

# EMPLOYEE BENEFITS BENCHMARKING

2026



NORTHERN  
TECHNOLOGIES  
INTERNATIONAL  
CORPORATION

ZERUST<sup>®</sup> EXCOR<sup>®</sup>

Natur-Tec<sup>®</sup>

ZERUST<sup>®</sup>  
INTEGRITY SOLUTIONS

201 WOODLAND ROAD



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# About the Company

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Northern Technologies International Corporation (NASDAQ Ticker Symbol: NTIC) is in the business of developing innovative, environmentally beneficial materials science-based products and services for industrial and consumer applications.

Our focus on commercializing technologies that make industrial operations cleaner and greener depends heavily on the ingenuity, talent, creativity, perseverance, and integrity of our global employees and partners.



Technologies that allow our customers to reduce the environmental footprint of their global operations.

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**Natur-Tec®**

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In 1979, two leading researchers from NTIC's R&D team filed a patent on the world's first volatile corrosion inhibitor ("VCI") plastic packaging, laying the foundation for revolutionizing how industrial metal components are protected from corrosion as they are shipped and stored worldwide. From this one pivotal innovation, NTIC has grown into a global provider of cutting edge corrosion prevention products and services as well as certified compostable bio-plastic compounds and products, with sales and technical support reaching 70+ countries.

Consistent with our desire to expand our offering of environmentally beneficial clean technologies to the public, we developed certified compostable bioplastics through our Natur-Tec® line of products to further reduce any negative impact on the environment.

**We believe our responsibilities are first to our worldwide customers, then to our people, next to our communities, and finally to our shareholders. Therefore, we must:**

- Exercise honor, humanity, and disciplined management in our actions.
- See a unified world through the global perspectives of our people.
- Ensure that the environment becomes a better place because of what we do.
- Invest continuously in our future.

# Our Employees & Benefits

Investing in our employees to create a sustainable workforce is a key focus at NTIC. We provide career and leadership development, continuing education, and training opportunities to enable employees at all levels to expand their skills. In addition, for today's competitive labor market, NTIC has benchmarked salary, medical, dental, vision, life insurance, disability, PTO, 401(k), and a stock purchase plan with other Midwest companies of similar size to verify that NTIC has established fair and competitive pay levels and benefits, helping us attract and retain exceptional talent.

NTIC is an equal-opportunity employer at all levels of operation. We are dedicated to maintaining a work environment in which all employees are treated with the dignity, decency, and respect they deserve.

NTIC has implemented the Equal Opportunity, Non-Discrimination, and Anti-Harassment Policy as part of its commitment to compliance with all applicable legal and ethical requirements. We believe that adherence to this policy furthers the Company's mission, promotes productivity, minimizes disputes, and enhances our reputation.

Its purpose is to clearly communicate the Company's requirement for all employees to interact in a professional manner and contribute to a work environment reflecting the spirit of equal employment opportunity free from prohibited harassment, discrimination, and/or retaliation.

## NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION DIVERSITY METRICS

**41%**

of our  
workplace  
is female

**40%**

of our  
management  
team is female

**27%**

of our workforce is  
racially or ethnically  
diverse

**23%**

of our  
management  
team is racially or  
ethnically diverse



**6%**

of our U.S. workforce are veterans

# 401(k) Plan

NTIC employees have immediate eligibility in our 401(k) plan and are immediately vested upon contributing to the plan. NTIC may, in its sole discretion, make a profit-sharing contribution to the 401(k) plan on behalf of eligible employees. Cash bonuses and profit-sharing contributions are ways NTIC shares success with employees. NTIC, in its sole discretion, determines eligibility, amount, and method of calculating cash bonuses and whether NTIC will make a profit-sharing contribution in any particular year.

Features	NTIC 2025	Companies with \$5–50M Plan Assets (SHRM 2025 / ERI 2025)
<b>Eligibility</b>		
Immediate upon hire	✓	30.2%
3-months service		31.5%
After 4–11 months		14.8%
After 1-year		23.5%
<b>Plan Type Offered</b>		
401(k)	✓	93.1%
Equity comp/ESPP	✓	5.9%
<b>Loans</b>		
Loans offered	Yes	78.6% allow loans
Number of loans allowed	2+	56.1% that allow loans allow 1 max
<b>Employer Contributions</b>		
Profit sharing	✓	48.3%
Company match	✓	76.8%
Plans offering both match & profit sharing	✓	10.4%
<b>Vesting</b>		
Immediate	✓	32.7%
<b>Participation</b>		
Participation rate	100%	69%
<b>Deferral</b>		
Average deferral rate	8.10%	7.9%

Sources: SHRM 2025 Employee Benefits Survey; ERI 2025 Benefits Benchmarking Report; BLS National Compensation Survey, March 2025.

# Stock Purchase Plan

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The purpose of the Employee Stock Purchase Plan (the “Plan”) is to provide employees with a convenient and inexpensive means to purchase and sell shares of NTIC (the “Company”) at a 10% discount of fair market value. Such investments give employees an interest in providing for the continued success of the business, encourage regular and scheduled investing, and are a means of supplementing individual savings programs.

Employees may participate in the plan if they have attained the age of majority in the state in which they reside and have worked 90 days of full-time employment. Employees become eligible in the period following the period in which they sign up. Participation is entirely voluntary, and withdrawal is allowed at any time.

## How does it Work?

The average share price is calculated at the beginning and end of each 6-month period (3/1 & 9/1) using the closing price for five days surrounding the beginning and end of the period. Every plan participant will be able to buy shares at 10% below the lower average price.



**EXAMPLE:**

An employee has \$100 withheld per paycheck for 6 months: 13 pay periods × \$100 = \$1,300 to invest in stock.

- Average share price at beginning of period = \$10.00; at end of period = \$11.00
- \$10.00 (the lower price) × 90% = **\$9.00 per share**
- \$1,300 ÷ \$9.00 = **145 shares purchased**

## What is the Benefit?

Not only do participants acquire ownership in the company so they can profit as they help it prosper, but there is an immediate financial gain as well. The 145 shares acquired in the example above are actually worth \$1,595 (145 × \$11.00), meaning an immediate unrealized gain of \$295 (\$1,595 – \$1,300).

## How do Participants Make a Withdrawal?

At any time, participants may terminate the plan by giving notice to Broadridge Financial Solutions at (855) 588-5049. You then have two options:

1. Receive certificates for the whole shares in your account (cash for any fractional share)
2. Sell all shares and receive the proceeds less any commission and service fees

# Medical & Rx Plan

NTIC offers a medical plan through Medica. The plan has no copays required to be paid by employees. NTIC also pays the entire premium costs for employee-only coverage, so employees electing single coverage are not required to contribute toward monthly premium costs. NTIC offers a waiver credit of \$2,000 annually for employees who waive our medical coverage, and also has an employee-funded HSA that employees can contribute to with pre-tax income.

## NTIC OFFERS MEDICAL INSURANCE THROUGH MEDICA.

This plan has no copays, and employees are not required to contribute toward premium costs for single-only coverage.

## HDHP Medical Plan Design

Source: Milliman Benefits Benchmarking (2025)

Feature	NTIC 2025	Manufacturing	50 - 100 Employees
<b>In-Network Deductible</b> Individual   Family	\$1,650   \$3,300	\$3,300   \$6,600	\$3,500   \$7,000
<b>Out-of-Pocket Maximum</b> Individual   Family	\$1,650   \$3,300	\$6,000   \$12,000	\$6,000   \$12,000
<b>Physician Visits</b>	0% after deductible	20% after deductible	20% after deductible
<b>Urgent Care   ER</b>	0% after deductible	20% after deductible	20% after deductible
<b>Prescription Drugs</b>	0% after deductible	20% after deductible	20% after deductible

## Plan Costs and Employee Contributions

Contribution Type	NTIC 2025	Manufacturing	50 - 100 Employees
<b>Employee Contribution (Single)</b> Monthly Premium Contribution	\$0.00	\$120.00	\$116.00
<b>Employee Contribution (Family)</b> Monthly Premium Contribution	\$166.83	\$651.00	\$678.00

# Dental & Vision Plan

NTIC recognizes that dental and vision needs are important to employee health. Through the NTIC Dental Plan, employees and their families have access to both preventative care and major services at the percentages listed below. In addition, if an employee elects Vision Insurance, they will have access to frames and lenses at discounted rates at local EyeMed providers.

## Dental Plan

NTIC offers a dental plan through MetLife with immediate eligibility.

Source: Milliman Benefits Benchmarking (2025)

Feature	NTIC 2025	Manufacturing	50 - 100 Employees
Maximum Benefit Amount	\$2,000	\$1,500	\$1,500
Individual Deductible	\$50	\$50	\$50
Preventive Care	100%	100%	100%
Basic Services	80%	80%	80%
Major Services	50%	50%	50%
Ortho Maximum	\$1,500	\$1,500	50% to \$1,000

## Vision Plan

NTIC offers a vision plan through EyeMed with immediate eligibility.

Source: Milliman Benefits Benchmarking (2025)

Feature	NTIC 2025	Manufacturing	50 - 100 Employees
Exam Copay	\$10	\$10	\$10
Frequency Exam   lenses   contacts   frames	12/12/12/24	12/12/12/24	12/12/12/24
Lens Copay	\$25	\$25	\$10
Allowance Frames   contacts	\$140/\$140	\$130/\$130	\$130/\$130

## 2025-2026 Bi-Weekly Contributions

Contribution Type	Dental Plan	Vision Plan
Single	\$3.00	\$2.94
Single + Spouse	\$20.00	\$5.56
Single + Child(ren)	\$22.00	\$5.85
Family	\$22.00	\$8.59

# Life Insurance & Long-Term Disability Plans

Life & Long-Term Disability plans are offered at no cost to employees and have immediate eligibility

## Life Insurance

Sources: SHRM 2025; Milliman 2025 Group Disability Market Survey.

Feature	NTIC 2025
<b>Benefit Schedule</b>	\$50,000
<b>Eligibility Waiting Period</b>	Date of hire
<b>AD&amp;D Included</b>	✓

**Market Benchmark:** Median employer-paid life insurance benefit among small employers is \$50,000 (1× base salary for most). NTIC's flat \$50,000 benefit is consistent with market practice; 68% of small employers offer employer-paid group life insurance at no cost to employees.

Source: SHRM 2025 Employee Benefits Survey.

## Long-Term Disability

Feature	NTIC 2025
<b>Benefit Percentage</b>	60% of salary*
<b>Max Benefit/Year</b>	\$72,000
<b>Eligibility</b>	Date of hire
<b>Elimination Period</b>	90 days
<b>Max Benefit Duration</b>	SSNRA (Social Security Normal Retirement Age)
<b>Employee Cost</b>	\$0

\*60% of salary up to \$10,000/month or \$120,000 annually.

**Market Benchmark:** 60% salary replacement is the standard benefit level. Only 42% of small employers provide LTD at no cost to employees; NTIC is above average.

Source: Guardian 2025 Disability Report; Milliman 2025.



# Paid Holidays & Vacation Days Per Year of Service

Regular full-time employees are eligible for paid holidays during each calendar year, and part-time employees will be paid 6 hours a day for each paid holiday. To receive holiday pay, employees must work the regularly scheduled workday before and after the holiday. Employees are granted vacation based on their length of service with NTIC. Reset dates for vacation are the employee's hire date, and vacation time cannot be carried over from year to year.

## Paid Holidays

Source: SHRM 2025 Employee Benefits Survey; BLS NCS March 2025.

Holiday	NTIC	% of Employers Offering
New Year's Day	✓	97.2%
Martin Luther King Jr. Day		48.6%
President's Day		35.1%
Good Friday		29.8%
Easter		18.4%
Memorial Day	✓	94.1%
Juneteenth (June 19)		53.7%
Independence Day (July 4)	✓	92.8%
Labor Day	✓	95.2%
Columbus Day/ Indigenous People's Day		10.3%
Veterans Day		18.2%
Thanksgiving Day	✓	96.4%
Friday after Thanksgiving	✓	79.3%
Christmas Eve	✓	57.1%
Christmas Day	✓	95.6%
Full week between Christmas and New Year's		9.2%
New Year's Eve	✓	34.1%
None		1.8%

## Vacation Days Per Year of Service

Source: BLS National Compensation Survey, March 2025; SHRM 2025.

Service Level	NTIC	% of Employers (at this level)
<b>Day of Hire</b>		
15 days	✓	16.8%
10 days		21.1%
No vacation at hire		24.9%
<b>1 Year of Service</b>		
15 days	✓	21.4%
10 days		38.6%
<b>5 Years of Service</b>		
20 days	✓	17.3%
15 days		43.1%
<b>10 years of Service</b>		
25 days	✓	11.2%
20 days		40.4%

## NTIC Vacation Accrual Schedule

Years of Service	Annual Vacation
<b>0–5 years</b>	120 hours / 15 days
<b>5 years, but less than 10 years</b>	160 hours / 20 days
<b>10 years +</b>	200 hours / 25 days

# Flexible Work Options

NTIC allows office staff employees the ability to telecommute and work from a home office. All office staff employees are required to be in the office on Tuesdays each week and then can work from home the remaining days of the week. This hybrid model reflects NTIC's commitment to employee flexibility while maintaining collaborative in-person connection.

## NTIC'S HYBRID MODEL

Office staff required in-office one day per week (Tuesday). Remaining days may be worked remotely, varying by department.

## Flexible Work Options Comparison

Sources: SHRM 2025 Employee Benefits Survey; BLS National Compensation Survey, March 2025.

Flexible Work Options	NTIC	Midwest Company Average
Flexible work hours / compressed work weeks		49.3%
Flexible schedules for religious observances		18.4%
Job sharing (2+ part-time workers share 1 full-time job)		3.4%
Summer hours		16.2%
Telecommuting / working from home	Yes* (varies by department)	76.8%
Hybrid model (defined in-office days)	✓ (Tuesdays in-office)	52.1%
Fully remote roles available	Select roles	34.6%

### EMPLOYERS OFFERING HYBRID MODEL (2025)

**52.1%**

NTIC aligns with leading-edge hybrid practice

### EMPLOYEES PREFERRING HYBRID VS. FULL REMOTE

**61%**

SHRM 2025: hybrid is the most desired arrangement

**NTIC's Approach:** By requiring only one in-office day per week while allowing remote work the other four days, NTIC offers employees significant flexibility—well aligned with the 76.8% of Midwest companies offering telecommuting—while preserving in-person team collaboration.

# Employee Total Compensation Package

NTIC offers a very competitive benefits package as an integral component of total compensation. As shown in the comparison below, our benefit plan is well above and beyond what other companies offer and saves employees thousands of dollars in premiums each year in coinsurance and premium costs.

## Medical — Out-of-Pocket Cost Comparison

Source: KFF 2025 Employer Health Benefits Survey; ERI 2025 Benefits Benchmarking.

Single Person Health Care	NTIC	Avg. Small Employer
<b>Annual Payroll Deductions (Premiums)</b>	None	\$2,208
<b>Deductible</b>	\$1,650	\$2,200 (pay 100% up to this)
<b>Out-of-Pocket Maximum</b>	\$1,650	\$5,500 (20%/80% co-ins. applies)
<b>Total Potential Out-of-Pocket Costs</b>	\$1,650	\$7,708

Family Health Care	NTIC	Avg. Small Employer
<b>Annual Payroll Deductions (Premiums)</b>	\$2,000	\$8,400
<b>Deductible</b>	\$3,300	\$4,400 (pay 100% up to this)
<b>Out-of-Pocket Maximum</b>	\$3,300	\$8,200 (20%/80% co-ins. applies)
<b>Total Potential Out-of-Pocket Costs</b>	\$5,300	\$16,600

## 401(k) Retirement — Annual Employer Contribution Comparison

Source: SHRM 2025 Employee Benefits Survey; ERI 2025 Benefits Benchmarking; BLS NCS March 2025.

Contribution Type	NTIC @\$60K Salary	Avg. Employer @\$60K Salary	NTIC @\$100K Salary	Avg. Employer @\$100K Salary
<b>Company Match (Maximum of 3.5% up to 6% of pay)</b>	\$2,100	\$2,100	\$3,500	\$3,500
<b>NTIC Profit Sharing (Varies from 1.5% to 2.5%)</b>	\$1,500	None	\$2,500	None
<b>Total Retirement Contribution</b>	\$3,600	\$2,100	\$6,000	\$3,500

**ONLY 10.4% OF COMPANIES OFFER BOTH  
401(K) MATCH AND PROFIT SHARING**

**NTIC does!**

Source: SHRM 2025 Employee Benefits Survey



**NTIC HAS PAID A \$500 CHRISTMAS BONUS  
TO ALL EMPLOYEES EVERY YEAR!**

\*Christmas bonus is prorated for any employees hired within the calendar year.







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