

A NOTE FROM PRESIDENT G. RUFFNER PAGE, JR.



For McWane, 2021 has turned into a year with something of a split personality: one full of celebration and caution. As you read this, we are about halfway through our centennial celebration. All across our family of companies we are celebrating a century of innovation and success that began in 1921 with J.R. McWane. In addition to the McWane centennial, Bibby Ste. Croix is also celebrating its 100th anniversary, and several of our other companies are also celebrating significant milestones in their respective histories.

But in the midst of our celebrations, there is also concern about the ongoing COVID pandemic. While we did get some good news with the approval of vaccines to protect us against the virus, we've also seen a surge in cases in several states including many in which we have operations. That's why I urge all of our team members to get vaccinated as soon as it's available and to continue wearing face coverings and practicing social distancing. It's the right thing to do to protect ourselves, our families, and our communities.

Since our products are deemed as essential to America, our team worked together to continue production during

the COVID pandemic in 2020. But every business group had its own set of challenges and developed strategies to address them. I'd like to update you on our progress tackling these challenges in 2021.

As we complete the first quarter of 2021, demand has normalized for nearly every product line across the **Fabricated Metals Group**, and some are seeing a significant increase in orders. As a result, the teams at Manchester and Amerex are focusing on supply chain management, increasing the work force where necessary and logistics to ensure that high quality products are delivered to customers when they need them.

For the **Plumbing Group**, 2021 sales were forecasted to be flat or even down 6%. Fast forward first quarter 2021, the overall Plumbing Group volume is in fact down 8% from last year's 3 months, but the rest of the year looks incredibly strong and they project that 2021 will finish slightly higher than 2020. A big change from the original forecast. It is indeed a sluggish start, but all indicators point to a healthy volume year, as construction starts are exploding, and costs are levelling out. The Northeast's volume is already up over 40% due to seasonality and the loosening of COVID restrictions and the Northwest is also showing signs of life with volume up over 15% from last year.

Capital projects planned for the Plumbing Group in 2021 include a new fittings molding line in Tyler, Texas and the completion of a coupling line in Sri City, which will give us access to an entire market segment we have not been a part of in years. It will be a busy year preparing for the next 20 years, but the manufacturing, sales and management teams are all working hard to find ways to be more efficient. The 2021 mantra is "make more with less."

The **Technology Group** had a mixed year in 2020. Nighthawk successfully

added nine new accounts for Adaptive and expanded to 43 accounts with iHydrant®, but physical and financial constraints slowed shipments significantly. Nighthawk was not able to hit our growth targets in 2020, but we have set aggressive targets for 2021 in both areas and are seeing increased activity in the first part of the year. Our main challenge remains access to the customer. While we have made good use of virtual webcasts and conferences to keep in front of customers, face to face meetings are more effective to move relationships forward. Nighthawk is working closely with the **Valve & Hydrant Group** for an all-out push to full system sales for the iHydrant® and signed the first account representing around 500 iHydrants® — over twice the volume of all of 2020.

2020 was also a challenging year for the **Waterworks Group** as volumes were down significantly across all business lines. We had to absorb significant cost increases in scrap metal, but we have been able to pass on the cost increases through price increases to our customers during the first half of 2021. While COVID had a significant impact on our operations, we were able to keep all the plants operating thanks to the diligent adherence to safety protocols that helped to prevent widespread outbreaks at the plants. All the plants were able to flex their operations and costs to adjust for the lower volumes.

2021 is starting out very strong with significant volume increases in all business lines. This is due to a backlog of municipal projects that were delayed due to COVID and new home building. We anticipate the strong volumes will continue until at least the Fall. The impact from COVID on operations is lessening each week as more and more team members reach full vaccination status. McWane Ductile's Utah facility reached 70+% fully vaccinated in April. We are recruiting new team members at all

of our plants to avoid excessive overtime during the summer.

McWane Poles business has continued to grow at very strong levels despite the travel and visitation restrictions of customers and potential customers. Current growth rate is over 20% and we remain optimistic that we can retain that level through the end of 2021. Both the Ohio and Utah finishing facilities continue to focus on operational throughput and cost reductions as we are breaking ground on the new Utah finishing building expected to be commissioned in April of 2022.

While training was a challenge in 2020 and at times put on hold because of COVID, we are planning to gradually and safely get back on schedule in 2021. We are now in our 4th full year of refocus on The McWane Way. Many of our facilities have completed training workshops for all team members. We are in the process of building in-house capabilities to train new team members and others on the principles and values articulated by the McWane Way Compass. And these principles and values fit neatly with our expectations of treating all team members with respect, celebrating our differences, and using those differences to strengthen our capabilities and, in turn, our business.

Let's continue working together and we'll get through this and truly have something to celebrate together. Thank you for all you do.

A handwritten signature in black ink, appearing to read "G. Ruffner Page, Jr.".

BIBBY-STE-CROIX CELEBRATES CENTENNIAL ANNIVERSARY

OVER THE PAST CENTURY, BIBBY-STE-CROIX HAS BECOME AN IMPORTANT MEMBER OF THE QUEBEC COMMUNITY. When it was founded in 1921, the Ste-Croix Foundry was a small concrete block foundry, serving the local needs of farmers by making tractor wheels, plow and harrow parts, cookware and more. In 1947, it became a grey iron alloy foundry, producing pipes and fittings for building drainage systems. They purchased the initial spinner, but the workers built several machines themselves to improve the output.

Unfortunately, tragedy struck twice in 1970. A fire in September and another on Christmas Eve destroyed a large part of the foundry. Although this time was difficult, Bibby was able to rebuild the foundry and preserve 145 jobs because of a government grant.

“ **AS WE CELEBRATE OUR FIRST 100 YEARS, IT IS TRULY GRATIFYING TO BE SURROUNDED BY SO MANY PEOPLE WHO HAVE PLAYED SUCH AN IMPORTANT ROLE IN THE COMPANY’S SUCCESS.** ”

On April 4, 1997, McWane acquired Bibby, and over the next 20 years, made substantial investments in both the Ste-Croix and Laperle Foundries to make them more competitive in the face of increasing global competition. Bibby-Ste-Croix, with the collaboration of Laperle Foundry, is now Canada’s largest manufacturer of castings for municipal roads, including manhole covers, Canadian valve boxes, water system fittings and tree grates.

Looking to the future, plans are in place to install a new resin sand manufacturing process, which will allow us to better control the cost and quality of the sand.

As the global economy gradually changes, these improvements will provide us with new opportunities to either expand the range of products we offer or develop new product lines that will serve new markets.

Thank you to the 400+ team members at the Bibby-Ste-Croix and Laperle Foundries for helping achieve this milestone.



CONGRATULATIONS 2020 MCWANE SCHOLARSHIP WINNERS

COVID-19 has altered nearly every aspect of life in general, and has had a profound impact on college students. We are pleased to announce the winners of the **2020 McWane Scholarship**. Winners will receive a total scholarship of **\$8,000** (\$2,000 per year for four years). Congratulations to the following McWane Scholarship recipients for their hard work and commitment to continuing their education.

AMY PERALTA

Parent: Odilon Peralta
Crane Operator
Tyler Pipe Company



GISELLE VELASCO VALDIVIA

Parent: Gabriel Reynosa
Machine Operator/
Special Finishing Department
AB&I Foundry



SARAH ZHANG

Parent: John Zhang
Pattern Maker
AB&I Foundry



ALEXANDRA GOOD

Parent: Benjamin Good,
Vice President QMS & SCM
Synapse Wireless



STACIA HATFIELD

Parent: Patrick Hatfield
Crane Operator
McWane Ductile – Ohio



LASONYA CROOK

Parent: Anthony Crook
GFD Millroom
Leadman & Grinder
Tyler Union



HALEY FRANK

Parent: Duane Frank
Sales Manager
McWane Ductile – Ohio



MARIA SACCANI

Parent: Michael Saccani
Regional Sales Manager
MPI Plant & Industrial



JADEN MCSPAREN

Parent: Donnie McSparen
SCC90 Operator
Clow Valve Company



OLIVIER DEMERS

Parent: Martine Bernier
Product Specifications
Engineer
Clow Canada



CELEBRATING 100 YEARS

GENERATIONS



OF EXCELLENCE

WE'RE MIDWAY THROUGH THIS MONUMENTAL YEAR, THE MCWANE CENTENNIAL. IT'S A TIME TO CELEBRATE THE INNOVATION AND INGENUITY THAT COMES WITH 100 YEARS OF SERVICE AND, MORE IMPORTANTLY, EVERYONE WHO HAS MADE IT POSSIBLE.

Together with 12 foundries and 34 total manufacturing facilities across eight countries that make up the McWane Family of Companies, one thing is clear: the key component to our success is our team members — past, present and future.

CELEBRATE WHAT MATTERS...

For anyone that's at all familiar with the McWane Family of Companies, the



phrase "**McWane for Generations**" is a mantra of what McWane stands for, both in terms of the products we make and the thousands of team members who make it happen.

This year is about celebrating how a group of forward-thinkers working together in 1921 has grown exponentially to be known across our



local communities, our nation and the entire world for excellence that's measured now not just in years or decades, but an entire century.

Our success in building and strengthening the world's infrastructure,



and the relationships we've built along the way, can't be underestimated. This year, we're proud to celebrate **Generations of Excellence**.



... AND THEN KEEP THE PARTY GOING!

Throughout the rest of the year, we'll continue to share stories, reflect on memories made and celebrate as a team. Thank you to all our team members who have already pitched in to help us make this a special year — we're looking forward to doing even more to make this a year to remember.

- ▶ **Centennial Site:** Be sure to check our Centennial site often, www.McWane.com/100. There you can find stories shared by your teammates, 100 fun facts, a Centennial video and even share your own story.
- ▶ **Centennial Celebration:** Mark your calendars for Oct. 22, 2021, when we'll host an all-company celebration.
- ▶ **Scholarship Opportunities:** Education is paramount to success

- and we want to continue to provide opportunities to those who work for us and those in our community. Be on the lookout for new scholarship opportunities as part of an expanded scholarship program!
- ▶ **Tree Planting:** To commemorate our centennial anniversary, and as part of our ongoing commitment to the environment and sustainability, we will be planting oak trees at our facilities. These trees will stand as living testaments to growth for



With his background in iron and steel manufacturing, and after establishing himself as an innovative leader in developing high-quality products and in worker welfare initiatives, J.R. McWane started the McWane Cast Iron Pipe Company in 1921.

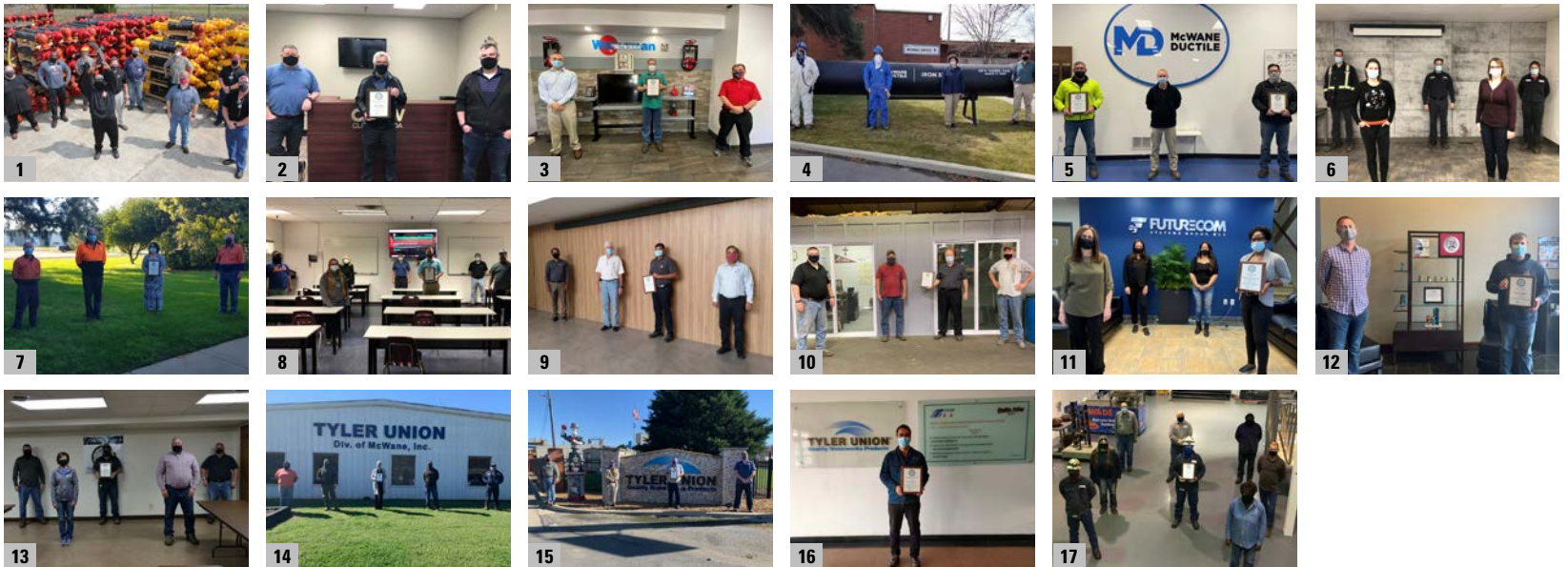
- generations to come, cleaning the air, providing homes for wildlife, shade for team members and a reminder of our history and commitment to a healthy global community.
- ▶ **Community Projects:** Each facility is finding new and different ways to give back. Watch for more details and for a little competition across the family of companies.



JOIN THE FUN

Access a fun **McWane Centennial Word Search** using this QR code.

2020 MCWANE ENVIRONMENTAL HEALTH & SAFETY AWARD WINNERS



1	M&H Valve Company	EHS Excellence (Screaming Eagle), Outstanding Environmental Performance-Foundry, Top Quartile Club
2	Clow Canada	Outstanding Environmental Performance-Fabrication
3	Waterman Industries	Outstanding Environmental Progress
4	McWane Ductile – Utah	Exemplary Environmental Achievement
5	McWane Ductile – New Jersey	Outstanding Health & Safety Performance, Top Quartile Club
6	Bibby-Ste.-Croix	Exemplary Health & Safety Achievement
7	Manchester Tank Echuca	Exemplary Health & Safety Achievement
8	Kennedy Valve Company	Top Quartile Club
9	McWane India Private Limited	Top Quartile Club
10	Alabama Dynamics	Top Quartile Club
11	Futurecom Systems Group	Top Quartile Club
12	Janus Fire Systems	Top Quartile Club
13	McWane Ductile – Ohio	Top Quartile Club
14	Tyler Union Oxford	Top Quartile Club
15	Tyler Union Anniston	Top Quartile Club
16	Tyler Xianxian	Top Quartile Club
17	Tyler Pipe Company	Top Quartile Club

STEP UP TO MAKE A DIFFERENCE

We are encouraging team members to become fully vaccinated. By becoming fully vaccinated, each team member plays a role in stopping the spread of COVID-19 in our facilities and the communities where we live.

You can find the latest vaccine and COVID-19 related information at mcwane.com/vaccine.

Username: mcwaneway Password: teammember



— McWane Access Line —
877-231-0904
accessline.mcwane.com

Report any known or suspected
illegal or unethical conduct



McWane does not tolerate acts of
retaliation against anyone who makes a
good faith report of known or suspected
ethical or illegal conduct.