PENTAIR

Q1 2022 Earnings Release

April 21, 2022

Caution Concerning Forward-Looking Statements

This presentation contains statements that we believe to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact are forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets," "plans," "believes," "expects," "intends," "will," "likely," "may," "anticipates," "estimates," "projects," "should," "would," "could," "positioned," "strategy," "future" or words, phrases or terms of similar substance or the negative thereof, are forward-looking statements. All statements made about the anticipated Manitowoc Ice acquisition, including the anticipated time for completing the acquisition, the expected financial results of the Manitowoc Ice business and the anticipated benefits of the acquisition, and statements about our expected 2022 financial results are forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, assumptions and other factors, some of which are beyond our control, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These factors include our ability to close and fund the Manitowoc Ice acquisition on the expected terms and time schedule, including obtaining regulatory approvals and satisfying other closing conditions; our ability to integrate the Manitowoc Ice acquisition successfully; our ability to retain customers and employees of Manitowoc Ice; the overall impact of the COVID-19 pandemic on our and the Manitowoc Ice business; the duration and severity of the COVID-19 pandemic, the impact of virus variants and the effectiveness of vaccinations; actions that may be taken by us, other businesses and governments to address or otherwise mitigate the impact of the COVID-19 pandemic, including those that may impact our ability to operate our facilities, meet production demands, and deliver products to our customers; the impacts of the COVID-19 pandemic on the global economy, our workforce, customers and suppliers, and customer demand; overall global economic and business conditions impacting our business, including the strength of housing and related markets and conditions relating to the conflict between Russia and Ukraine and related sanctions; supply, demand, logistics, competition and pricing pressures related to and in the markets we serve; volatility in currency exchange rates; failure of markets to accept new product introductions and enhancements; the ability to successfully identify, finance, complete and integrate acquisitions; the ability to achieve the benefits of our restructuring plans, cost reduction initiatives and transformation program; risks associated with operating foreign businesses and foreign supply chains; the impact of raw material, logistics and labor costs and other inflation; the impact of seasonality of sales and weather conditions; our ability to comply with laws and regulations; the impact of changes in laws, regulations and administrative policy, including those that limit U.S. tax benefits or impact trade agreements and tariffs; the outcome of litigation and governmental proceedings; and the ability to achieve our long-term strategic operating and ESG goals. Additional information concerning these and other factors is contained in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2021. All forward-looking statements, including all financial forecasts, speak only as of the date of this presentation. Pentair assumes no obligation, and disclaims any obligation, to update the information contained in this presentation.

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Key Definitions

- Except as otherwise noted all references to 2022 and 2021 represent our results from continuing operations for the period indicated, presented on an adjusted basis
- "Core sales" refers to GAAP revenue from continuing operations excluding (1) the impact of currency translation and (2) the impact of revenue from acquired businesses recorded prior to the first anniversary of the acquisition less the amount of sales attributable to divested product lines not considered discontinued operations
- Segment income represents equity income of unconsolidated subsidiaries and operating income from continuing operations exclusive of non-cash intangible amortization, certain acquisition related expenses, costs of transformation and restructuring activities, impairments, and other unusual non-operating items
- Return on sales ("ROS") equals segment income divided by sales
- See appendix for GAAP to non-GAAP reconciliations

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Executive Summary

- ✓ **Strong financial results for Q1’22**
  - Sales growth of 15%
  - Segment Income grew 5%
  - Adjusted EPS increased 5%
- ✓ **Announced agreement to acquire Manitowoc Ice – a leading provider of ice machines**
- ✓ **Entering seasonally strongest quarter with continued momentum**
- ✓ **Introducing Q2 and updating full year 2022 guidance**

	Q1’22 Results	Q1’21 Results
Sales	$1.0B	$866M
Segment Income	$172M	$164M
Adjusted EPS	$0.85	$0.81

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Building a Track Record of Consistent Growth

Expected Growth Drivers

Grow the core to drive consistent value creation

Strategic growth initiatives to accelerate the top line

Transformation to **unlock value and fund growth**

Balance sheet to provide flexibility and upside acceleration

Transformation to Enhance Value Creation

Execution Underway

Transformation to **unlock value and fund growth**

Centered Around Four Key Themes

- **Pricing Excellence**
- **Strategic Sourcing**
- **Operations Excellence**
- **Organizational Effectiveness**

Enablers

- **Focus & Prioritization**
- **Digital Enterprise (ERP & Data Analytics)**

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Advancing Total Water Management and Building a Stronger Commercial Water Solutions Platform*

Core

Additional End Markets

Pentair Everpure ~$225M

- Respected industry brand
- Water expertise
- Key account excellence
- **Deliver great water**
- Filtration solutions
- Marketing resources

Manitowoc Ice ~$325M

- Respected industry brand
- Refrigeration expertise
- Key account excellence
- **Deliver quality ice**
- Channel: product availability
- Aftermarket support

Pentair KBI Services ~$125M

- National service footprint
- Direct owner/operator access
- **Deliver consistency**
- Infrastructure to track and execute water as a service
- Customer trust & loyalty

Commercial Water Solutions ~$675M

- **Water as a Service**
- **Rental/leasing recurring revenue**
- Global, national, regional, and local customer reach
- **Seamless & frictionless experience**

**Expected 2022 sales performance: Results dependent on closing of Manitowoc Ice acquisition, which is expected to close in the second or third quarter of 2022, subject to regulatory approvals*

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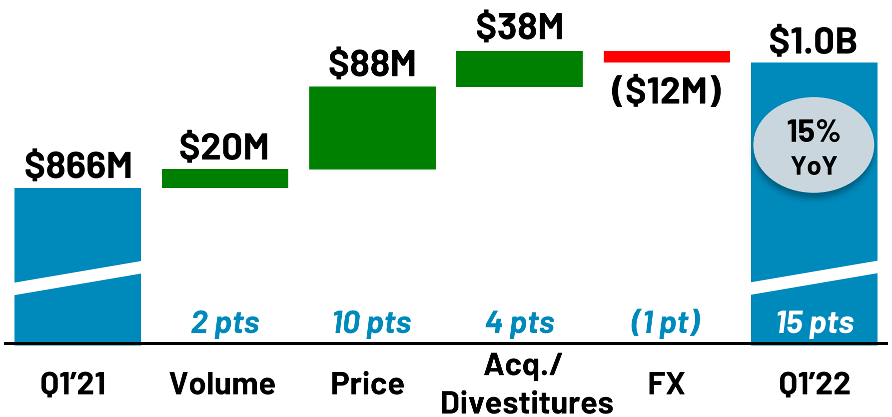
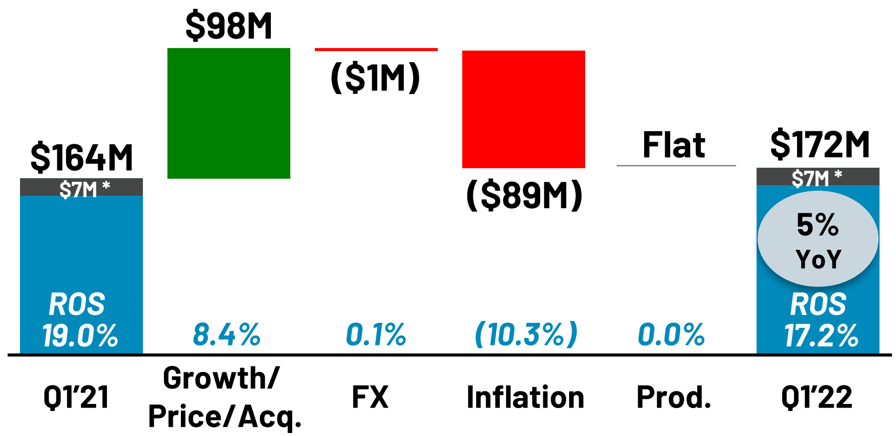
 Q1 2022 Earnings Release.

Q1'22 Pentair Performance

Sales



Segment Income



*Non-Cash Intangible Amortization

Core Sales up 12%

- Consumer Solutions up 17%
- Industrial & Flow Technologies up 6%

Segment Income up 5%

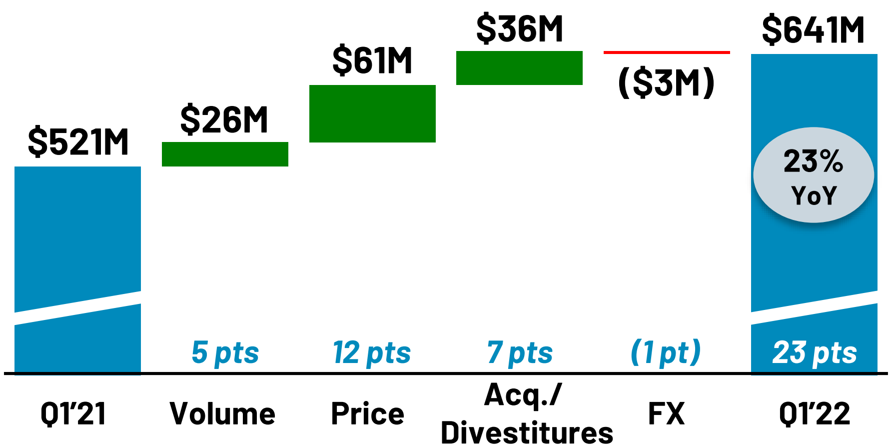
ROS 17.2% ... down 180 bps

Adj. EPS $0.85 ... up 5%

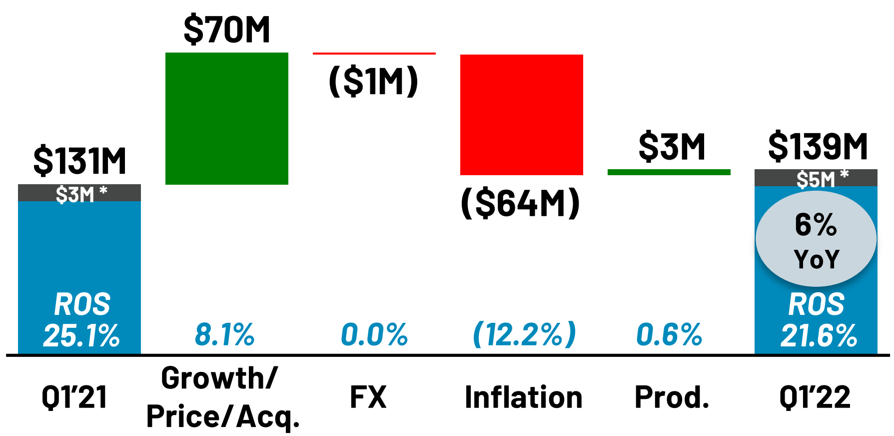
- Adjusted Tax Rate of 16%
- Net Interest/Other of $3.7M; Shares 166.5M

Q1'22 Consumer Solutions Performance

Sales



Segment Income



*Non-Cash Intangible Amortization

Pool

- Sales up 23%

Water Treatment

- Sales up 24%

Segment Income up 6%

ROS 21.6% … down 350 bps

- Lower margin contribution of recent acquisitions
- Higher inflation and ongoing supply chain inefficiencies

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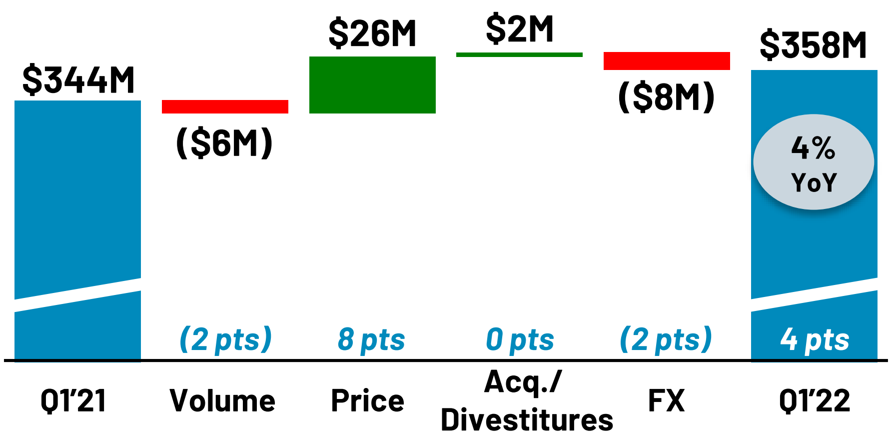
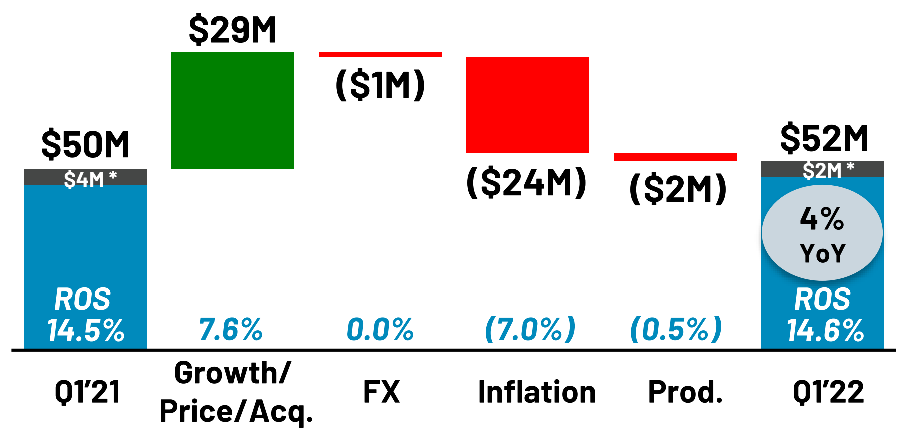
Q1'22 Industrial & Flow Technologies Performance

Sales



Segment Income



*Non-Cash Intangible Amortization

Flow

- Residential sales up 1%
- Commercial sales up 1%

Industrial Solutions

- Sales up 11%

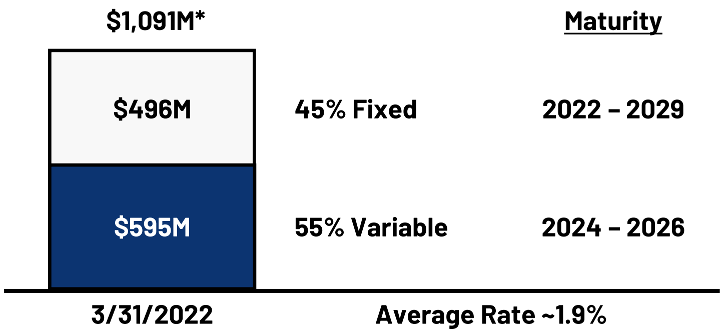
Segment Income up 4%

ROS 14.6% ... up 10 bps

- Longer cycle business recovery
- Complexity reduction

Balance Sheet and Cash Flow

Debt Summary



**Does Not Include $102M of Cash on Hand*

Cash Flow ($M)

	Q1 2021	Q1 2022
Net Income - Continuing Ops	**$131**	**$119**
Amortization	7	7
Subtotal	**$138**	**$126**
Depreciation	13	13
Capital Expenditures	(13)	(18)
Asset Sales	3	-
Working Capital	(160)	(201)
Other Accruals/Other	(10)	(69)
Free Cash Flow – Total	**($29)**	**($149)**
Free Cash Flow - Discontinued Ops	-	-
Free Cash Flow - Continuing Ops	**($29)**	**($149)**

Debt Roll-Forward ($M)

	3/31/2021	3/31/2022
Beginning Debt	**$840**	**$894**
Used (Generated) Cash	29	149
Share Repurchase	10	-
Dividends	33	35
Acquisitions/Other	20	13
Ending Debt	**$932**	**$1,091**

Other Items

- **Net Debt/Adjusted EBITDA at Quarter End 1.3x**
- **ROIC at Quarter End 18.5%**

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Q2 and Full Year 2022 Pentair Outlook*

- **Expect strong Residential** (~60% of sales) **season across entire portfolio**
- **Commercial** (~20% of sales) **recovery gaining momentum**
- **Industrial** (~20% of sales) **orders continue to improve**
- **Price reading out and expected to offset significantly higher inflation for the full year**
- **Disciplined capital allocation; Manitowoc Ice acquisition expected to close in Q2 or Q3 of 2022, subject to regulatory approvals**

	Q2'22	FY'22
Sales	• Total Sales up ~11% to 13%	• Total Sales up ~9% to 11%
Income	• Segment Income up ~14% to 17%	• Segment Income up ~10% to 13%
EPS	• Adjusted EPS ~$0.98 to $1.01 (Up ~17% to 20%)	• Adjusted EPS ~$3.70 to $3.80 (Up ~9% to 12%)
Other Items	• Corp. Expense ~$20M • Net Interest/Other ~$5M to $6M • Adjusted Tax Rate of ~16% • Shares ~166.5M to 167.5M	• Corp. Expense ~$80M • Net Interest/Other ~$18M to $20M • Adjusted Tax Rate of ~16% • Shares ~167M to 168M
Cash Flow		• Expecting FCF ~100% of Net Income • Capital Expenditures ~$70M to $80M • D&A of ~$80M and ~$30M of Non-Cash Stock Comp

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**Does not include Manitowoc Ice acquisition, which is expected to close in the second or third quarter of 2022, subject to regulatory approvals*

We Believe PNR is a Compelling Investment Opportunity

Our Long-Term Expectations

- An Industry Leader with a Powerful, Innovative Brand Portfolio
- Favorable Secular Trends, Compelling End Market Growth
- Sustainable Business Model with Focused & Faster Growing Initiatives
- Transformative Strategy to Unlock Significant Value
- Additional Value Creation from Strong Balance Sheet and Cash Flow

A Strong Foundation and the Opportunity to Create Substantial Value

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Appendix

GAAP TO NON-GAAP MEASUREMENTS & RECONCILIATIONS

Reported To Adjusted 2022 Reconciliation

Pentair plc and Subsidiaries
Reconciliation of GAAP to Non-GAAP Financial Measures for the Year Ending December 31, 2022
Excluding the Effect of 2022 Adjustments (Unaudited)

In millions, except per-share data	Actual First Quarter	Forecast Second Quarter		Forecast Full Year	
Net sales	$ 999.6	approx	Up 11% - 13%	approx	Up 9% - 11%
Operating income	145.8	approx	Up 19% - 22%	approx	Up 11% - 15%
% of net sales	*14.6 %*				
Adjustments:					
Restructuring and other	2.1	approx $	—	approx $	2
Transformation costs	5.5	approx	—	approx	6
Intangible amortization	6.6	approx	6	approx	23
Legal accrual adjustments	(0.7)	approx	—	approx	(1)
Deal-related costs and expenses	6.4	approx	—	approx	6
Russia business exit costs	5.9	approx	—	approx	6
Equity income of unconsolidated subsidiaries	0.5	approx	1	approx	3
Segment income	172.1	approx	Up 14% - 17%	approx	Up 10% - 13%
Return on sales	*17.2 %*				
Net income from continuing operations—as reported	118.5	approx	$152 - $157	approx	$569 - $586
Amortization of bridge financing fees	2.6	approx	4	approx	7
Adjustments to operating income	25.8	approx	6	approx	42
Income tax adjustments	(5.4)	approx	2	approx	2
Net income from continuing operations—as adjusted	$ 141.5	approx	$164 - $169	approx	$620 - $637
Continuing earnings per ordinary share—diluted					
Diluted earnings per ordinary share—as reported	$ 0.71	approx	$0.91 - $0.94	approx	$3.40 - $3.50
Adjustments	0.14	approx	0.07	approx	0.30
Diluted earnings per ordinary share—as adjusted	$ 0.85	approx	$0.98 - $1.01	approx	$3.70 - $3.80

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Reported To Adjusted 2021 Reconciliation

Pentair plc and Subsidiaries
Reconciliation of GAAP to Non-GAAP Financial Measures for the Year Ended December 31, 2021
Excluding the Effect of 2021 Adjustments (Unaudited)

In millions, except per-share data	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net sales	$ 865.9	$ 941.1	$ 969.2	$ 988.6	$ 3,764.8
Operating income	157.1	161.8	167.3	150.7	636.9
% of net sales	*18.1 %*	*17.2 %*	*17.3 %*	*15.2 %*	*16.9 %*
Adjustments:					
Restructuring and other	1.5	3.9	0.1	2.0	7.5
Transformation costs	—	1.9	4.0	5.8	11.7
Intangible amortization	7.1	6.3	6.0	6.9	26.3
COVID-19 related costs and expenses	0.2	0.1	0.1	0.2	0.6
Legal accrual adjustments and settlements	(2.4)	—	—	(5.2)	(7.6)
Inventory step-up	—	—	—	2.3	2.3
Deal-related costs and expenses	0.7	1.0	2.1	4.1	7.9
Equity income (loss) of unconsolidated subsidiaries	0.2	(0.1)	0.1	0.1	0.3
Segment income	164.4	174.9	179.7	166.9	685.9
Return on sales	*19.0 %*	*18.6 %*	*18.5 %*	*16.9 %*	*18.2 %*
Net income from continuing operations—as reported	131.1	132.6	143.7	148.6	556.0
Gain on sale of businesses	—	—	(1.4)	—	(1.4)
Pension and other post-retirement mark-to-market gain	—	—	—	(2.4)	(2.4)
Other income	—	(0.3)	—	—	(0.3)
Adjustments to operating income	7.1	13.2	12.3	16.1	48.7
Income tax adjustments	(2.4)	(4.6)	(6.2)	(17.0)	(30.2)
Net income from continuing operations—as adjusted	$ 135.8	$ 140.9	$ 148.4	$ 145.3	$ 570.4
Continuing earnings per ordinary share—diluted					
Diluted earnings per ordinary share—as reported	$ 0.78	$ 0.79	$ 0.86	$ 0.89	$ 3.32
Adjustments	0.03	0.05	0.03	(0.02)	0.08
Diluted earnings per ordinary share—as adjusted	$ 0.81	$ 0.84	$ 0.89	$ 0.87	$ 3.40

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Core Sales Growth Reconciliation

Pentair plc and Subsidiaries
Reconciliation of Net Sales Growth to Core Net Sales Growth by Segment
For the Quarter Ended March 31, 2022 (Unaudited)

	Q1 Net Sales Growth			
	Core	**Currency**	**Acq. / Div.**	**Total**
Total Pentair	**12.4 %**	**(1.3)%**	**4.3 %**	**15.4 %**
Consumer Solutions	16.7 %	(0.6) %	6.9 %	23.0 %
Industrial & Flow Technologies	6.0 %	(2.3) %	0.4 %	4.1 %

ROIC Reconciliation

Dollars in millions	First Quarter 2021	Second Quarter 2021	Third Quarter 2021	Fourth Quarter 2021	First Quarter 2022
Return on Invested Capital (ROIC)					
Segment income	$ 164.4	$ 174.9	$ 179.7	$ 166.9	$ 172.1
Reported effective tax rate	13.5 %	15.9 %	13.3 %	2.0 %	15.4 %
Adjusted effective tax rate	14.5 %	17.4 %	16.0 %	12.1 %	16.0 %
NOPAT	$ 140.6	$ 144.5	$ 150.9	$ 146.7	$ 144.6
Depreciation	12.7	12.8	12.8	12.9	13.0
Capital expenditures ("Cap Ex")	(13.2)	(11.1)	(14.3)	(21.6)	(17.7)
Total NOPAT, Depreciation, and Cap Ex	$ 140.1	$ 146.2	$ 149.4	$ 138.0	$ 139.9
Trailing fourth quarter NOPAT, Depreciation, and Cap Ex	$ 479.4	$ 521.5	$ 551.5	$ 573.7	$ 573.5
Ending Invested Capital	3,031.2	2,892.3	2,865.8	3,222.0	3,492.9
Trailing five quarter average invested capital	2,942.7	2,886.4	2,885.1	2,975.0	3,100.8
After-tax Return on Invested Capital	16.3 %	18.1 %	19.1 %	19.3 %	18.5 %

NOPAT (Net Operating Profit After Tax) is Defined as [(Segment Income) X (1 - Adjusted Effective Tax Rate)]

Ending Invested Capital is Defined as [Total Shareholders' Equity + Long-term Debt + Current Maturities of Long-term Debt and Short-term Borrowings - Cash and Cash Equivalents]

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Free Cash Flow Reconciliation

Pentair plc and Subsidiaries
Reconciliation of the GAAP operating activities cash flow to the non-GAAP free cash flow (Unaudited)

In millions		Three months ended March 31, 2022		Three months ended March 31, 2021
Net cash used for operating activities of continuing operations	$	(131.5)	$	(18.8)
Capital expenditures		(17.7)		(13.2)
Proceeds from sale of property and equipment		—		3.4
Free cash flow from continuing operations	$	(149.2)	$	(28.6)
Net cash used for discontinued operations		—		(0.2)
Free cash flow	$	(149.2)	$	(28.8)

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Last Twelve Months Adjusted EBITDA Reconciliation

Pentair plc and Subsidiaries
Reconciliation of Net Income from Continuing Operations to Adjusted EBITDA (Unaudited)

In millions		Second Quarter 2021		Third Quarter 2021		Fourth Quarter 2021		First Quarter 2022		Last Twelve Months
Net income from continuing operations	$	132.6	$	143.7	$	148.6	$	118.5	$	543.4
Adjustments:										
Deal-related costs and expenses		1.0		2.1		4.1		6.4		13.6
Restructuring and other		3.9		0.1		2.0		2.1		8.1
Transformation costs		1.9		4.0		5.8		5.5		17.2
Intangible amortization		6.3		6.0		6.9		6.6		25.8
COVID-19 related costs and expenses		0.1		0.1		0.2		—		0.4
Legal accrual adjustments and settlements		—		—		(5.2)		(0.7)		(5.9)
Pension and other post-retirement mark-to-market gain		—		—		(2.4)		—		(2.4)
Inventory step-up		—		—		2.3		—		2.3
Gain on sale of businesses		—		(1.4)		—		—		(1.4)
Russia business exit costs		—		—		—		5.9		5.9
Net interest expense		3.8		2.6		1.0		5.7		13.1
Other expense		0.2		0.4		0.5		0.6		1.7
Provision for income taxes		25.1		22.1		3.1		21.5		71.8
Segment income	$	174.9	$	179.7	$	166.9	$	172.1	$	693.6
Adjustments:										
Depreciation		12.8		12.8		12.9		13.0		51.5
Adjusted EBITDA	$	187.7	$	192.5	$	179.8	$	185.1	$	745.1

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Essential Resources
For Life