

The Flow Informer

Your Resource To Eliminate Turbulence

Fall 2021 Issue

2021: A Fresh Outlook

As we reflect on 2020 and the unprecedented challenges of COVID-19, I am proud that LSPI's commitment to safety and reliability remain as strong as ever. Our organization has worked hard to take the necessary precautions to ensure the safety of our employees, customers, and vendors, while maintaining our operations and providing reliable delivery of our products and services.

We kicked off 2021 with a myriad of business initiatives, activities and recognitions that align with our commitment to providing the highest level of safety, product reliability and performance, and long-term value for our customers.

In this edition of the Flow Informer, we invite you to take a closer look at some of the accomplishments and initiatives that reflect our continued focus on the delivery of breakthrough value today and into the future.



Mike Brown, CEO

LSPI Enters Subsea with New Alliance



LSPI has entered a strategic alliance with Safe Marine Transfer, LLC. (SMT) to deliver our market leading drag reducing agents (DRA) subsea via SMT's patented all-electric dual barrier subsea storage and injection unit.

The introduction of DRA at the subsea well/drill center has the potential to significantly increase production in a cost-effective manner, by increasing flow rates in existing subsea production lines, subsea gathering lines, and subsea trunk lines.

This partnership represents a unique opportunity to leverage over four decades of experience in pioneering technology, product development and

global delivery to a completely new market where we have the potential to significantly increase subsea well tieback production.

Subsea 7 has taken minority equity interest in SMT and entered a Cooperation Agreement to assist in the delivery of SMT's services and LSPI DRA on a global basis. Through its partnership with SMT and LSPI, Subsea 7 supports the deployment, recovery, replenishment, and maintenance of the Subsea DRA Injection Unit.

Together, SMT, LSPI and Subsea 7 bring a combination of proven applications, market leading technology and industry expertise to deliver full-service subsea production and pipeline flow increase for offshore needs.

For more information, please visit www.safemarinetransfer.com.

LSPI's Subsea Flow Increase Solution: 2021 Finalist for World Oil's Best Deepwater Technology Award

In August 2021, our subsea flow increase solution was nominated as a 2021 finalist for World Oil's *Best Deepwater Technology Award*.

This award recognizes significant technology innovation in deepwater drilling, completions, or production. Professionals and technologies demonstrating cutting-edge thinking and next-generation leadership from across the upstream oil and gas industry were selected as finalists in 18 awards categories.

For 20 years, the World Oil Awards have recognized and honored the upstream energy industry's leading innovators and innovations and recognized step changes in technology that have made a lasting impact.



Business-Wide HSE Excellence

At LSPI, safety is our number one priority, and we are committed to caring for and protecting our environment, our communities, our partners, and each other. This year, we are proud to shed light on the outstanding safety milestones, achievements and recognitions that reflect the extent to which our safety culture is embedded in the core fabric of our organization.

Maintaining an excellent safety record enables LSPI to ensure continuous and reliable production of DRA, allows us to recruit, develop, and retain the best employees in the industry, and it fosters a safety-first operational standard that extends into how we work with our customers.

LSPI Recognized by ISNetwork as a RAVS Plus Participant



In February 2021, LSPI completed and passed the ISNetwork (ISN) Review and Verification Services (RAVS) Plus Audit with a perfect score and no findings. ISNetwork is the main contractor management program our customers use to verify our HSE programs. Only 10% of ISN participants worldwide are recognized for their commitment to safety through this program.

ISN RAVS certifies the extensiveness of a company's written HSE programs and further audits the HSE management system to ensure the company is fully compliant with critical policies. ISN RAVS Plus differentiates LSPI from our competitors by confirming that our organization has a robust HSE management system for current and potential customers.

This audit involved five LSPI Field Service Representatives (FSRs) taking an extensive test, an evaluation of more than 25 written HSE programs, submission of training records and an interview with LSPI's HSE Global Director and HSE Technician. We are proud of our team members who participated in the ISNetwork RAVS Plus Audit and helped LSPI achieve this designation.

Plant Safety:

Liberty and Bryan Plants, 1 Year Without Recordable Incidents

LSPI's Liberty plant in Chickasha, Oklahoma, and both Bryan plants have all completed one year without a recordable incident. These milestones are a testament to LSPI's commitment to safety and to the safety of those around them. Our employees at both the Liberty and Bryan plants have put a tremendous amount of effort into hazard recognition and mitigation while providing essential services to our organization and customers. Our plant employees have continuously fostered a safety-focused culture and maintained a safe work environment by conducting their work in accordance with principles that promote safety.

LSPI's plant employees have maintained a safe work environment by driving employee engagement with an employee-led Frontline Safety Team, which champions safety initiatives throughout the plants.

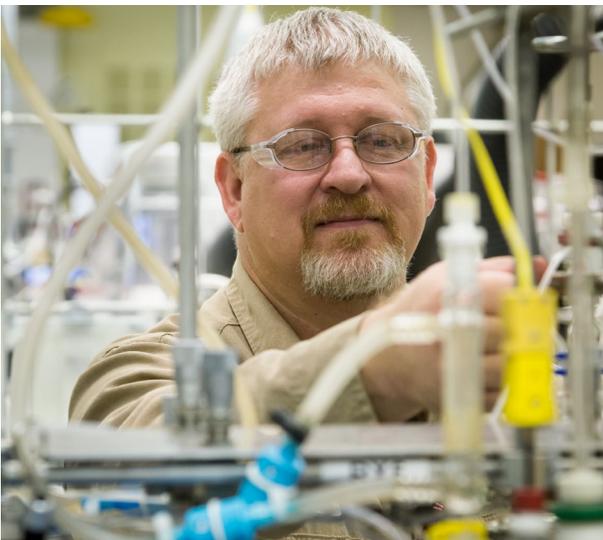


Liberty Plant – Chickasha, OK



Independence & Freedom Plants – Bryan, TX

LSPI's Flow Improver Research, Science, and Technology (FIRST) Center: 17 Years Without Recordable Incidents



In September 2021, LSPI's Flow Improver Research, Science, and Technology (FIRST) Center in Ponca City, Oklahoma achieved a working safely goal of zero recordables since 2004!

This outstanding milestone demonstrates the personal responsibility to safety that every member of our research and development team brings for themselves and their colleagues in their daily choices.

Fostering a successful safety culture can be attributed to a continuous focus to personal safety and the safety of others, supported by our safety leadership, robust training and the comprehensive safety rules, procedures, and guidelines in place to ensure the safest possible working conditions.

LSP Transport (LSPT) Reaches 10 Million Safe Miles Driven!

As of August 8, 2021, we are proud to share that LSPI's in-house private fleet, LSP Transport (LSPT), reached 10 million safe miles driven, distributed across our different terminals in Bryan, Texas, Stanton, North Dakota, Chickasha, Oklahoma, Granite City, Illinois, and San Angelo, Texas.

With more than 20 years of experience in the chemical transportation industry, LSPT became a wholly owned subsidiary of LSPI in 2015 and is dedicated to safely delivering LSPI's products to customer sites.

Reaching 10 million miles driven without a preventable DOT accident reflects the level of commitment to excellence and the high safety standards upheld by every member of the organization, from our drivers, maintenance teams and dispatch planners, to our safety, administrative and management groups. LSPI's unique and robust in-house transportation enhances our logistics outreach, allowing additional flexibility in business operations to ensure reliability and uptime.



LSP Transport, LLC (LSPT) Crowned North American Safety Champion

National Tank Truck Carriers named LSP Transport, LLC (LSPT) the North American Safety Champion of the Sutherland division. NTTC's annual award recognizes tank truck operations in North America with the best safety programs and records each year and represent the gold standard for safety in the tank truck industry.



Pictured from left to right:
Joe Maple (LSPT HSE Manager),
David Jones (LSPT Field HSE Specialist) and
Brock Kavlie (LSPT Field HSE Specialist)

The NTTC is the only national organization that specifically focuses on the tank truck industry. The North American Safety Contest, which awards the Heil Trophy, recognizes North American tank truck operations that excel in nine different categories.

Joe Maple, LSPT HSE Manager, accepted the Heil Trophy stating “these awards don’t happen without a lot of work behind the scenes. We’ve got a great company... starting at the top. The most important to our success are our drivers –who buy into our culture, do the best they can to go home the same way they came to work...and take the extra time to do what needs to be done to make sure we do it safely. Without them, there’s no way we could make this happen.”

Winners are determined by their safety records, safety and preventive maintenance programs, personnel safety programs and record, and contributions to tank truck industry and general highway safety causes. LSPT secured its trophy with a frequency of 0.344 accidents per million miles in the 5-7 million miles class of the Competitive Safety Contest, and won a Grand Award in the Personnel Safety Contest.

LSPI's recent safety achievements, milestones and recognitions are a testament to the safety culture that permeates all aspects of the organization. We congratulate our HSE group, manufacturing personnel, field service representatives, LSPT team and research and development employees for conducting their work with tenacity and exemplary professionalism, while remaining focused on their safety as well as the safety of others.

We are proud of our employees at all levels who share the attitudes, beliefs and safe work practices that maintain safety excellence at the center of all that we do.

Sustainability - LSPI's Consultative Approach to Carbon Emissions

Due to the significant, growing emphasis on sustainability, energy companies have been increasing their focus on sustainability by examining the environmental, social, and governance aspects of their business more critically.

At LSPI, caring for and protecting our environment, our communities, our partners, and each other stands at the center of everything we do. Our commitment to delivering benefits and long-term value to each of these groups is the foundation of our new Environmental, Social and Governance (ESG) program.

Within the framework of this program, we have adopted initiatives to:



- Understand and advance our own sustainability outcomes by quantifying our own footprint
- Share our work in several areas associated with corporate sustainability with the launch of LSPI's inaugural sustainability report
- Expand our consultative service to help customers improve their sustainability outcomes. To this end, LSPI recently developed and launched a program to help our customers quantify their carbon emissions and identify opportunities to cost-effectively reduce them

This sustainability-focused customer program is an expansion of our full-service solution and aims to deliver long-term value to our customers. LSPI is prepared to provide consultative support by helping our customers determine and lower their Scope 2 CO2 emissions. For more information on how LSPI can help you achieve your sustainability goals, please contact your LSPI representative or visit the Contact Us section of our website at www.liquidpower.com.

LSPI Organizational Update

Meet LSPI's Newly Appointed Vice President of Commercial

Laura Thomas is LSPI's new Vice President of Commercial, responsible for developing and executing the company's global commercial strategy. In this role, Laura will manage customer relationships and ensure the delivery of LSPI's full-service value across our customers' organizations.

Laura has more than 15 years of experience in oil and gas in various engineering, operational and commercial roles. In her previous role as LSPI's Vice President of Supply Chain, Laura was responsible for the transportation of all LSPI products, managing global inventories and strategic warehouses to provide optimal customer reliability. She also managed the formation of LSP Transport, LLC. (LSPT), LSPI's in-house trucking fleet, overseeing their safe and successful operation to achieve optimal customer replenishment.

As a member of the Leadership team, Laura helps to define the overall business strategy, promote effective collaboration and integration, and support the high standards for safety, quality, and environmental stewardship that our customers, employees and partners have come to expect from LSPI.



Retirement Announcements



Robert (Bob) Rhoades, LSPI's Western Hemisphere Sales Director, has elected to retire on October 1, 2021. After starting his career at Conoco 37 years ago, Bob joined the LSPI sales organization almost 20 years ago and has played an instrumental role in the company's growth.

As the Western Hemisphere Sales Director, Bob developed enduring customer relationships through his leadership of a team of sales managers, technical service engineers, and multiple distributors, all focused on delivering maximum value to our customers. Bob's ability to link the needs of customers and market opportunities to LSPI's R&D capabilities has contributed significantly to LSPI's leading position in our industry.

After 33 years at LSPI, **Dr. Yung Lee**, LSPI's Director of Engineering and Technical Services, has elected to retire at the end of 2021. Upon retirement, Yung will continue to contribute to LSPI in a consulting role.

Yung has played an important and influential role in establishing our global DRA leadership position through research and development of our technology, engineering, and modeling, and in mentoring and developing our young engineers. Dr. Lee has been granted several patents around the development of new DRA products for the pipeline industry and has written and presented many papers focused on fluid flow and DRA applications. Through his extensive work in the research, development, and evolution of LSPI's technology, he has helped to deliver high drag reduction performance and solutions to meet our customers' DRA needs. In his most recent role, Dr. Lee has led the evaluation, implementation and maintenance of successful DRA field applications and has been intimately involved in ensuring the optimization of our customers' field operations.



We wish Bob and Yung all the best and we thank them for their outstanding contributions to LSPI's success over the years!

Our Canada Office Has Moved!



LSPI's office in Calgary has an updated address:



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