



May 5, 2022

Dear Valued Customer:

Since our last announced price increase, we, at Quaker Houghton, continue to experience extraordinarily inflationary pressures on our raw materials, particularly Natural Fats and Oils, Base Oils, Oleochemicals, and Surfactants, as well as in other areas like packaging and transportation.

Moreover, with global demand outpacing supply on many raw materials and delays, extended lead times, and uncertainty in the supply chain, we are having to actively seek alternate suppliers and make continuous spot buys to maintain supply continuity. All of these actions are coming at a very high cost to continue to ensure that we can be the best possible provider of valuable solutions to our customers. As a result, we need to take additional pricing action.

Effective May 23, 2022, Quaker Houghton is increasing prices across all product lines in the United States and Canada. Price increases will vary by product line and most increases will be 15% or greater depending on component and formulating costs for the products.

Additionally:

- We may not be able to provide any time between price increase notification and implementation.
- We reserve the right to invoice at the new price immediately, for any quantities ordered in excess of your recent monthly order quantity.
- We reserve the right to invoice at prices in effect at the date of shipment.

We continue to take our responsibility to be a viable and sustainable supplier of products and solutions to our customers very seriously. We recognize the transactional impact these frequent price increase actions have on your business and that some of these actions deviate from historical practices, but the ongoing pace and magnitude of hyper-inflationary pressure continues to impact our business.

We continue to do everything possible to supply our Quaker Houghton customers. We are working with our suppliers to secure commitments that will ensure availability of raw materials to better serve you, meet your scheduled deliveries, and mitigate the needed for costly expedited shipments. We are also working closely with transportation carriers for increased predictability of our finished goods deliveries.

The details of new pricing for products you purchase will be sent to you in the coming days. Your local Quaker Houghton Account Manager will be in contact shortly and will provide additional details and answer any follow-up questions.

Thank you for your business and continued support. We truly value and appreciate our partnership and are committed to serving your needs today and in the future.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jeewat Bijlani", with a horizontal line underneath the name.

Managing Director, Americas
Jeewat Bijlani