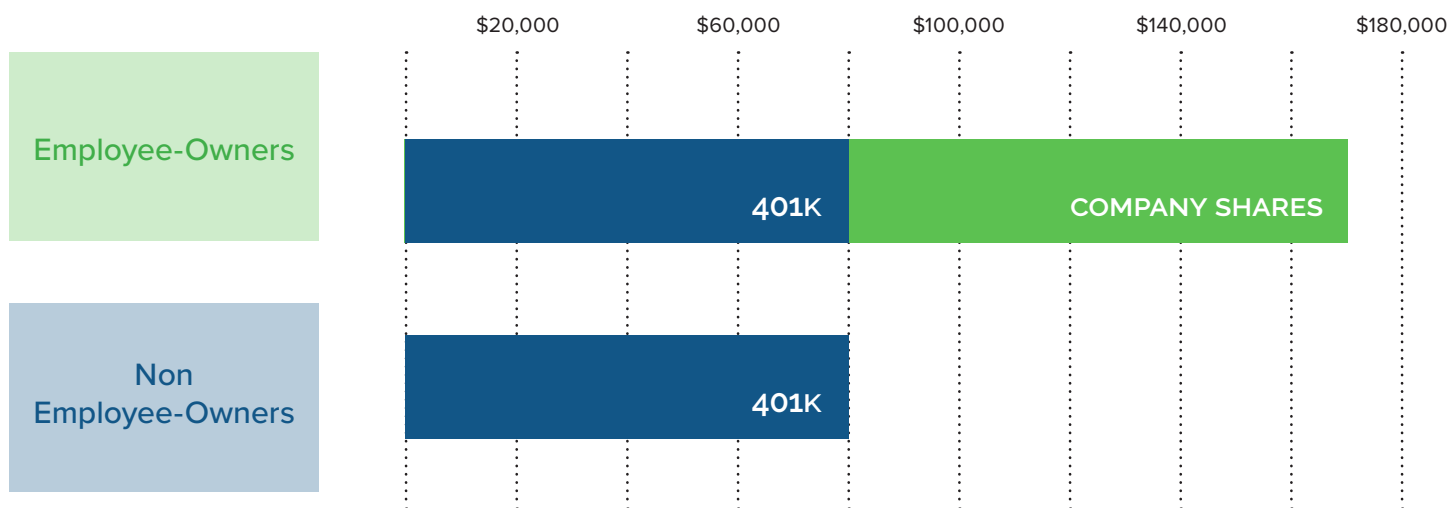


The Benefits of Employee Ownership

What does it mean to be “employee-owned”? Just what it says — that our employees are the owners of Cirtronics Corporation. Every full-time employee and many part-time employees have a direct path to ownership of company stock at no cost to them.

Why do we do it?

1 **It helps our people build wealth.** Nationally, employee-owners have more than twice the average total retirement balance of Americans: **\$170,326 compared to \$80,339.**¹



¹ Wiefek, Nancy, Nicholson, Nathan.(December, 2018). ESOPs and Retirement Security.

2 **It makes our company more successful.** Employee-owners are more likely to contribute ideas, work harder, and be better team members. This drives company success and increases the value of our business, which flows back to all of us through an increase in our share price.

3 **It strengthens our culture.** Employee ownership aligns teams and creates a positive feedback loop. As a result, we operate like a team of owners who care more about the company and one another.

Employee-Owner Frequently Asked Questions

Q: What does it mean to be employee-owned?

A: It means that everyone who works at the company has the opportunity to become an owner! Employee ownership ensures that everyone builds wealth when the company succeeds.

Q: What is an ESOP?

A: An ESOP is an Employee Stock Ownership Plan. Technically it is a retirement plan. Your ESOP account is funded by annual contributions made by the company and the value of your account tracks closely with our success. You pay nothing for your shares and do not have to contribute to your ESOP account.

Q: Is the ESOP open to all employees?

A: It is open to all employees 18 and older and who have worked at least 500 hours in the current plan year.

Q: Does this cost me anything?

A: It does not cost you anything!

Q: What is vesting?

A: Vesting is the percentage of your ESOP account that is yours and cannot be taken back. The longer you work here, the more you vest. If you leave before you are 100% vested, the non-vested portion of the balance will be forfeited.

Q: When do I get the money?

A: The goal of the ESOP is to give current employees an ownership stake in our company. As a result, distribution of the benefit in your ESOP account begins when you leave the company or retire.

Q: Does this mean I can set my own schedule?

A: There is a difference between ownership and control. Ownership is about having a monetary stake in and an ability to have a positive impact on the success of the company. Control is about decision making. We are still professionally managed and many of the normal rules of business still apply.

Q: What can I do to help increase our share price?

A: As a team of owners, we all have a role to play in our success. Anything you can do to increase output or save us money will help raise our share price (and the value of our ESOP accounts). Even small ideas add up to big increases when we all do our part.

Q: How do I learn more?

A: Connect with anyone in HR, TLC, Finance or a member of the ESOP Committee.