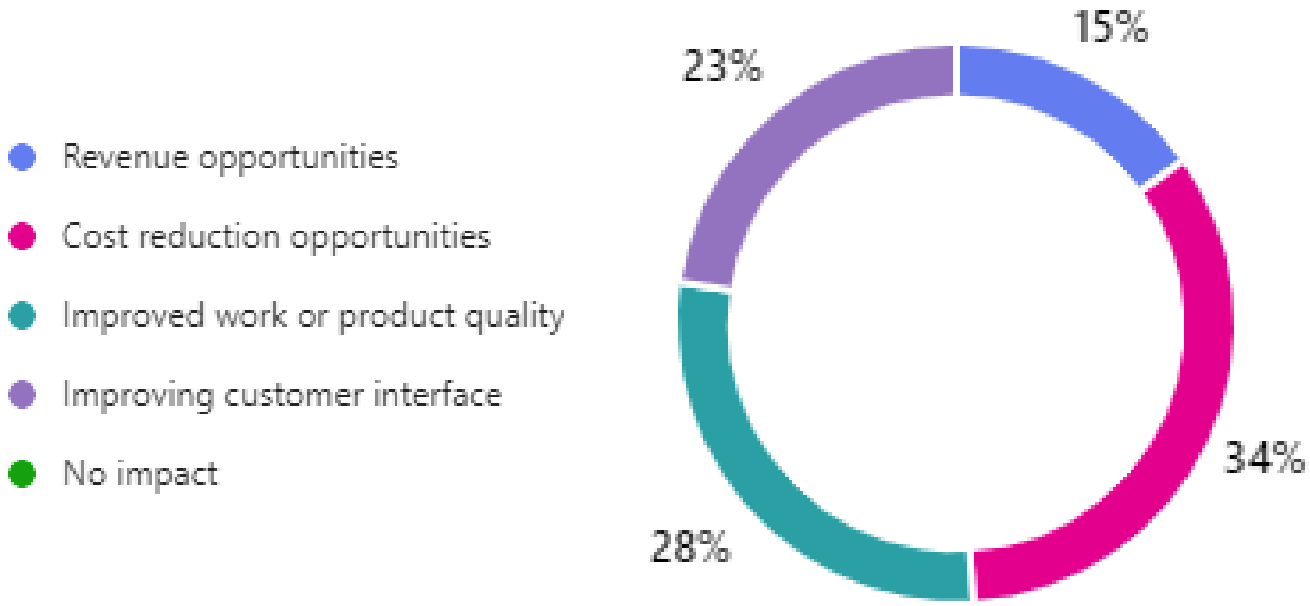
- Is it your intention to make material changes in your portfolio of businesses in the next two years?



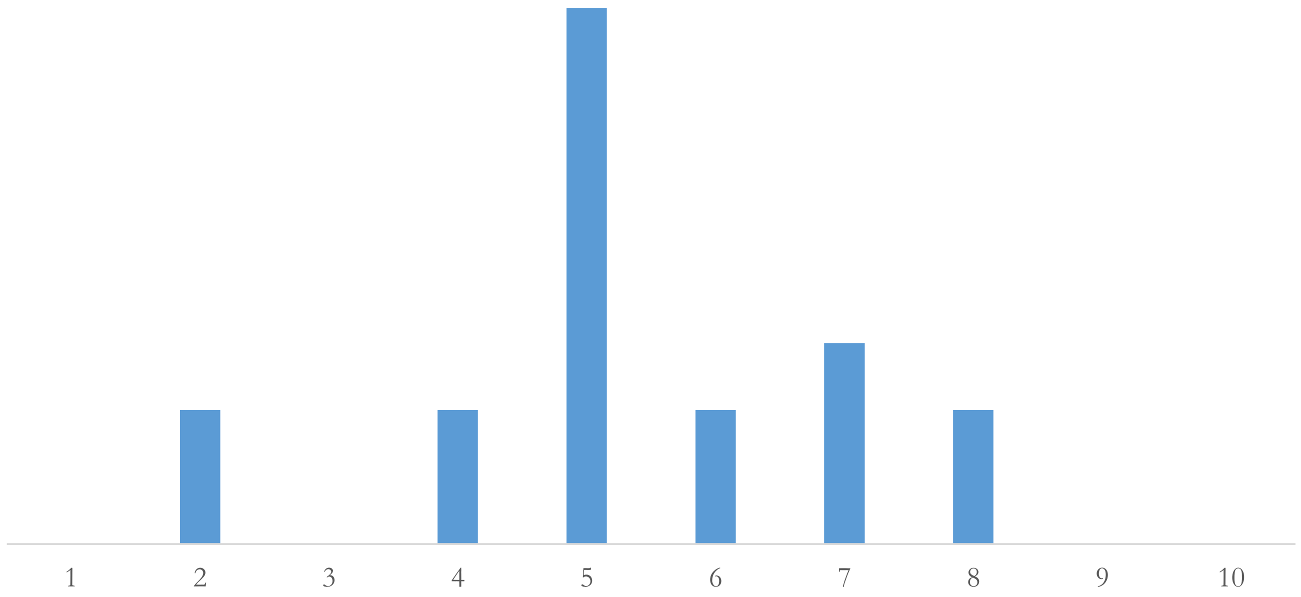
- How important is M&A to achieve your strategic and financial goals in the next five years?



- How do you feel that AI technologies will impact your company (Choose all that apply)?

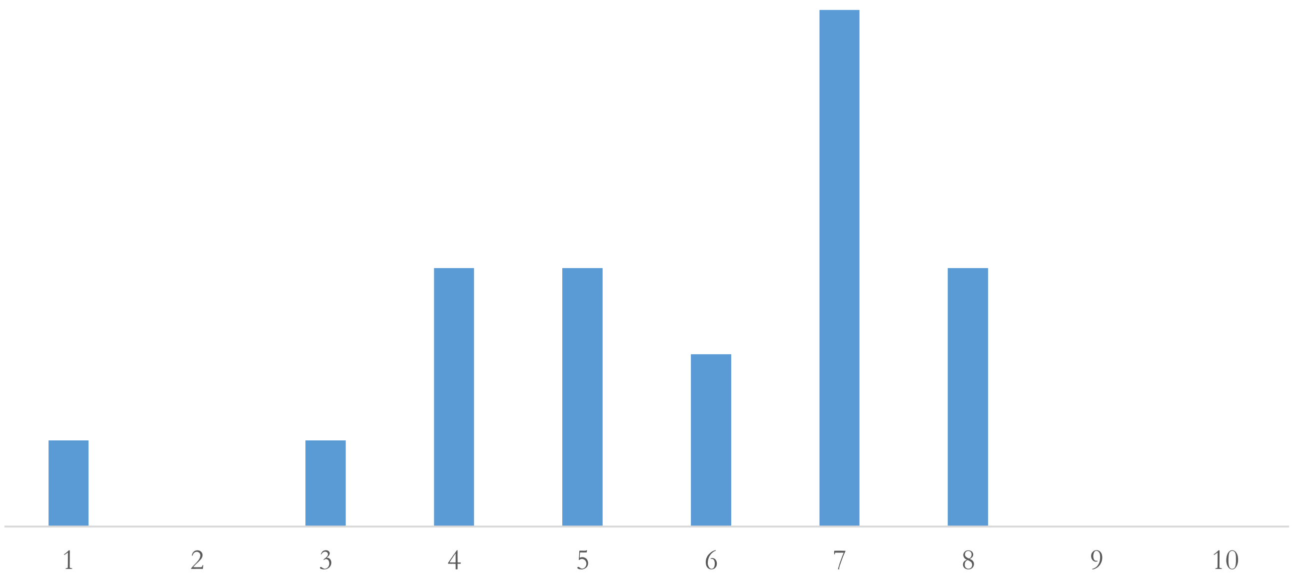


- Do environmental and regulatory changes present a strategic and business threat or an opportunity for your company in the upcoming years?
- (1 – Threat to 10 – Opportunity)




- Mean rating was is 5.32.

- Do you believe companies in your sub-sector of the chemical industry will be able to maintain profit margins in the next three years?
- (1 – Very Pessimistic to 10 – Very Optimistic)




- Mean rating was is 5.74.

- What strategic priorities will your company emphasize the most over the next 18-24 months?
  - "Installing processes and systems to allow us to scale this business."
  - "AI integration, operational efficiency, supply chain optimization"
  - "Growth, innovation, efficiency"
  - "Transforming the company and making it more agile"
  - "Growth and cost initiatives"
  - "New applications development"
  - "Utilization of Technology to drive more effective business processes. M&A."
  - "M&A"
  - "New markets, new business and new products"
  - "Drive growth in softer volume markets and drive productivity in our SG&A spend"
  - "Organic and Inorganic growth, Innovation"

- What strategic priorities will your company emphasize the most over the next 18-24 months?
  - "Portfolio adjustment, cost improvement, new markets to circumvent Chinese competition"
  - "Shifting to more "specialty" (Ag, life science and IT) enhanced focus on non oil raw materials (more green processes)"
  - "Investing in additional capacity in North America and also in acquisitions."
  - "Shifting away from commodity chemicals. Expansion in Biorational opportunities and IT Chemistry"
  - "Favorable outcome on tariffs in the USA mainly, but also other countries. Continue focus on efficiency and costs"

- Do you have any other comments that you wish to make about the current and future business environment?
  - "Geopolitical tension and trade policies increase uncertainty and volatility which presents both challenges and opportunities to business."
  - "Uncertainty is a huge negative and a concern"
  - "US competitive advantage over Europe is permanent and structural ….. "
  - "High uncertainty"
  - "Uncertainty is a difficulty.  Policy certainty (tariffs, regulations and related) is needed."