CONSULTING PROPOSAL

Operational Excellence Engagement

PREPARED FOR Marsten Chemical Industries

PREPARED BY Ferncliff Strategy Group

DATE March 22, 2026

I. Engagement Overview

Marsten Chemical Industries operates a complex multi-site manufacturing footprint across Louisiana, Saxony, and Gujarat that has grown by acquisition rather than design. Recent quarterly reviews indicate margin compression of 340 basis points across the specialty polymers division, driven by inconsistent process discipline, fragmented planning systems, and a senior leadership cohort stretched across five legacy operating models. The Board has asked for an independent diagnostic and a credible path to recover competitive cost position within eighteen months.

Ferncliff Strategy Group proposes a three-phase engagement designed to deliver both a quantified diagnostic and an executable transformation roadmap. Our approach combines deep operational benchmarking against six peer specialty chemical operators, a structured value-stream analysis at the three highest-volume facilities, and a digital readiness assessment of the planning and execution stack. We will work shoulder-to-shoulder with the Marsten leadership team rather than producing a deck and departing, which is the model our managing partners have refined over more than two decades of similar engagements.

We anticipate identifying $58 to $74 million in annualized run-rate value across procurement consolidation, working capital release, throughput improvement, and energy intensity reduction. Phases are sequenced so that Phase 1 financing approvals can fund Phase 3 implementation, and the engagement is structured to transfer methodology and capability to your internal continuous improvement function before our exit. The remainder of this document details deliverables, fees, team composition, and acceptance terms.

II. Engagement Architecture

01 — 4 WEEKS

DIAGNOSTIC

Establishing the factual baseline

KEY DELIVERABLES

- Site visits to Baton Rouge, Leuna, and Vadodara facilities with line-walk and operator interviews
- Quantified benchmark of unit economics against six anonymized peer operators in specialty polymers
- Working capital teardown across the order-to-cash and procure-to-pay cycles, segmented by SKU family
- Steering committee readout with prioritized opportunity register and confidence intervals

02 — 6 WEEKS

STRATEGY

Designing the recovery roadmap

KEY DELIVERABLES

- Future-state operating model with consolidated planning, S&OP cadence, and regional accountability lines
- Capital allocation framework distinguishing maintenance, performance, and strategic investment classes
- Eighteen-month transformation roadmap sequenced by funding requirement, dependency, and risk-adjusted NPV
- Board-ready business case with sensitivity analysis on commodity exposure and demand assumptions

03 — 12 WEEKS

IMPLEMENTATION

Driving execution to value

KEY DELIVERABLES

- Embedded delivery leadership on the four highest-value workstreams with weekly executive check-ins
- Capability transfer program building internal practitioners in lean, six sigma, and digital tooling
- Independent value-tracking dashboard reconciling operational metrics to the corporate P&L monthly
- Phase-gate exit review confirming sustained run-rate impact and handover to the internal CI office

III. Engagement Fee Structure

Fees are quoted as fixed-price by phase, billed monthly in arrears, exclusive of reasonable travel and disbursements which are reimbursed at cost with documented receipts. All amounts are stated in United States Dollars.

PHASE	EFFORT	FEE
Phase 1 — Diagnostic	4 weeks · 3 partners	**$185,000**
Phase 2 — Strategy	6 weeks · 4 partners	**$295,000**
Phase 3 — Implementation Support	12 weeks · 4 partners	**$410,000**
TOTAL ENGAGEMENT FEE		$890,000

IV. Engagement Team

EW

Eleanor Whitcombe

SENIOR MANAGING PARTNER

MBA, Wharton · former McKinsey Director

Twenty-three years advising specialty chemical and industrial gas operators across North America and the EU; led the post-merger integration that returned Saltbrook Chemical to industry-leading margins.

RD

Rohit Devanagari

PARTNER, OPERATIONS

PhD ChemE, MIT · former Plant Director, BASF

Practitioner background spanning eleven years of plant leadership in Ludwigshafen and Vadodara; specializes in throughput recovery, energy intensity, and lean transformation in continuous-process environments.

MA

Margaret Aldenberg

PARTNER, FINANCE & ANALYTICS

CFA · ex-Goldman Sachs Industrials

Formerly senior coverage banker for the global specialty chemicals sector; brings rigorous financial framing, capital structure perspective, and direct access to the buy-side analyst community.

> *This proposal and all materials produced during the engagement are the confidential property of Marsten Chemical Industries and Ferncliff Strategy Group. Distribution is limited to named recipients on the Marsten executive committee and Board. No portion may be reproduced, summarized, or shared with third parties — including affiliates, advisors, or potential acquirers — without prior written consent of both parties. Ferncliff observes a strict non-conflicts policy and confirms no concurrent engagement with a direct competitor of the specialty polymers division during the term.*

V. Acceptance

By countersignature below, the parties accept the scope, timeline, and fee structure set forth in this proposal. Either party may terminate the engagement on fourteen days written notice; in such event, fees through the date of termination plus reasonable wind-down costs become payable.

CLIENT

Marsten Chemical Industries

NAME & SIGNATURE **DATE**

Chief Executive Officer

CONSULTANT

Ferncliff Strategy Group

ELEANOR WHITCOMBE **DATE**

Senior Managing Partner