

July 27, 2022

2nd Quarter 2022 Corporate Performance Bonus

To: All Employees

Business in the second quarter continued the trend we saw in Q1 where Oilfield saw additional growth in orders and shipments over Q1. High gas prices are painful when filling up, however they are due to high oil prices which result in increased sales for Fritz. While Specialty saw a slight dip in inbound orders, shipments did grow over Q1. This is mostly related to salt, during the quarter we basically cleared out the backorders which explains the shipments being higher than inbound orders. Now we must go get the orders that we didn't receive when we were backordered.

After detailed planning and long lead times for materials, the roof replacement that has been discussed over the past couple of years for building C is underway. If you work in or around the building you will see that project execution over the coming months. This is not expected to significantly impact production. Speaking of Drum Drying, our engineering, maintenance, production and R&D teams have completed a project to improve yield on dryer 48B and the results are terrific, this dryer is back to producing to our expectations.

In Specialty we did get the new Monobloc bottling line up and running. It is impressive! It can fill, seal and label many more bottles every hour than we have been able to do in the past. We are working towards adding additional bottle size capabilities and a case box labeler this quarter. There are several other projects underway with the goal of growing Specialty's profitability.

I want to remind everyone of this year's safety slogan, "Right from the start, be safety smart." We did see an uptick in incidents during Q2. Please keep safety in mind right from the start of your shift and all the way through it. Every employee must get back home to their family in good health. Plus, we don't want costly incidents to reduce bonuses.

Based on the great quarterly financial performance, we will be paying a bonus in this Friday's paycheck. This will be the biggest bonus ever paid. Great work everyone, let's keep the momentum going.

Regarding the second quarter bonus, it will be paid to eligible current employees who have not received multiple disciplinary actions during the previous quarter, whether verbal or written, and who were in active employment with the company from July 1, 2021, through June 30, 2022. The bonus, if you are eligible, will be included in the July 29th payroll run and identified in the details section of the pay stub as "CRP PERF BONUS".

Sincerely,



Brent H. Duty
Vice President - Specialty