

In conversation with...

Juergen Schiefer, Sales Director, Europe, Ergon International.



Ergon is known for its naphthenic base oils such as HyGold. What properties do naphthenics have that provide superior performance in application against paraffinic oils?

Solvency and viscosity. The unique chemistry of Ergon base oils offers increased viscosity and solvency compared to paraffinic base oils.

The move to Group II in Europe has led to a rationalization of Group I base oil availability even though Group I remains around 40% of the total market. What role do naphthenics play in supporting this market change?

Naphthenics have long served industries that demand specific chemistries, and as naphthenic refineries rationalised in the '80s and '90s, a core group of industries remained that continued to be served by naphthenic base oils. Now as Group Is rationalise, industries will remain that are unable to convert to Group IIs and will either be serviced by the remaining Group Is or have their chemistry needs met with naphthenics. Ergon is dedicated to providing solvency and viscosity solutions to the market.

Some of Ergon's markets such as insulating oils can be particularly hazardous. How does the nature of the market segment affect Ergon's approach to developing and marketing products?

Ergon is committed to providing reliable products that meet the standards required to ensure the safety of the markets they go into. Additionally, Ergon has extended its portfolio of dielectric fluids to include biodegradability and high fire safety for specific applications where these properties are needed.

Ergon places great emphasis on purposeful growth, not just growing the fastest but recognizing the place of every employee within the organization. What role does purposeful growth play for Ergon's customers?

At Ergon, we understand that our success is tied to the success of both our customers and our employees.

Purposeful Growth is a core value — one we live and breathe every day, with every decision and every solution.

The positive trajectory of our organisation has been steady since our founding in 1954. Growth has always been aligned with a clear purpose and vision as we have expanded from serving customers locally to providing products and services in more than 90 countries around the world. We are focused on growing the right way — not just the fastest way.

Ergon's investment in present and future generations of employees empowers our teams to realise their full potential. We are committed to providing the best opportunities for employees to succeed. Ergon's Organisational Development Department partners with leadership to ensure all companies excel in recruiting, retaining and developing the best people to reflect our core values and to ensure continued growth.

How would you describe the culture at Ergon today?

Ergon's culture really stems from being a family-owned company, built by one man, Leslie Lampton Sr., who called his employees around the world by name and passed his values on to his four sons, his many grandchildren who work for the company today, and more than 3,000 employees around the world.

Mr. Lampton taught us that people always come before profits. If we take care of our people, our customers and our communities, the business will take care of itself.

After his passing in 2018, we embarked on a journey to highlight the Ergon story, our values and our beliefs from the perspective of those who live them out every day. Our values of *Empowered Service, Selfless Leadership, Purposeful Growth and Respectful Relationships* make Ergon an exceptional

place to work, learn and grow. They have also made us a trusted partner to customers in more than 90 countries around the world.

Ergon has a heritage born of hard work, a foundation built by service and a future bound by what we create next. There is a common thread throughout our companies that contributes to our success. Across all divisions, we do things other businesses can't or won't. We excel where chemistry matters, where markets need specialty products and where customer service is important.

What role does sustainability play at Ergon both for your organization and its products?

Pride in our work is part of our DNA. We are determined to be a force for good with processes that address evolving social norms, an enterprise risk management framework and a culture that cares as much about our ecological footprint as we do other elements of our operations. We always focus on doing the right thing, and our customers trust that we know the chemistry and the services needed for their applications better than anyone else. We are expanding our product portfolio to include renewable and recycled components that will not only protect our environment, but also give our customers competitive advantages for the future.

The Ergon family is committed to Doing Right:

- With our products, as we develop innovative, quality products and solutions produced in an environment of impeccable compliance standards and ethical business practices.
- For our planet, as we work to define and measure our emissions, environmental and energy impacts, set realistic goals and implement solutions to achieve those goals.
- By our people, as we respect the dignity of every team member and encourage and foster career as well as personal growth in an environment that promotes safety, diversity and equality.
- And through our principles, with an unwavering commitment to our core values which reinforces the focus on sustainability, health and safety, compliance with company policies, and the investment of our time and resources to serve our communities throughout the global Ergon organization.

Ergon recently published the organization's second sustainability report — the Doing Right Report — celebrating the uniqueness of the company and the things we've been doing right for decades. It highlights innovative ways Ergon companies are working together to impact sustainability. We are creating cleaner products, supporting and protecting our people and our communities today and for future generations, and ensuring the continued success of this organization upon which so many people around the world depend.

How were you and your company affected by the COVID-19 pandemic? Did it lead to new ways of engaging your markets and customers?

As our chief operating officer, Kris Patrick, recently reported, "Our clear motivation from Day One was to protect our employees. Period. Ergon's mission of meeting needs, supporting families and serving customers hasn't changed. And it didn't change because of COVID. It's been said that the moments that challenge us the most define us, and this has certainly been a defining period. While many companies were trying to hold on or slow the free fall, our employees moved Ergon forward in so many ways. Those employees are what make this company great."

You have been involved in the naphthenics industry since 1993. Since this time, have there been many changes in your products, customers and markets that you have witnessed?

- One big trend in the past 30 years has been naphthenic's growth as a source for clean solvency. Low PAH legislation for tire process oil, enacted by the EU, caused a global shift from carcinogenic DAE oil to naphthenic oils in North America, South America, and parts of EMEA and Asia. This event led Ergon to expand the production capacity of its Vicksburg, MS refinery, demonstrating our commitment to supplying clean solvency and devotion to naphthenic chemistries.

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