



December 23, 2020

Dear Roper Pump Team,

For me, the holidays are a time when I am able to slow down a bit, reflect on the past year and take the time to appreciate what I am most grateful for. Among those are all of you, our talented and highly dedicated employees. It goes without saying that 2020 has been a struggle for our world, our country and our Company. But, as we have done many times in our more than 160-year history, we did the hard work, and came out stronger on the other side. This would not have happened without the commitment and dedication demonstrated by literally, every function in our Company. And so, I would like to take this opportunity to express my appreciation for some pretty big accomplishments that I know, did not come without significant effort.

To our **Operations team including Manufacturing, Shipping, Quality, Receiving, Manufacturing Engineering, Maintenance and the Toolroom** – Thank you for your flexibility in learning a totally new way of operating under the Management Operating System (MOS), being willing to learn new machines and embrace new processes for production planning. During the 2nd quarter, our total sales were down more than 57% vs prior year. You all dealt with furloughs, split shifts and the stress of having to witness headcount reductions. When the market picked up faster than we expected, many of you put in very long days away from your families to ensure our customers received their orders as quickly as possible. The productivity improvements you made not only saved jobs, but allowed our company to deliver profitable results in an impossible market.

To our **Sourcing & Production Planning team** – Thank you for also embracing a new way of operating under the MOS, for developing the new production planning process, and working with the rest of the Operations team to implement it. We have more work to do here, but you made it better than it was before. Many of you also took on new responsibilities in 2020 while responding to extreme volatility in our supply chain which required pulling every lever available to get our raw materials delivered from international vendors.

To our **Engineering & Test Lab teams**– At the beginning of the 2020, you were focused on developing new products for our Subsurface business. By April, you had to switch gears and start to transfer knowledge and build capabilities in Surface Pump engineering, while finding creative ways to be productive while we put our new product development plans on hold. You worked with Operations and Manufacturing Engineering to put your engineering talents to work helping improve our manufacturing processes, and even spent time picking parts when Operations was needing all hands on deck. Thank you for being so flexible and willing to do whatever it took to help our Company where we needed it. We appreciate you all so much.

To our **Inside Sales, Outside Sales and Customer Service teams** – Our outside sales team found creative, new ways to connect with customers and distributors who had closed their doors to wait out the pandemic. When orders picked up before we were ready, and then COVID-19

precautions made the situation worse, all of you went into high gear working with Operations to balance what was possible with the most urgent needs of our customers. Disappointing customers is not something we ever want to do, and you are the ones having the difficult conversations. We have learned a few things from this year, and we will put measures in place to help us respond better to future market volatility. Thank you for your dedication to our customers and for being part of the solution.

To our **Human Resources team** – Thank you for quickly and accurately sorting through all of the details of the CARES Act (government stimulus package) and helping our employees manage the complexities of how to get paid during quarantines and furloughs. Also, thank you for finding new ways to bring a few bright spots to this otherwise dismal year like the new format for our All Employee Meetings, QBR/Strategy Forum Meetings, and Holiday Celebration. Because of your efforts, our employees were able to find a few moments of connection with each other that certainly brought smiles to our faces.

To our **Information Technology team** – Thank you for your exceptionally quick action setting our Company up so that employees who had never worked from home on a regular basis, could do so effectively. Also, thank you for establishing new ways like Zoom for us to connect “in person” while social distancing, and keeping business going. You did all of this while navigating an increasingly dangerous cybersecurity environment with so many of us relying on digital connections. Great job!

To our **Finance team** – Many folks may not realize what happens to a Finance team when you’re part of a publicly traded company and your markets have just collapsed. Since March, there have been numerous urgent requests asked of the Finance team not only to calculate the financial impact on our Company, but also to help our corporation better manage the expectations of our shareholders. The Finance team not only delivered on all of these requests in addition to their regular roles, but they did so while the VP Finance position was open for half the year. They also had to get creative paying our vendors while working remotely, and helping customers get their product despite their financial difficulty. Thank you all for the nonstop financial analyses, and literally, for keeping the lights on.

For me, this has been the most challenging year in my entire career. Not only taking on a new role as your President, but having to manage through one of most difficult years in our Company’s recent history. Every decision the Senior Staff and I had to make this year, was done so while balancing the safety and continued employment of our people with the needs of our customers. Getting through a year like 2020 takes significantly more effort from everyone than a year of growth would. I want you all to know how much I appreciate you bringing your best to work every day, and demonstrating your commitment to our customers and your fellow employees.

Merry Christmas and Happy Holidays to you and your loved ones. Bring on 2021!

Sincerely,



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Diane F. Edwards
President
Roper Pump Company