

MONTHLY NEWSLETTER

Safety

Our leadership is actively engaged in presenting our response to the fatality last month in Louisiana. One key takeaway is the emphasis on **Stop Work Authority**. All new hires and current employees should feel empowered to stop any job where they feel there is a potential for bodily harm or damage to equipment. Every employee should understand the Stop Work Authority policy.

This month, we began the formal Loss Prevention System (LPS) rollout to our Legacy HydroChem sites. Our goal is to complete this rollout by the end of September. Once all sites are complete, the EHS&T and LPS teams will audit sites to ensure compliance with the use of LPS tools and LPS stewardship activities. **You can help with the success of the LPS rollout by stewarding LPS with your teams and ensuring that they are stewarding LPS with their direct reports.** Remember, Manager Stewardship includes providing Quality Review of All Tools (4 per month) and V&V of Tool Solutions (2 per month).

Operations

The Downstream division is expecting a larger-than-usual Fall turnaround (TA) season, with more than \$33 million in TA projects between late August and November. The Downstream group has set goals to hire over 650 new employees in the next few months. Sites are being incentivized for making their hiring goals and penalized for missing their hiring goals. Sites should hire several weeks before TA projects because it can take 3 or 4 weeks to source, onboard, train, and ensure compliance is met for a new employee

going into the field. For any recruiting needs please contact Betsy Sherbet Betsy.Sherbet@hydrochempsc.com. **Keep in mind, the best employees are the ones already trained and experienced, so retaining our current employees is critical to our success.**

Human Resources

By the end of August, all HydroChemPSC will be united under one payroll system (including all union and GST employees). Furthermore, all auto allowance programs will be uniform throughout the company. This long-awaited integration will enable easier information retrieval on labor costs and headcounts. All 401K plans will be united as one plan on October 1st. This consolidation is the last of the tactical HR integration activities for the combined company. Moving forward, the HR team will be focused on the fall turnaround season, assisting operations with processes and creative solutions to the labor shortage. As always, the HR team will continue to work on organization development and developing our employees and managers.

Account & Finance

Remote Accounting Data Input User Systems (Radius) is a multi-functioning, company-developed billing, payroll, and purchase order program to facilitate service ticket entry, client billing, and employee pay. Radius will improve the visibility and clarity of HydroChemPSC's financial health. We will complete the Downstream Radius rollout by September and start the Upstream rollout. Once Upstream is complete we will begin rolling out to the Utilities team.

Sales

We continue to win significant projects and scopes of work across all four business segments. The Downstream business recently won the daily maintenance work at CVR Coffeerville and picked up the remaining routine work at Chevron Pascagoula. **Selling our Engineered Services into our core accounts is a key initiative for the ongoing growth of our company.**

The Louisiana team recently secured two large Engineered Services projects with an estimated value of \$4.5 million. These wins were a team effort, highlighting the strength of our embedded relationships and our excellent service capabilities. We are also adding services to our toolkit. Recently, GST began "hot tapping" services, and we already have sold our first project to a long-term customer. In our Utility business, our team continues to add scopes of work with PGE, SCE, SMUD and Exelon. Finally, our Upstream business has secured an additional 530 feet of dock in Port Fourchon, LA. This will allow us to more than double our dockside cleaning business. Overall, our company has a strong pipeline of opportunities and we are well on our way to meeting our revenue targets for the year.