
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the Fiscal Year Ended December 31, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 001-38265

nVent Electric plc

(Exact name of Registrant as specified in its charter)

Ireland

*(State or other jurisdiction of
incorporation or organization)*

98-1391970

*(I.R.S. Employer
Identification number)*

The Mille, 1000 Great West Road, 8th Floor (East), London, TW8 9DW, United Kingdom

(Address of principal executive offices)

Registrant's telephone number, including area code: 44-20-3966-0279

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of each exchange on which registered
Ordinary Shares, nominal value \$0.01 per share	NVT	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

Aggregate market value of voting and non-voting common equity held by non-affiliates of the Registrant, based on the closing price of \$24.79 per share as reported on the New York Stock Exchange on June 28, 2019 (the last business day of Registrant's most recently completed second quarter): \$4,146,966,237.

The number of shares outstanding of Registrant's only class of common stock on December 31, 2019 was 169,492,538.

DOCUMENTS INCORPORATED BY REFERENCE

Parts of the Registrant's definitive proxy statement for its annual general meeting to be held on May 15, 2020, are incorporated by reference in this Form 10-K in response to Part III, ITEM 10, 11, 12, 13 and 14.

nVent Electric plc
Annual Report on Form 10-K
For the Year Ended December 31, 2019

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PART I

ITEM 1. BUSINESS

GENERAL

nVent Electric plc is a leading global provider of electrical connection and protection solutions. We believe our inventive electrical solutions enable safer systems and ensure a more secure world. We design, manufacture, market, install, and service high performance products and solutions that connect and protect some of the world's most sensitive equipment, buildings, and critical processes. We offer a comprehensive range of enclosures, electrical fastening solutions, and thermal management solutions across industry-leading brands that are recognized globally for quality, reliability, and innovation.

Our broad range of products and solutions connect and protect our customers' mission-critical equipment from hazardous conditions, improving their utilization, lowering costs, and minimizing downtime. The cost of our products typically represents a small proportion of the total cost of our customers' end systems. We also are a small cost relative to the potential cost of failure that our products help avoid. We have a portfolio of premier, industry-leading brands, including nVent CADDY, ERICO, HOFFMAN, RAYCHEM, SCHROFF, and TRACER, some of which have a history spanning over 100 years, that cover a wide range of verticals, including Industrial, Commercial & Residential, Energy, and Infrastructure.

Unless the context otherwise indicates, references herein to "nVent," the "Company," and such words as "we," "us," and "our" include nVent Electric plc and its consolidated subsidiaries. Our principal office is in London, United Kingdom and our management office in the United States is in Minneapolis, Minnesota. The Company was incorporated in Ireland on May 30, 2017.

HISTORY AND DEVELOPMENT

On April 30, 2018, Pentair plc ("Pentair" or "former Parent") completed the separation of its Water business and its Electrical business into two independent, publicly-traded companies (the "separation"). To effect the separation, Pentair distributed to its shareholders one ordinary share of nVent for every ordinary share of Pentair held as of the record date of April 17, 2018. As a result of the distribution, nVent is now an independent publicly-traded company and began "regular way" trading under the symbol "NVT" on the New York Stock Exchange on May 1, 2018.

Although our jurisdiction of organization is Ireland, we manage our affairs so that we are centrally managed and controlled in the United Kingdom (the "U.K.") and have our tax residency in the U.K.

Our roots within Pentair trace back to the acquisition of Federal-Hoffman Corporation in 1988, which included the nVent HOFFMAN enclosures brand. From that starting point, we have grown both organically and via acquisition. Our Enclosures business first applied lean principles within the organization in the 1990s, leveraging its culture of customer service and operational excellence. In 2012, Pentair merged with Tyco International Ltd.'s Flow Control division, which included our Thermal Management business and the nVent RAYCHEM brand, a global leader in heat tracing solutions. In 2015, Pentair acquired ERICO Global Company, a leading global manufacturer of superior engineered electrical and fastening products, which operates as our Electrical & Fastening Solutions business, broadening our product offering and enabling us to provide additional global solutions to our combined customers.

We aim to continue our journey as a "One nVent" organization, with unified focus on commercial excellence, digital transformation, scaled and integrated technology, including Internet of Things ("IoT"), and global presence and capabilities. As we scale our capabilities under our umbrella brand of nVent, we expect to expand our products and solutions and to continue to differentiate our company by creating solutions that solve problems for our customers.

Our Spark management system defines how we operate. The five elements of Spark are People, Growth, Lean, Digital and Velocity. Together, they provide the mindset and operating system to propel the success of our new company. Spark supports the high performance culture we are building at nVent.

- **People** are at the core of Spark, positively impacting our business and growing their careers.
- **Growth** is the foundation of Spark, driving shareholder, customer and employee value.
- **Lean** is the relentless pursuit of eliminating waste and increasing velocity.
- **Digital** transforms our products and how we do business, improving both customer and employee experiences.
- **Velocity** is increasing speed in all we do for each other and our customers.

BUSINESS AND PRODUCTS

We operate across three segments: Enclosures, Thermal Management, and Electrical & Fastening Solutions. The following is a brief description of each of the Company's reportable segments and business activities.

Enclosures

Our Enclosures business provides innovative solutions to connect and protect critical electronics, communication, control, and power equipment. We are a leader in the enclosures sector, and our key brands, nVent HOFFMAN and SCHROFF, have a long history of solving customers' problems by providing high quality solutions.

nVent HOFFMAN provides trusted enclosure solutions for challenging operating environments and is one of the largest brands of enclosures in North America and a leader globally. The offerings connect and protect through reliable solutions that protect, power and cool equipment used by panel builders, original equipment manufacturers and directly by other end-users, including customized products for hazardous environments. The nVent HOFFMAN brand is over 70 years old and is recognized for delivering superior building, testing, certification and overall product quality. nVent HOFFMAN's product customization and global footprint, along with reputation, have helped it garner long-standing relationships with many of the world's largest industrial companies.

nVent SCHROFF provides highly-customized and technologically-advanced enclosures. These products connect and protect mission-critical electronics and communications equipment by providing a wide range of innovative standard products and customized solutions. nVent SCHROFF's innovation is demonstrated by its constant flow of new product designs, including a focus on smart products capable of providing connectivity and remote management. The nVent SCHROFF brand is a leader due to its product flexibility and customer-first focus.

Thermal Management

Our Thermal Management business provides electric thermal solutions that connect and protect critical buildings, infrastructure, industrial processes, and people. Its highly reliable and easy-to-install solutions lower total cost of ownership to building owners, facility managers, operators, and end users. Thermal Management's products have been installed in some of the world's most iconic buildings.

For Industrial and Energy, we provide industrial heat-tracing and wiring, control and monitoring, sensing, engineering, and construction services under industry leading nVent RAYCHEM and TRACER brands, primarily serving the energy and power industries. Products and solutions include heat tracing for freeze protection and process temperature maintenance, temperature control and monitoring systems, heat-traced tubing bundles, instrument winterization, and tank heating systems. For Commercial and Infrastructure, we provide products and services primarily under our nVent RAYCHEM brand. Applications include pipe freeze protection, roof and gutter de-icing, surface snow melting, hot water temperature maintenance, floor heating, and freeze and frost prevention for hospitals, sports venues, hotels, commercial offices, and education facilities.

Electrical & Fastening Solutions

Our Electrical & Fastening Solutions business provides fastening solutions that connect and protect electrical and mechanical systems and civil structures.

We are a global leader in fastening solutions with spring steel and specialty metal fixings and reinforced steel connections, and our products are primarily marketed under the nVent CADDY brand. Our products reduce total installed cost by ease of installation, provide design flexibility and increase structural integrity in electrical and mechanical fastening applications through inventive products and solutions and customer intimacy. These products are targeted towards Commercial and Industrial verticals with applications in fire & seismic, data & telecommunications, electrical fastening, and heating, ventilation & air conditioning. These products are primarily used by electricians, telecommunications installers, and roof top contractors.

We are also a global leader in bonding, grounding, lightning protection, and low voltage power distribution products and solutions. These products are primarily marketed under the nVent ERICO brand. We offer a comprehensive range of facility electrical connection and protection solutions to protect against electrical transients to improve safety and reliability of electrical systems. Our products reduce total cost of ownership and provide design flexibility by offering maintenance free and reliable products and global end-user application expertise and intimacy. These products and solutions are primarily used by electricians, panel builders, energy contractors, and lightning protection installers.

Competition

We believe that we are a global leader in each of our segments. Given the range of products and services we offer, we encounter a wide variety of competitors, including large, global competitors, established regional competitors, and niche competitors in select regions. We face increased competition in a number of our verticals as a result of new local competitors who compete on price and increased consolidation in specific segments. The Thermal Management segment serves industries and verticals that are highly fragmented, and competes with global and local suppliers. The Electrical & Fastening Solutions segment serves industries and verticals that are relatively fragmented, with a small number of large competitors and a large number of smaller competitors. Competition for our Thermal Management and Electrical & Fastening Solutions segments focuses on product performance, quality, and service.

Our success depends on a variety of factors, including technical expertise, reputation for quality and reliability, timeliness of delivery, previous installation history, contractual terms, and price. As many of our products sell through electrical distributors, data center contractors, original equipment manufacturers, and maintenance contractors, our success also depends on building and partnering with a strong channel and distribution network.

Seasonality

We generally experience increased demand for Thermal Management products and services during the fall and winter months in the Northern Hemisphere and increased demand for Electrical & Fastening Solutions products during the spring and summer months in the Northern Hemisphere.

Backlog of Orders by Segment

In millions	December 31				\$ change	% change
	2019		2018			
Enclosures	\$	114.3	\$	138.6	(24.3)	(17.5%)
Thermal Management		156.7		118.6	38.1	32.1
Electrical & Fastening Solutions		28.8		22.5	6.3	28.0
Total	\$	299.8	\$	279.7	20.1	7.2%

A substantial portion of our revenues result from orders received and products delivered in the same month. Our backlog typically has a short manufacturing cycle and products generally ship within 90 days of the date on which a customer places an order. However, a portion of our backlog, particularly from orders for major capital projects, can take more than one year depending on the size and type of order. We record as part of our backlog all orders from external customers, which represent firm commitments, and are supported by a purchase order or other legitimate contract. We expect the majority of our backlog at December 31, 2019 will be shipped in 2020. Despite the favorable long-term outlook for our end-markets, we experience volatility in the level of our backlog depending on the end-market and may continue to do so over the medium and longer term.

Raw materials

The principal materials we use in manufacturing our products are mild steel, stainless steel, electronic components, plastics (resins, fiberglass, epoxies), copper and paint (powder and liquid). In addition to the purchase of raw materials, we purchase some finished goods for distribution through our sales channels.

We purchase the materials we use in various manufacturing processes on the open market and the majority is available through multiple sources which are in adequate supply. We have not experienced any significant work stoppages to date due to shortages of materials. We have certain long-term commitments, principally price commitments, for the purchase of various component parts and raw materials and believe that it is unlikely that any of these agreements would be terminated prematurely. Alternate sources of supply at competitive prices are available for most materials for which long-term commitments exist and we believe that the termination of any of these commitments would not have a material adverse effect on our financial position, results of operations or cash flows.

Certain commodities, such as metals and resin, are subject to market and duty-driven price fluctuations. We manage these fluctuations through several mechanisms, including long-term agreements with price adjustment clauses for significant commodity market movements in certain circumstances. Prices for raw materials, such as metals and resins, may trend higher in the future.

Intellectual property

Patents, non-compete agreements, proprietary technologies, customer relationships, trademarks, trade names and brand names are important to our business. However, we do not regard our business as being materially dependent upon any single patent, non-compete agreement, proprietary technology, customer relationship, trademark, trade name or brand name.

Patents, patent applications and license agreements will expire or terminate over time by operation of law, in accordance with their terms or otherwise. We do not expect the termination of patents, patent applications or license agreements to have a material adverse effect on our financial position, results of operations or cash flows.

Employees

As of December 31, 2019, we employed approximately 9,500 people worldwide.

Captive insurance subsidiary

We insure certain general and product liability, property, workers' compensation and automobile liability risks through our regulated wholly-owned captive insurance subsidiary, Tonka Bay Insurance Company ("Tonka Bay"). Reserves for policy claims are established based on actuarial projections of ultimate losses. Accruals are established with respect to liabilities insured by third parties, such as liabilities arising from acquired businesses, pre-Tonka Bay liabilities and those of certain non-U.S. operations.

Matters pertaining to Tonka Bay are discussed in ITEM 3, included in this Form 10-K.

Available information

We make available free of charge (other than an investor's own Internet access charges) through our Internet website (<http://www.nvent.com>) our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and if applicable, amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission ("SEC"). Reports of beneficial ownership filed by our directors and executive officers pursuant to Section 16(a) of the Exchange Act are also available on our website. We are not including the information contained on our website as part of, or incorporating it by reference into, this Annual Report on Form 10-K.

ITEM 1A. RISK FACTORS

You should carefully consider all of the information in this document and the following risk factors before making an investment decision regarding our securities. Any of the following risks could materially and adversely affect our business, financial condition, results of operations, cash flows and the actual outcome of matters as to which forward-looking statement are made in this document.

Risks Relating to Our Business**General global economic and business conditions affect demand for our products.**

We compete in various geographic regions and product markets around the world. Among these, the most significant are global industrial markets and commercial markets. We expect to experience fluctuations in revenues and results of operations due to economic and business cycles. Important factors for our business and the businesses of our customers include the overall strength of the economy and our customers' confidence in the economy, industrial and governmental capital spending, the strength of the commercial real estate market, unemployment rates, availability of consumer and commercial financing, interest rates and energy and commodity prices. The businesses of many of our industrial customers are to varying degrees cyclical and have experienced periodic downturns. While we attempt to minimize our exposure to economic or market fluctuations by serving a balanced mix of end markets and geographic regions, any of the above factors, individually or in the aggregate, or a significant or sustained downturn in a specific end market or geographic region could reduce demand for our products and services, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We compete in attractive markets with a high level of competition, which may result in pressure on our profit margins and limit our ability to maintain or increase the market share of our products.
The markets for our products and services are geographically diverse and highly competitive. We compete against large and well-established national and global companies, as well as regional and local companies and lower-cost manufacturers. We compete based on technical expertise, reputation for quality and reliability, timeliness of delivery, previous installation history, contractual terms and price. Some of our competitors, in particular smaller companies, attempt to compete based primarily on price, localized expertise and local relationships, especially with respect to products and applications that do not require a great deal of engineering or technical expertise. In addition, during economic downturns average selling prices tend to decrease as market participants compete more aggressively on price. If we are unable to continue to differentiate our products, services and solutions, or if we are forced to cut prices or to incur additional costs to remain competitive, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Volatility in currency exchange rates could have a material adverse effect on our financial condition, results of operations and cash flows.

Sales outside of the U.S. for the year ended December 31, 2019 accounted for approximately 40% of our net sales. Our financial statements reflect translation of items denominated in non-U.S. currencies to U.S. dollars. Therefore, if the U.S. dollar strengthens in relation to the principal non-U.S. currencies from which we derive revenue as compared to a prior period, our U.S. dollar-reported revenue and income will effectively be decreased to the extent of the change in currency valuations and vice-versa. For the year ended December 31, 2019, foreign currency translations had a 1.6% negative impact on our net sales. Fluctuations in foreign currency exchange rates, most notably the strengthening of the U.S. dollar against the euro, could have a material adverse effect on our reported revenue and income in future periods.

Our future growth is dependent upon our ability to adapt our products, services and organization to meet the demands of local markets in both developed and emerging economies and by developing or acquiring new technologies that achieve market acceptance with acceptable margins.

We operate in global markets that are characterized by customer demand that is often global in scope but localized in delivery. We compete with thousands of smaller regional and local companies that may be positioned to offer products produced at lower cost than ours, or to capitalize on highly localized relationships and knowledge that are difficult for us to replicate. Also, in several emerging markets potential customers prefer local suppliers, in some cases because of existing relationships and in other cases because of local legal restrictions or incentives that favor local businesses. Accordingly, our future success depends upon a number of factors, including our ability to adapt our products, services, organization, workforce and sales strategies to fit localities throughout the world, particularly in high-growth emerging markets; identify emerging technological and other trends in our target end markets; and develop or acquire competitive products and services and bring them to market quickly and cost-effectively. The failure to effectively adapt our products or services could have a material adverse effect on our business, financial condition, results of operations and cash flows.

A sustained downturn in the energy industry, due to oil and gas prices decreasing or otherwise, could decrease demand for some of our products and services.

A portion of our revenue historically has been generated by end-users in the oil and gas markets where we serve all three major categories of customers in the petroleum industry—upstream exploration/production, midstream transportation and downstream refining. The businesses of most of our customers in the energy industry are, to varying degrees, cyclical and historically have experienced periodic downturns. Profitability in the energy industry is highly sensitive to supply and demand cycles and commodity prices, which historically have been volatile, and our customers in this industry have tended to delay large capital projects, including expensive maintenance and upgrades, during industry downturns. Customer project delays and cancellations may limit our ability to realize value from our backlog as expected and cause fluctuations in the timing or the amount of revenue earned and the profitability of our business in a particular period. In addition, such delays and cancellations may lead to significant fluctuations in results of operations from quarter to quarter, making it difficult to predict our financial performance on a quarterly basis.

Demand for a portion of our products and services depends upon the level of capital expenditure by companies in the energy industry, which depends, in part, on energy prices. Prices of oil and gas are volatile and within recent years, the price of crude oil has declined significantly. We have experienced suspensions or delays in large capital projects within the energy sector, especially in the upstream exploration and production sector, and most notably in Canada. A sustained downturn in the capital expenditures of our customers, whether due to a decrease in the market price of oil and gas or otherwise, may delay projects, decrease demand for our products and services and cause downward pressure on the prices we charge, which, in turn, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We may not be able to identify, finance and complete suitable acquisitions and investments, and any completed acquisitions and investments could be unsuccessful or consume significant resources. Our business strategy is expected to include acquiring businesses and making investments that complement our existing business. We expect to analyze and evaluate the acquisition of strategic businesses or product lines with the potential to strengthen our industry position or enhance our existing set of product and service offerings. We may not be able to identify suitable acquisition candidates, obtain financing or have sufficient cash necessary for acquisitions or successfully complete acquisitions in the future. Acquisitions and investments may involve significant cash expenditures, debt incurrences, equity issuances, operating losses and expenses. Acquisitions involve numerous other risks, including:

- diversion of management time and attention from daily operations;
- difficulties integrating acquired businesses, technologies and personnel into our business;
- difficulties in obtaining and verifying the financial statements and other business information of acquired businesses;
- inability to obtain required regulatory approvals;
- potential loss of key employees, key contractual relationships or key customers of acquired companies or of ours;
- assumption of the liabilities and exposure to unforeseen liabilities of acquired companies, including risks relating to the U.S. Foreign Corrupt Practices Act (the “FCPA”); and
- dilution of interests of holders of nVent ordinary shares through the issuance of equity securities or equity-linked securities.

It may be difficult for us to complete transactions quickly and to integrate acquired operations efficiently into our business operations. Any acquisitions or investments may not be successful and may ultimately result in impairment charges and have a material adverse effect on our business, financial condition, results of operations and cash flows.

We may not achieve some or all of the expected benefits of our business initiatives.

In order to align our resources with our growth strategies, operate more efficiently and control costs, we may periodically announce restructuring plans, which may include workforce reductions, global plant closures and consolidations, asset impairments and other cost reduction initiatives. We may undertake restructuring actions and workforce reductions in the future. As these plans and actions are complex, we may not be able to achieve the operating efficiencies to reduce costs or realize benefits that were anticipated in connection with these initiatives. If we are unable to execute these initiatives as planned, we may not realize all or any of the anticipated benefits, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our success depends on attracting and retaining qualified personnel.

Our ability to sustain and grow our business requires us to hire, retain and develop a highly skilled and diverse management team and workforce. Failure to ensure that we have the depth and breadth of personnel with the necessary skill set and experience, or the loss of key employees, could impede our ability to deliver our growth objectives and execute our strategy.

Our backlog may fluctuate and material amounts of cancellations or reductions of orders or a failure to deliver our backlog on time could affect our future sales.

Our backlog is comprised of the portion of firm signed purchase orders or other written contractual commitments received from customers that we have not recognized as revenue. Backlog may increase or decrease based on the addition of large multi-year projects and their subsequent completion. Backlog may also be favorably or unfavorably affected by foreign currency rate fluctuations. The dollar amount of backlog as of December 31, 2019 was \$299.8 million. The timing of our recognition of revenue out of our backlog is subject to a variety of factors that may cause delays, many of which, including fluctuations in our customers’ delivery schedules, are beyond our control. Such delays may lead to significant fluctuations in results of operations from quarter to quarter, making it difficult to predict our financial performance on a quarterly basis. Further, while we have historically experienced few order cancellations and the amount of order cancellations has not been material compared to our total contract volume, if we were to experience a significant amount of cancellations of or reductions in purchase orders, it would reduce our backlog and, consequently, our future sales and could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our future revenue depends in part on our ability to bid and win new contracts.

Our future revenue and overall results of operations require us to successfully bid on new contracts and, in particular, contracts for large greenfield projects, which are frequently subject to competitive bidding processes. Our revenue from major projects depends in part on the level of capital expenditures in some of our principal end markets, including the energy, chemical processing and power generation industries. The number of such projects we win in any year fluctuates, and is dependent upon the number of projects available and our ability to bid successfully for such projects. Contract proposals and negotiations are complex and frequently involve a lengthy bidding and selection process, which is affected by a number of factors, such as competitive position, market conditions, financing arrangements and required governmental approvals. If negative market conditions arise, or if we fail to secure adequate financial arrangements or required governmental approvals, we may not be able to pursue particular projects or win new contracts, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We are exposed to political, regulatory, economic and other risks that arise from operating a multinational business.

Sales outside of the U.S. for the year ended December 31, 2019 accounted for approximately 40% of our net sales. Further, our business obtains some products, components and raw materials from non-U.S. suppliers. Accordingly, our business is subject to the political, regulatory, economic and other risks that are inherent in operating in numerous countries. These risks include:

- the imposition of tariffs, exchange controls or other trade restrictions;
- changes in general economic and political conditions in countries where we operate, particularly in emerging markets;
- relatively more severe economic conditions in some international markets than in the U.S.;
- the difficulty of enforcing agreements and collecting receivables through non-U.S. legal systems;
- the difficulty of communicating and monitoring standards and directives across our global facilities;
- trade protection measures and import or export licensing requirements and restrictions;
- the possibility of terrorist action affecting us or our operations;
- the threat of nationalization and expropriation;
- difficulty in staffing and managing widespread operations in non-U.S. labor markets;
- changes in tax treaties, laws or rulings that could have a material adverse impact on our effective tax rate;
- limitations on repatriation of earnings;
- the difficulty of protecting intellectual property in non-U.S. countries; and
- changes in and required compliance with a variety of non-U.S. laws and regulations.

Our success depends in part on our ability to anticipate and effectively manage these and other risks. We cannot assure you that these and other factors will not have a material adverse effect on our international operations or on our business as a whole.

Violations of the U.S. Foreign Corrupt Practices Act and similar anti-corruption laws outside the U.S. or international trade compliance regulations could have a material adverse effect on us.

The FCPA and similar anti-corruption laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments to government officials or other persons for the purpose of obtaining or retaining business. We operate in many parts of the world that are recognized as having governmental and commercial corruption and in certain circumstances, strict compliance with anti-bribery laws may conflict with local customs and practices. Because many of our customers and end users are involved in infrastructure construction and energy production, they are often subject to increased scrutiny by regulators.

Further, our global operations require importing and exporting goods and technology across international borders on a regular basis. Certain of the products we manufacture are “dual use” products, which are products that may have both civil and military applications, or may otherwise be involved in weapons proliferation, and are often subject to more stringent export controls. From time to time, we may obtain or receive information alleging improper activity in connection with imports or exports.

Our policies mandate strict compliance with applicable laws and regulations, including those pertaining to anti-corruption, anti-bribery and trade. However, even when we are in strict compliance with law and our policies, we may suffer reputational damage if certain of our products are sold through various intermediaries to entities operating in sanctioned countries. We cannot assure that our internal control policies and procedures will always protect us from reckless or criminal acts committed by our employees or third-party intermediaries. In the event that we believe or have reason to believe that our employees or agents have or may have violated applicable laws, we may be required to investigate or have outside counsel investigate the relevant facts and circumstances, which can be expensive and require significant time and attention from senior management. Violations of these laws may require self-disclosure to governmental agencies and result in criminal or civil sanctions, which could disrupt our business, cause denial of import or export privileges, and result in a material adverse effect on our reputation, business, financial condition, results of operations and cash flows.

Catastrophic and other events beyond our control may disrupt operations at our manufacturing facilities and those of our suppliers, which could cause us to be unable to meet customer demands or increase our costs or reduce customer spending.

If operations at any of our manufacturing facilities or those of our suppliers were to be disrupted as a result of significant equipment failures, natural disasters, earthquakes, power outages, fires, explosions, terrorism, adverse weather conditions, labor disputes, public health epidemics or other catastrophic events or events outside of our control, we may be unable to fill customer orders and otherwise meet customer demand for our products. In addition, these types of events may negatively impact consumer, commercial and industrial spending in impacted regions or, depending on the severity, globally. As a result, any of such events could have a material adverse effect on our business, financial condition, results of operations and cash flows. Interruptions in production, in particular at our manufacturing facilities, could increase our costs and reduce our sales. Any interruption in production capability could require us to make substantial capital expenditures to fill customer orders. We maintain property damage insurance that we believe to be adequate to provide for reconstruction of facilities and equipment, as well as business interruption insurance to mitigate losses resulting from any production interruption or shutdown caused by an insured loss. However, any recovery under our insurance policies may not offset the lost sales or increased costs that may be experienced during the disruption of operations, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We may experience material cost and other inflation.

In the past, we have experienced material cost and other inflation in a number of our businesses. We strive for productivity improvements and implement increases in selling prices to help mitigate cost increases in raw materials, freight, energy, wage and other costs such as pension, health care and insurance. We continue to implement operational initiatives, including commodity price lock strategies, in order to mitigate the impact of this inflation and continuously reduce our costs. However, these actions may not be successful in managing our costs or increasing our productivity. Continued cost inflation or failure of our initiatives to generate cost savings or improve productivity could have a material adverse effect on our business, financial condition, results of operations and cash flows.

A disruption in the availability, price or quality of products or materials that we manufacture and source from various countries throughout the world could have a material adverse effect on our results of operations.

Our business is subject to risks associated with global manufacturing and sourcing. We use a variety of raw materials in the production of our products including steel, aluminum, brass, copper, bronze, zinc, nickel and plastics. We also purchase certain electrical and electronic components from a number of suppliers. Significant shortages in the availability of these materials or price increases could increase our operating costs and adversely impact the competitive positions of our products. We rely on materials, components and finished goods that are sourced from or manufactured outside the U.S., including Mexico, China and other countries, and these countries may experience political or trade instability, which could disrupt our supply of products or materials. We rely on our suppliers to produce high quality materials, components and finished goods according to our specifications. Although we have quality control procedures in place, there is a risk that products may not meet our specifications which could impact our ability to ship quality products to our customers on a timely basis.

Our Thermal Management segment's dependence on subcontractors and third party suppliers and manufacturers with respect to projects could have a material adverse effect on us.

Our Thermal Management segment often relies on third party subcontractors as well as third party suppliers and manufacturers to complete projects. To the extent that we cannot engage subcontractors or acquire supplies or materials from third parties for these projects, our ability to complete a project in a timely fashion or at a profit may be impaired. If the amount we are required to pay for these goods and services exceeds the amount we have estimated in bidding for fixed-price contracts, we could experience losses on these contracts. In addition, if a subcontractor, supplier or manufacturer is unable to deliver its services or materials according to the negotiated contract terms for any reason, including the deterioration of its financial condition or over-commitment of its resources, we may be required to purchase the services or materials from another source at a higher price. This may reduce the profit to be realized or result in a loss on a project for which the services or materials were needed.

Intellectual property challenges may hinder our ability to develop, engineer and market our products, and we may incur significant costs in our efforts to successfully avoid, manage, defend and litigate intellectual property matters.

Patents, non-compete agreements, proprietary technologies, customer relationships, trademarks, trade names and brand names are important to our business. Intellectual property protection, however, may not preclude competitors from developing products similar to ours or from challenging our names or products. Our pending patent applications, and our pending copyright and trademark registration applications, may not be allowed or competitors may challenge the validity or scope of our patents, copyrights or trademarks. In addition, our patents, copyrights, trademarks and other intellectual property rights may not provide us a significant competitive advantage. Over the past few years, we have noticed an increasing tendency for participants in our markets to use challenges to intellectual property as a means to compete. Patent and trademark challenges increase our costs to develop, engineer and market our products. We may need to spend significant resources monitoring our intellectual property rights and we may or may not be able to detect infringement by third parties. If we fail to successfully enforce our intellectual property rights or register new patents, our competitive position could suffer, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

From time to time, we receive notices from third parties alleging intellectual property infringement. Any dispute or litigation involving intellectual property could be costly and time-consuming due to the complexity and the uncertainty of intellectual property litigation. Our intellectual property portfolio may not be useful in asserting a counterclaim, or negotiating a license, in response to a claim of infringement or misappropriation. In addition, as a result of such claims, we may lose our rights to utilize critical technology, may be required to pay substantial damages or license fees with respect to the infringed rights or may be required to redesign our products at a substantial cost, any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Changes in U.S. and foreign government administrative policy, including changes to existing trade agreements and U.S government sanctions, could have a material adverse effect on us.

As a result of changes to U.S. and foreign government administrative policy, there may be changes to existing trade agreements, greater restrictions on free trade generally, significant increases in tariffs on goods imported into the U.S. particularly tariffs on products manufactured in China, Canada and Mexico, among other possible changes.

In addition, from time to time, the U.S. government has imposed sanctions restricting U.S. companies from conducting business with specified non-U.S. individuals and companies. In particular, the U.S. government has imposed sanctions through several executive orders and legislation restricting U.S. companies from conducting business with specified Russian and Ukrainian individuals and companies. While we believe that the executive orders currently do not preclude us from conducting business with our current customers or vendors in Russia, the sanctions imposed by the U.S. government may be expanded in the future to restrict us from engaging with them. If we are unable to conduct business with new or existing customers or vendors or pursue business opportunities in Russia or Ukraine, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Changes in U.S. social, political, regulatory and economic conditions or in laws and policies governing foreign trade, manufacturing, development and investment in the territories and countries where we currently manufacture and sell products, and any resulting negative sentiments towards the U.S. as a result of such changes, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We have significant goodwill and intangible assets and future impairment of our goodwill and intangible assets could have a material adverse effect on our results of operations.

We test goodwill and other indefinite-lived intangible assets for impairment on at least an annual basis, and more frequently if circumstances warrant, by comparing the estimated fair value of our reporting unit to its respective carrying values on its balance sheets. As of December 31, 2019, our goodwill and intangible assets were \$3.4 billion and represented 74% of our total assets. Changes in economic and operating conditions impacting the assumptions used in our impairment tests could result in future goodwill and intangible asset impairment charges.

We are exposed to potential environmental laws, liabilities and litigation.

We are subject to U.S. federal, state, local and non-U.S. laws and regulations governing our environmental practices, public and worker health and safety, and the indoor and outdoor environment. Compliance with these environmental, health and safety regulations could require us to satisfy environmental liabilities, increase the cost of manufacturing our products or otherwise have a material adverse effect on our business, financial condition, results of operations and cash flows. Any violations of these laws by us could cause us to incur unanticipated liabilities. We are also required to comply with various environmental laws and maintain permits, some of which are subject to renewal from time to time, for many of our businesses and we could suffer if we are unable to renew existing permits or to obtain any additional permits that we may require. Compliance with environmental requirements also could require significant operating or capital expenditures or result in significant operational restrictions. We cannot assure you that we have been or will be at all times in compliance with environmental and health and safety laws. If we violate these laws, we could be fined, criminally charged or otherwise sanctioned by regulators.

In addition to clean-up actions brought by governmental authorities, private parties could bring personal injury or other claims due to the presence of, or exposure to, hazardous substances. Certain environmental laws impose liability on current or previous owners or operators of real property for the cost of removal or remediation of hazardous substances at their properties or at properties at which they have disposed of hazardous substances. The cost of clean-up and other environmental liabilities can be difficult to accurately predict. In addition, environmental requirements change and tend to become more stringent over time. Our eventual environmental clean-up costs and liabilities could exceed the amount of our current reserves.

We are exposed to certain regulatory and financial risks related to climate change.

Climate change is receiving ever increasing attention worldwide. Many scientists, legislators and others attribute global warming to increased levels of greenhouse gases, which has led to significant legislative and regulatory efforts to limit greenhouse gas emissions. The U.S. Environmental Protection Agency ("EPA") has published findings that emissions of carbon dioxide, methane, and other greenhouse gases ("GHGs") present an endangerment to public health and the environment because emissions of such gases are, according to the EPA, contributing to the warming of the earth's atmosphere and other climate changes. Based on these findings, the EPA has implemented regulations that require reporting of GHG emissions, or that limit emissions of GHGs from certain mobile or stationary sources. In addition, the U.S. Congress and federal and state regulatory agencies have considered other legislation and regulatory proposals to reduce emissions of GHGs, and many states have already taken legal measures to reduce emissions of GHGs, primarily through the development of GHG inventories, GHG permitting and/or regional GHG cap-and-trade programs. It is uncertain whether, when and in what form a federal mandatory carbon dioxide emissions reduction program, or other state programs, may be adopted. Similarly, certain countries have adopted the Kyoto Protocol and/or the Paris Accord, and these and other existing international initiatives or those under consideration could affect our international operations. To the extent our customers, particularly our energy and industrial customers, are subject to any of these or other similar proposed or newly enacted laws and regulations, we are exposed to risks that the additional costs incurred by customers to comply with such laws and regulations could impact their ability or desire to continue to operate at similar levels in certain jurisdictions as historically seen or as currently anticipated, which could negatively impact their demand for our products and services. These actions could also increase costs associated with our operations, including costs for raw materials and transportation. Because it is uncertain what laws will be enacted, we cannot predict the potential impact of such laws on our future financial condition, results of operations and cash flows.

Increased information technology security threats and computer crime pose a risk to our systems, networks, products and services, and we are exposed to potential regulatory, financial and reputational risks relating to the protection of our data.

We rely upon information technology systems and networks in connection with a variety of business activities, some of which are managed by third parties. Additionally, we collect and store data that is sensitive to us and our employees, customers, distributors and suppliers. As our business increasingly interfaces with employees, customers, distributors and suppliers using information technology systems and networks, we are subject to an increased risk to the secure operation of these systems and networks and to additional laws and regulatory requirements regarding data privacy, including the European Union General Data Protection Regulation. The secure operation of these information technology systems and networks, and the processing and maintenance of this data is critical to our business operations and strategy. Information technology security threats are increasing in frequency and sophistication. These threats pose a risk to the security of our systems and networks and the confidentiality, availability and integrity of the data we process and maintain and pose a risk of theft to our assets. Establishing systems and processes to address these threats and changes in legal requirements relating to data collection and storage may increase our costs. We have experienced data breaches, and, although we have determined such data breaches to be immaterial and such data breaches have not had a material adverse effect on our financial condition, results of operations or cash flows, there can be no assurance of similar results in the future. Should future attacks succeed in the theft of assets, exporting sensitive data or financial information or controlling sensitive systems or networks, it could expose us and our employees, customers, distributors and suppliers to the theft of assets, misuse of information or systems, the compromising of confidential information, manipulation and destruction of data, defective products, production downtimes and operations disruptions, and breach of privacy, which may require notification under data privacy and other applicable laws. The occurrence of any of these events could have a material adverse effect on our reputation, business, financial condition, results of operations and cash flows. In addition, such breaches in security could result in litigation, regulatory action and potential liability and the costs and operational consequences of implementing further data protection measures.

We may be negatively impacted by litigation, including product liability claims.

Our business exposes us to potential litigation, such as product liability claims relating to the design, manufacture and sale of our products. While we currently maintain what we believe to be suitable product liability insurance, we may not be able to maintain this insurance on acceptable terms and this insurance may not provide adequate protection against potential or previously existing liabilities. In addition, we self-insure a portion of product liability claims. Successful claims against us for significant amounts could have a material adverse effect on our product reputation, business, financial condition, results of operations and cash flows.

Our share price may fluctuate significantly.

We cannot predict the prices at which nVent ordinary shares may trade. The market price of nVent ordinary shares may fluctuate widely, depending on many factors, some of which may be beyond our control, including:

- actual or anticipated fluctuations in our results of operations due to factors related to our business;
- success or failure of our business strategy;
- our quarterly or annual earnings, or those of other companies in our industry;
- our ability to obtain third-party financing as needed;
- announcements by us or our competitors of significant acquisitions or dispositions;
- changes in accounting standards, policies, guidance, interpretations or principles;
- changes in earnings estimates by us or securities analysts or our ability to meet those estimates;
- the operating and share price performance of other comparable companies;
- investors' perceptions of us;
- natural or other environmental disasters that investors believe may affect us;
- overall market fluctuations;
- results from any material litigation, including government investigations or environmental liabilities;

- changes in laws and regulations affecting our business; and
- general economic conditions and other external factors.

Stock markets in general have experienced volatility that has often been unrelated to the operating performance of a particular company. These broad market fluctuations could have a material adverse effect on our share price.

Risks Relating to Being a Separate, Stand-Alone Company

Our historical financial information is not necessarily representative of the results that we would have achieved as a separate, publicly-traded company and may not be an accurate indicator of our future results of operations.

The historical information about us prior to April 30, 2018 in this Annual Report on Form 10-K refers to our business as operated by and integrated with Pentair. Our historical financial information for such periods was derived from the consolidated financial statements and accounting records of Pentair. Accordingly, such historical financial information included in this Annual Report on Form 10-K does not necessarily reflect the financial condition, results of operations or cash flows that we would have achieved as a separate, publicly-traded company during the periods presented or those that we will achieve in the future primarily as a result of the factors described below:

- Prior to the separation, our business was operated by Pentair as part of its broader corporate organization, rather than as an independent company. Pentair or one of its affiliates performed various corporate functions for us, such as accounting, information technology and finance. Our historical financial results reflect allocations of corporate expenses from Pentair for such functions and may not reflect the expenses we would have incurred had we operated as a separate, publicly-traded company. As a result of the separation, we are responsible for the additional costs associated with being an independent, publicly traded company, including costs related to corporate governance and external reporting.
- Generally, our working capital and capital for our general corporate purposes have historically been provided as part of the corporate-wide cash management policies of Pentair. As a stand-alone company, we may need to obtain additional financing from lenders, through public offerings or private placements of debt or equity securities, strategic relationships and the cost of capital for our business may be higher than Pentair's cost of capital prior to completion of the separation.

Other significant changes may occur in our cost structure, management, financing and business operations as a result of operating as a company separate from Pentair. For additional information about the past financial performance of our business and the basis of presentation of the historical combined financial statements of our business, see ITEM 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and ITEM 8, "Financial Statements and Supplementary Data."

Potential indemnification liabilities to Pentair pursuant to the transaction agreements could materially adversely affect us.

In connection with the separation, we entered into a separation and distribution agreement and various other agreements, including a tax matters agreement, a transition services agreement and an employee matters agreement with Pentair. The separation and distribution agreement with Pentair contains, among other things, provisions governing the relationship between us and Pentair with respect to and resulting from the separation. Among other things, the separation agreement provides for indemnification obligations designed to make us financially responsible for substantially all liabilities that may exist relating to its business activities, whether incurred prior to or after the separation. We may be subject to substantial liabilities under these indemnifications.

If the distribution fails to qualify as a tax-free transaction for U.S. federal income tax purposes, then we and our shareholders could be subject to significant tax liability or tax indemnity obligations.

Pentair received an IRS Ruling from the IRS substantially to the effect that, among other things, the distribution and certain related transactions qualify as tax-free under Section 355 and related provisions of the Code. The tax-free nature of the distribution was conditioned on the continued validity of the IRS Ruling, as well as on receipt of a tax opinion, substantially to the effect that, among other things, the distribution would qualify as a tax-free transaction under Section 355 and related provisions of the Code, and certain transactions related to the transfer of assets and liabilities to us in connection with the separation and distribution would not result in the recognition of any gain or loss to Pentair, us or our shareholders. The IRS ruling and the tax opinion relied on certain facts and assumptions, certain representations from Pentair and us regarding the past and future conduct of both businesses and other matters, and the tax opinion relies on the IRS Ruling. Notwithstanding the IRS ruling and tax opinion, the IRS could determine on audit that the distribution should be treated as a taxable transaction if it determines that any of these facts, assumptions, representations or undertakings is not correct or has been violated, or that the distribution should be taxable for other reasons, including as a result of a significant change in stock or asset ownership after the distribution, or if the IRS were to disagree with the conclusions of the tax opinion that are not covered by the IRS ruling. If the distribution is ultimately determined to be taxable, the distribution could be treated as a taxable dividend to you for U.S. federal income tax purposes, and you could incur significant U.S. federal income tax liability. In addition, Pentair and/or we could incur significant U.S. federal income tax liabilities or tax indemnification obligations, whether under applicable law or the tax matters agreement that we entered into with Pentair, if it is ultimately determined that certain related transactions undertaken in anticipation of the distribution are taxable. To the extent we incur any tax liability or indemnification obligation under applicable law or the tax matters agreement, there could be a material adverse effect on our business, financial condition, and results of operations and cash flows in future reporting periods.

We might not be able to engage in desirable strategic transactions and equity issuances following the distribution because of restrictions relating to U.S. federal income tax requirements for tax-free distributions.

Our ability to engage in significant equity transactions could be limited or restricted after the distribution in order to preserve, for U.S. federal income tax purposes, the tax-free nature of the distribution by Pentair. Even if the distribution otherwise qualifies for tax-free treatment under Section 355 of the Code, it may result in corporate-level taxable gain to Pentair and certain of its affiliates under Section 355(e) of the Code if 50 percent or more, by vote or value, of nVent ordinary shares or Pentair ordinary shares are acquired or issued as part of a plan or series of related transactions that includes the distribution. Any acquisitions or issuances of nVent ordinary shares or Pentair ordinary shares within two years after the distribution will generally be presumed to be part of such a plan, although we or Pentair may be able to rebut that presumption. To preserve the tax-free treatment to Pentair of the distribution, under the tax matters agreement, we expect that we will be prohibited from taking or failing to take any action that prevents the distribution and related transactions from being tax-free. Further, for the two-year period following the distribution, without obtaining the consent of Pentair, a private letter ruling from the IRS or an unqualified opinion of a nationally recognized law firm or accounting firm, we may be prohibited from, among other things:

- approving or allowing any transaction that results in a change in ownership of more than a specified percentage of nVent ordinary shares when combined with any other changes in ownership of nVent ordinary shares,
- redeeming or repurchasing equity securities,
- selling or otherwise disposing of substantially all of our assets, or
- engaging in certain internal transactions.

These restrictions may limit our ability to pursue strategic transactions or engage in new business or other transactions that may maximize the value of our business. Moreover, the tax matters agreement also provides that we are responsible for all or a specified portion of any taxes imposed on Pentair or any of its affiliates as a result of the failure of the distribution or the internal transactions to qualify for favorable treatment under the Code unless such failure is attributable to certain actions taken after the distribution by Pentair.

Risks Relating to Our Liquidity

Disruptions in the financial markets could adversely affect us, our customers and our suppliers by increasing funding costs or reducing availability of credit.

In the normal course of our business, we may access credit markets for general corporate purposes, which may include repayment of indebtedness, acquisitions, additions to working capital, repurchase of shares, capital expenditures and investments in our subsidiaries. Although we expect to have sufficient liquidity to meet our foreseeable needs, our access to and the cost of capital could be negatively impacted by disruptions in the credit markets, which have occurred in the past and made financing terms for borrowers unattractive or unavailable. These factors may make it more difficult or expensive for us to access credit markets if the need arises. In addition, these factors may make it more difficult for our suppliers to meet demand for their products or for prospective customers to commence new projects, as customers and suppliers may experience increased costs of debt financing or difficulties in obtaining debt financing. Disruptions in the financial markets in the past have had adverse effects on other areas of the economy and have led to a slowdown in general economic activity that may adversely affect our businesses. One or more of these factors could adversely affect our business, financial condition, results of operations and cash flows.

Covenants in our debt instruments may adversely affect us.

Our credit agreements and indentures contain customary financial covenants, including those that limit the amount of our debt, which may restrict the operations of our business and our ability to incur additional debt to finance acquisitions. Our ability to meet the financial covenants can be affected by events beyond our control, and we cannot provide assurance that we will meet those tests. A breach of any of these covenants could result in a default under our credit agreements or indentures. Upon the occurrence of an event of default under any of our credit facilities or indentures, the lenders or trustees could elect to declare all amounts outstanding thereunder to be immediately due and payable and, in the case of credit facility lenders, terminate all commitments to extend further credit. If the lenders or trustees accelerate the repayment of borrowings, we cannot provide assurance that we will have sufficient assets to repay our credit facilities and our other indebtedness. Furthermore, acceleration of any obligation under any of our material debt instruments will permit the holders of our other material debt to accelerate their obligations, which could have a material adverse effect on our financial condition.

Our indebtedness, and any future increase in debt or raising of additional capital, could affect our financial condition, and may decrease our profitability.

As of December 31, 2019, we had \$1.1 billion of total debt outstanding. If we are not able to repay or refinance our debt as it becomes due, we may be forced to sell assets or take other disadvantageous actions, including (i) reducing financing in the future for working capital, capital expenditures and general corporate purposes or (ii) dedicating an unsustainable level of our cash flow from operations to the payment of principal and interest on our indebtedness. The lenders who hold such debt could also accelerate amounts due, which could potentially trigger a default or acceleration of any of our other debt.

Further, we may increase our debt or raise additional capital in the future, subject to restrictions in our debt agreements. If our cash flow from operations is less than we anticipate, if our cash requirements are more than we expect, or if we intend to finance acquisitions, we may require more financing. However, debt or equity financing may not be available to us on acceptable terms, if at all. If we incur additional debt or raise equity through the issuance of additional capital shares, the terms of the debt or capital shares issued may give the holders rights, preferences and privileges senior to those of holders of our ordinary shares, particularly in the event of liquidation. The terms of the debt may also impose additional and more stringent restrictions on our operations than we currently have. If we raise funds through the issuance of additional equity, the percentage ownership of existing shareholders in our company would decline. If we are unable to raise additional capital when needed, our financial condition could be adversely affected. Unfavorable changes in the ratings that rating agencies assign to our debt may ultimately negatively impact our access to the debt capital markets and increase the costs we incur to borrow funds. If ratings for our debt are downgraded, our access to the debt capital markets may become restricted. Additionally, our credit agreements generally include an increase in interest rates if the ratings for our debt are downgraded.

Risks Relating to Our Jurisdiction of Incorporation in Ireland and Tax Residency in the U.K.

We are subject to changes in law and other factors that may not allow us to maintain a worldwide effective corporate tax rate that is competitive in our industry.

While we believe that we should be able to maintain a worldwide effective corporate tax rate that is competitive in our industry, we cannot give any assurance as to what our effective tax rate will be in the future, because of, among other things, uncertainty regarding the tax policies of the jurisdictions where we operate. Our actual effective tax rate may vary from our expectation and that variance may be material. Also, the tax laws of the U.S., the U.K., Ireland and other jurisdictions could change in the future, and such changes could cause a material change in our worldwide effective corporate tax rate. In particular, legislative action could be taken by the U.S., the U.K., Ireland or the European Union which could override tax treaties or modify tax statutes or regulations upon which we expect to rely and adversely affect our effective tax rate. We cannot predict the outcome of any specific legislative proposals. If proposals were enacted that had the effect of disregarding our incorporation in Ireland or limiting our ability as an Irish company to maintain tax residency in the U.K. and take advantage of the tax treaties among the U.S., the U.K. and Ireland, we could be subject to increased taxation, which could materially adversely affect our financial condition, results of operations, cash flows or our effective tax rate in future reporting periods.

A change in our tax residency could have a negative effect on our future profitability, and may trigger taxes on dividends or exit charges.

We are incorporated in Ireland and we are an Irish tax resident under Irish domestic law unless we are regarded as being resident elsewhere (and not Ireland) under the terms of a double tax treaty. Under domestic U.K. law, a company that is centrally managed and controlled in the U.K. is regarded as resident in the U.K. for taxation purposes unless it is treated as resident in another jurisdiction pursuant to any appropriate double tax treaty with the U.K. Other jurisdictions may also seek to assert taxing jurisdiction over us.

Effective for tax periods beginning on or after November 1, 2019, where a company is treated as tax resident under the domestic laws of both the U.K. and Ireland, the Double Tax Convention between the U.K. and Ireland (the “Convention”) signed on June 2, 1976, and as modified by paragraph 1 of Article 4 of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (the “Multilateral Instrument” or “MLI”) provides that the residence of a dual-resident entity should be determined by way of mutual agreement between the Irish Revenue Commissioners and Her Majesty’s Revenue Commissioners. The tie-breaker test provides that, in cases of dual residence, the competent authorities of the two states shall determine by mutual agreement the territory of which the person shall be deemed to be resident for purposes of the Convention.

Our application under the Mutual Agreement Procedure provided for in Article 24 of the Convention (as amended pursuant to the MLI) seeking confirmation that we will continue to be tax resident solely in the U.K. was approved by the competent authorities of the U.K. and Ireland effective December 31, 2019.

It is possible that in the future, whether as a result of a change in law or the practice of any relevant tax authority or as a result of any change in the conduct of our affairs, we could become, or be regarded as having become, resident in a jurisdiction other than the U.K. If we cease to be resident in the U.K. and become resident in another jurisdiction, we may be subject to U.K. exit charges, and could become liable for additional tax charges in the other jurisdiction (including dividend withholding taxes or corporate income tax charges). If we were to be treated as resident in more than one jurisdiction, we could be subject to taxation in multiple jurisdictions. If, for example, we were considered to be a tax resident of Ireland, we could become liable for Irish corporation tax and any dividends paid by us could be subject to Irish dividend withholding tax.

Legislative action in the U.S. could materially adversely affect us.

Legislative or administrative action may be taken by the U.S. Congress or U.S. Treasury which, if ultimately enacted or finalized, could limit the availability of tax benefits or deductions that we currently claim, override tax treaties upon which we rely, or otherwise affect the taxes that the U.S. imposes on our worldwide operations. Such changes could materially adversely affect our effective tax rate and/or require us to take further action, at potentially significant expense, to seek to preserve our effective tax rate.

Irish law differs from the laws in effect in the U.S. and may afford less protection to holders of our securities.

It may not be possible to enforce court judgments obtained in the U.S. against us in Ireland based on the civil liability provisions of the U.S. federal or state securities laws. In addition, there is some uncertainty as to whether the courts of Ireland would recognize or enforce judgments of U.S. courts obtained against us or our directors or officers based on the civil liabilities provisions of the U.S. federal or state securities laws or hear actions against us or those persons based on those laws. We have been advised that the U.S. currently does not have a treaty with Ireland providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any U.S. federal or state court based on civil liability, whether or not based solely on U.S. federal or state securities laws, would not automatically be enforceable in Ireland.

As an Irish company, we are governed by the Irish Companies Act, which differs in some material respects from laws generally applicable to U.S. corporations and shareholders, including, among others, differences relating to interested director and officer transactions and shareholder lawsuits. Likewise, the duties of directors and officers of an Irish company generally are owed to the company only. Shareholders of Irish companies generally do not have a personal right of action against directors or officers of the company and may exercise such rights of action on behalf of the company only in limited circumstances. Accordingly, holders of our securities may have more difficulty protecting their interests than would holders of securities of a corporation incorporated in a jurisdiction of the U.S.

In addition, our articles of association provide that the Irish courts have exclusive jurisdiction to determine any and all derivative actions in which a holder of nVent ordinary shares asserts a claim in the name of nVent, actions asserting a claim of breach of a fiduciary duty of any of the directors of nVent and actions asserting a claim arising pursuant to any provision of Irish law or our articles of association. Under Irish law, the proper claimant for wrongs committed against nVent, including by our directors, is considered to be nVent itself. Irish law permits a shareholder to initiate a lawsuit on behalf of a company such as nVent only in limited circumstances and requires court permission to do so.

Transfers of nVent ordinary shares may be subject to Irish stamp duty.

Transfers of nVent ordinary shares effected by means of the transfer of book entry interests in the Depository Trust Company ("DTC") will not be subject to Irish stamp duty. However, if you hold your nVent ordinary shares directly, rather than beneficially through DTC, any transfer of your nVent ordinary shares could be subject to Irish stamp duty (currently at the rate of 1 percent of the higher of the price paid or the market value of the shares acquired). Payment of Irish stamp duty is generally a legal obligation of the transferee.

We currently intend to pay (or cause one of our affiliates to pay) stamp duty in connection with share transfers made in the ordinary course of trading by a seller who holds shares directly to a buyer who holds the acquired shares beneficially. In other cases we may, in our absolute discretion, pay (or cause one of our affiliates to pay) any stamp duty. Our constitution provides that, in the event of any such payment, we (i) may seek reimbursement from the buyer, (ii) will have a lien against the shares acquired by such buyer and any dividends paid on such shares and (iii) may set-off the amount of the stamp duty against future dividends on such shares. Parties to a share transfer may assume that any stamp duty arising in respect of a transaction in nVent ordinary shares has been paid unless one or both of such parties is otherwise notified by us.

nVent ordinary shares, received by means of a gift or inheritance, could be subject to Irish capital acquisitions tax.

Irish capital acquisitions tax ("CAT") could apply to a gift or inheritance of nVent ordinary shares irrespective of the place of residence, ordinary residence or domicile of the parties. This is because nVent ordinary shares will be regarded as property situated in Ireland. The person who receives the gift or inheritance has primary liability for CAT. Gifts and inheritances passing between spouses are exempt from CAT. Children have a tax-free threshold which Irish Revenue typically updates annually in respect of taxable gifts or inheritances received from their parents.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our principal office is located in leased premises in London, United Kingdom, and our management office in the United States is located in leased premises in Minneapolis, Minnesota.

Our operations are conducted in facilities throughout the world. These facilities house manufacturing and distribution operations, as well as sales and marketing, engineering and administrative offices. The following is a summary of our principal properties, including manufacturing, distribution, sales offices, and services centers:

	Number of Facilities				
	Manufacturing Plants in the U.S.	Manufacturing Plants Outside the U.S.	Sales Offices	Distribution Facilities	Service Centers
Enclosures	3	11 located in 9 other countries	22	13	—
Thermal Management	1	3 located in 2 other countries	34	10	2
Electrical & Fastening Solutions	4	2 located in 2 other countries	3	6	—

We believe that our production facilities are suitable for their purpose and are adequate to support our businesses.

ITEM 3. LEGAL PROCEEDINGS

We have been made parties to a number of actions filed or have been given notice of potential claims relating to the conduct of our business, including those pertaining to commercial disputes, product liability, asbestos, environmental, safety and health, patent infringement and employment matters.

While we believe that a material impact on our financial position, results of operations or cash flows from any such future claims or potential claims is unlikely, given the inherent uncertainty of litigation, a remote possibility exists that a future adverse ruling or unfavorable development could result in future charges that could have a material adverse impact. We do and will continue to periodically reexamine our estimates of probable liabilities and any associated expenses and receivables and make appropriate adjustments to such estimates based on experience and developments in litigation. As a result, the current estimates of the potential impact on our financial position, results of operations and cash flows for the proceedings and claims described in the notes to our consolidated and combined financial statements could change in the future.

Environmental matters

We have been named as defendant, target or a potentially responsible party ("PRP") in a number of environmental clean-ups relating to our current or former business units. We may be named as a PRP at other sites in the future for existing business units, as well as both divested and acquired businesses. In addition to clean-up actions brought by governmental authorities, private parties could bring personal injury or other claims due to the presence of, or exposure to, hazardous substances.

Certain environmental laws impose liability on current or previous owners or operators of real property for the cost of removal or remediation of hazardous substances at their properties or at properties at which they have disposed of hazardous substances. Our accruals for environmental matters are recorded on a site-by-site basis when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated, based on current law and existing technologies. It can be difficult to estimate reliably the final costs of investigation and remediation due to various factors. In our opinion, the amounts accrued are appropriate based on facts and circumstances as currently known. As of December 31, 2019, our recorded reserves for environmental matters were not material. We do not anticipate these environmental conditions will have a material adverse effect on our financial position, results of operations or cash flows. However, unknown conditions, new details about existing conditions or changes in environmental requirements may give rise to environmental liabilities that will exceed the amount of our current reserves and could have a material adverse effect in the future.

Product liability claims

We are subject to various product liability lawsuits and personal injury claims. A substantial number of lawsuits and claims incurred prior to the effective date of the separation on April 30, 2018 are insured and accrued for by the former Parent's captive insurance subsidiary. Lawsuits and claims incurred after the separation are insured and accrued for by Tonka Bay, a captive insurance subsidiary of nVent. For all other claims, accruals covering the claims are recorded, on an undiscounted basis, when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated based on existing information. The accruals are adjusted periodically as additional information becomes available. We have not experienced significant unfavorable trends in either the severity or frequency of product liability lawsuits or personal injury claims.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

The following table sets forth information as of December 31, 2019 regarding current executive officers of nVent Electric plc, their ages, current position and their business experience during at least the past five years are as follows:

<u>Name</u>	<u>Age</u>	<u>Current Position and Business Experience</u>
Beth A. Wozniak	55	Chief Executive Officer since 2018; Ms. Wozniak was the President of Pentair's Electrical segment during 2017. Ms. Wozniak previously served as President of Pentair's Flow & Filtration Solutions Global Business Unit from 2015 – 2016. Ms. Wozniak was President of the Environmental and Combustion Controls unit of Honeywell International Inc. (a software-industrial company) from 2011 – 2015 and President of the Sensing and Controls Unit of Honeywell International Inc. from 2006 – 2011, and she held various leadership positions at Honeywell International Inc. and its predecessor AlliedSignal Inc. from 1990 – 2006.
Sara E. Zawoyski	45	Executive Vice President and Chief Financial Officer since 2019; Ms. Zawoyski was the Senior Vice President Finance and Treasurer of the Company from 2018 – 2019. Ms. Zawoyski previously served in the following roles at Pentair and its predecessors: Chief Financial Officer, Electrical Segment from 2017 – 2018, Chief Financial Officer, Flow and Filtration Solutions from 2015 – 2017, Chief Financial Officer Flow Technologies from 2014 – 2015, Chief Financial Officer, Equipment Protection from 2012 – 2014, and Vice President Investor Relations from 2010 – 2012. Ms. Zawoyski also previously held various investor relations and managerial finance leadership positions at PepsiAmericas from 2002 – 2010 and various positions in the audit practice of PricewaterhouseCoopers LLP from 1996 – 2002.
Jon D. Lammers	55	Executive Vice President, General Counsel and Secretary since 2018; Mr. Lammers served as Pentair's General Counsel, Electrical from 2017-2018 and was an attorney at Foulston Siefkin LLP (a Kansas-based law firm) from 2016 – 2017. Mr. Lammers previously served as Senior Vice President, General Counsel and Secretary of Spirit Aerosystems Holdings, Inc. (a designer and manufacturer of aerostructures) from 2012 – 2016. He held various senior legal roles, including Deputy North American General Counsel and Asia Pacific General Counsel with Cargill Inc. from 1997 – 2012. Prior to his corporate experience, Mr. Lammers practiced law at Oppenheimer, Wolff & Donnelly (n/k/a Fox Rothschild LLP) from 1993 – 1997 and Paul Hastings LLP from 1991 – 1993.
Elizabeth C. Noonan	60	Executive Vice President, Chief Growth Officer since 2019; Ms. Noonan was the Chief Marketing Officer at Cree Inc. (a publicly traded manufacturer in the global lighting industry) from 2014 – 2019. Ms. Noonan previously held various leadership roles, including Chief Marketing Officer, with Panasonic Corporation North America from 2011 – 2014 and the Eastman Kodak Company from 1986 – 2011.
Lynnette R. Heath	52	Executive Vice President and Chief Human Resources Officer since 2018; Ms. Heath was the Senior Vice President, Global Human Resources of Entrust Datacard (a privately held global security and identity company) from 2009 – 2017. Ms. Heath previously held various human resources roles with General Electric Company from 2000 – 2009, with McKesson Corporation from 1996 – 2000 and with Northern States Power Company (n/k/a Xcel Energy Inc.) from 1992 – 1996.
Aravind Padmanabhan	51	Executive Vice President and Chief Technology Officer since 2019; Mr. Padmanabhan was the Vice President and Chief Technology Officer of the Honeywell Connected Worker unit of Honeywell International Inc. (a software-industrial company) from 2018 – 2019, and served as Acting Chief Architect of the Honeywell Sentience Platform in 2018. Mr. Padmanabhan previously served as Vice President and Chief Technology Officer of the Home & Building Technologies unit of Honeywell International Inc. from 2016 – 2018 and the Environmental & Energy Solutions unit of Honeywell International Inc. from 2013 – 2016. Mr. Padmanabhan also previously held various other technology and engineering leadership positions at Honeywell International Inc. from 1997 – 2013.
Randolph A. Wacker	55	Senior Vice President and Chief Accounting Officer since 2018 and Treasurer since 2019; Mr. Wacker was the Assistant Corporate Controller of Pentair and served in that role from 2005-2017. Mr. Wacker served as the U.S. Controller of Computer Network Technologies from 2004 – 2005. He served over 10 years in corporate controlling and external reporting roles in various public companies. Mr. Wacker also served as an accountant with the public accounting firm Larson, Allen, Weishair & Co., LLP (n/k/a CliftonLarsonAllen) from 1988 – 1993.

Joseph A. Ruzynski	44	President of Enclosures since 2018; Mr. Ruzynski was the Vice President of Pentair's Enclosures Strategic Business Unit and served in that role during 2017. Mr. Ruzynski previously served as Vice President of Pentair's Engineered Projects Strategic Business Group in its Valves & Controls Global Business Unit from 2016 – 2017 and Vice President of Pentair's Fluid Motion Business Group from 2015 – 2016. He was the Vice President, Operations of Pentair's Equipment Protection and Technical Solutions Global Business Units from 2012 – 2014, and held various supply leadership positions with Pentair from 2003 – 2012. Mr. Ruzynski was a Manager with Ernst & Young from 1997 – 2003.
Michael B. Faulconer	50	President of Thermal Management since 2018; Mr. Faulconer was the Vice President of Pentair's Thermal Management Strategic Business Unit of the Electrical segment and served in that role during 2017. Mr. Faulconer previously served as the Vice President of Pentair's Thermal Building Solutions Unit from 2014 – 2016. He was the Vice President, Marketing of Pentair's Thermal Management Unit from 2010 – 2013. Mr. Faulconer held various general management and marketing leadership roles with Tyco Thermal Controls in the U.S. and Asia from 2001 – 2010. From 1991 – 2000, Mr. Faulconer held various sales roles with Valquip Corporation.
Robert J. van der Kolk	51	President of Electrical & Fastening Solutions since 2018; Mr. van der Kolk was the Vice President of Pentair's Engineered & Fastening Solutions Strategic Business Unit of the Electrical segment and served in that role from 2015 – 2017. Mr. van der Kolk previously served as the Executive Vice President, Sales for ERICO from 2011 – 2015, and held various sales, development, and manufacturing leadership roles with ERICO from 2001 – 2008. Mr. van der Kolk held Plant Superintendent and Production Management roles for Cargill in the Netherlands and Germany from 1993 – 2001.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

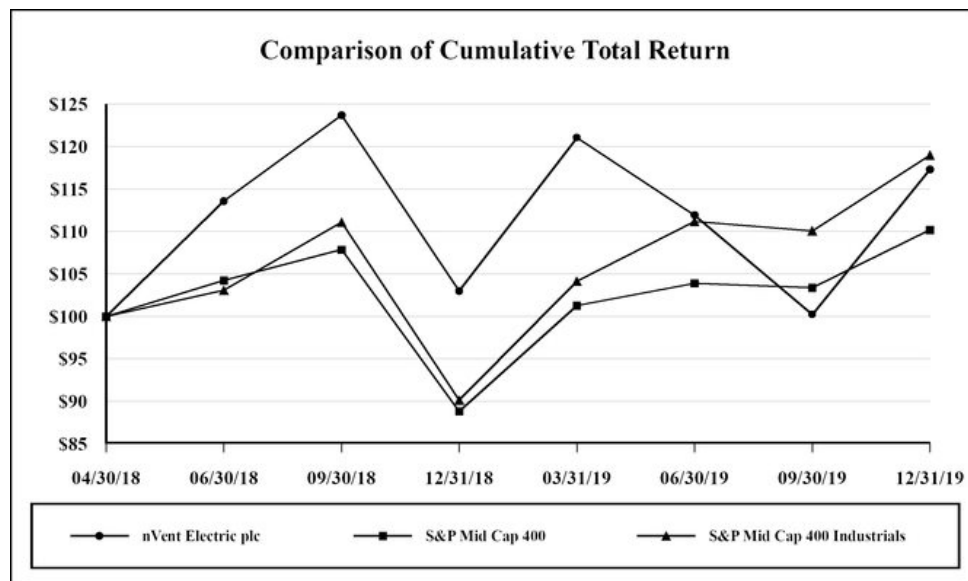
Our ordinary shares are listed for trading on the New York Stock Exchange and trade under the symbol "NVT." As of December 31, 2019, there were 14,596 shareholders of record.

The timing, declaration and payment of future dividends to holders of our ordinary shares will depend upon many factors, including our financial condition and results of operations, the capital requirements of our businesses, industry practice and any other relevant factors.

Share Performance Graph

The following information under the caption "Share Performance Graph" in this ITEM 5 of this Annual Report on Form 10-K is not deemed to be "soliciting material" or to be "filed" with the Securities and Exchange Commission or subject to Regulation 14A or 14C under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or to the liabilities of Section 18 of the Exchange Act and will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent we specifically incorporate it by reference into such a filing.

The following graph sets forth the cumulative total shareholder return on our ordinary shares from the date of the separation of nVent from Pentair, assuming the investment of \$100 on April 30, 2018 and the reinvestment of all dividends since that date to December 31, 2019. The graph also contains for comparison purposes the S&P Mid Cap 400 Index and the S&P Mid Cap 400 Industrials Index, assuming the same investment level and reinvestment of dividends. By virtue of our market capitalization, we are a component of the S&P Mid Cap 400 Index. On the basis of our size and diversity of businesses, we believe the S&P Mid Cap 400 Industrials Index is an appropriate published industry index for comparison purposes.



Company / Index	Base Period 2018	INDEXED RETURNS Quarters ended						
	April 30	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
nVent Electric plc	100	113.57	123.69	102.99	121.05	111.92	100.22	117.30
S&P Mid Cap 400 Index	100	104.23	107.86	88.82	101.27	103.90	103.37	110.18
S&P Mid Cap 400 Industrials Index	100	103.07	111.08	90.13	104.15	110.07	118.98	118.98

Purchases of Equity Securities

The following table provides information with respect to purchases we made of our ordinary shares during the fourth quarter of 2019:

	(a)	(b)	(c)	(d)
	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Dollar value of shares that may yet be purchased under the plans or programs
October 1 – October 27, 2019	2,410	\$ 20.11	—	\$ 588,307,762
October 28 – November 24, 2019	648	20.36	—	588,307,762
November 25 – December 31, 2019	226	25.10	—	588,307,762
Total	3,284		—	

- (a) The purchases in this column includes shares repurchased as part of our publicly announced plans and shares deemed surrendered to us by participants in the nVent Electric plc 2018 Omnibus Incentive Plan (the "2018 Plan") and earlier Pentair stock incentive plans that are now outstanding under the 2018 Plan (collectively the "Plans") to satisfy the exercise price or withholding of tax obligations related to the exercise of stock options, vesting of restricted shares and vesting of performance shares.
- (b) The average price paid in this column includes shares repurchased as part of our publicly announced plans and shares deemed surrendered to us by participants in the Plans to satisfy the exercise price of stock options and withholding tax obligations due upon stock option exercises, vesting of restricted shares and vesting of performance shares.
- (c) The number of shares in this column represents the number of shares repurchased as part of our publicly announced plans to repurchase our ordinary shares up to a maximum dollar limit authorized by the Board of Directors, discussed below.
- (d) In July 2018, our Board of Directors authorized the repurchase of our ordinary shares up to a maximum dollar limit of \$500.0 million (the "2018 Authorization"). In February 2019, the Board of Directors authorized the repurchase of our ordinary shares up to a maximum dollar limit of \$380.0 million (the "2019 Authorization"). The 2018 and 2019 Authorizations expire on July 23, 2021. As of December 31, 2019, we had \$588.3 million available for repurchases under the combined 2018 and 2019 Authorizations.

ITEM 6. SELECTED FINANCIAL DATA

The selected historical consolidated and combined financial data presented below should be read in conjunction with the “Risk Factors” in ITEM 1A, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” in ITEM 7, and our consolidated and combined financial statements and accompanying notes thereto in ITEM 8 of this Annual report on Form 10-K to fully understand factors that may affect the comparability of the information presented below.

For periods ended December 31, 2015 through 2017, and for the first four months of the year ended December 31, 2018, certain expenses of Pentair were allocated to nVent for certain support functions that were provided on a centralized basis prior to the separation from Pentair on April 30, 2018. As a result, the financial information included below may not necessarily reflect what nVent's financial position, results of operations and cash flows would have been had it been a stand-alone company during the periods presented.

<i>In millions, except per-share data</i>	Years ended December 31				
	2019	2018	2017	2016	2015
Consolidated and combined statements of operations and comprehensive income data					
Net sales	\$ 2,204.0	\$ 2,213.6	\$ 2,097.9	\$ 2,116.0	\$ 1,809.3
Income before income taxes	257.4	268.7	313.3	315.0	265.9
Net income	222.7	230.8	361.7	259.1	210.1
Per-share data					
Basic:					
Earnings per ordinary share	\$ 1.30	\$ 1.29	\$ 2.02	\$ 1.45	\$ 1.17
Weighted average shares ⁽¹⁾	171.6	178.6	179.0	179.0	179.0
Diluted:					
Earnings per ordinary share	\$ 1.29	\$ 1.28	\$ 2.00	\$ 1.43	\$ 1.16
Weighted average shares ⁽¹⁾	173.0	180.8	181.2	181.2	181.2
Cash dividends declared and paid per ordinary share	\$ 0.70	\$ 0.35	\$ —	\$ —	\$ —
Cash dividends declared and unpaid per ordinary share	0.175	0.175	—	—	—
Consolidated and combined balance sheets data					
Total assets	\$ 4,640.3	\$ 4,552.7	\$ 4,725.0	\$ 4,493.8	\$ 4,564.4
Total debt	1,064.6	941.7	—	—	—
Total equity	2,592.5	2,687.1	3,791.3	3,485.7	3,506.7

⁽¹⁾ On April 30, 2018, Pentair completed the separation of its Electrical business, distributing to its shareholders one ordinary share of nVent for every ordinary share of Pentair held as of the record date of April 17, 2018. The computations of basic and diluted earnings per share for periods prior to the separation were calculated using the shares that were distributed to Pentair shareholders upon the separation.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis of Financial Condition and Results of Operations refers to and should be read in conjunction with the audited consolidated and combined financial statements and the corresponding notes included in ITEM 8.

Forward-looking statements

This report 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," "positioned," "strategy," "future," "forecast" or words, phrases or terms of similar substance or the negative thereof, 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; adverse effects on our business operations or financial results as a result of the consummation of the separation (as defined below); overall global economic and business conditions impacting our business; the ability to achieve the benefits of our restructuring plans; the ability to successfully identify, finance, complete and integrate acquisitions, including the acquisition of Eldon Holding AB ("Eldon"); competition and pricing pressures in the markets we serve, including the impacts of tariffs; volatility in currency exchange rates and commodity prices; inability to generate savings from excellence in operations initiatives consisting of lean enterprise, supply management and cash flow practices; increased risks associated with operating foreign businesses; the ability to deliver backlog and win future project work; failure of markets to accept new product introductions and enhancements; the impact of changes in laws and regulations, including those that limit U.S. tax benefits; the outcome of litigation and governmental proceedings; and the ability to achieve our long-term strategic operating goals. Additional information concerning these and other factors is contained in our filings with the U.S. Securities and Exchange Commission (the "SEC"), including this Annual Report on Form 10-K. All forward-looking statements speak only as of the date of this report. nVent Electric plc assumes no obligation, and disclaims any obligation, to update the information contained in this report.

The following is the discussion and analysis of changes in the financial condition and results of operations for fiscal year 2019 compared to fiscal year 2018. The discussion and analysis of fiscal year 2017 and changes in the financial condition and results of operations for fiscal year 2018 compared to fiscal year 2017 that are not included in this Form 10-K may be found in Part II, ITEM 7 of our Annual Report on Form 10-K/A for the fiscal year ended December 31, 2018, filed with the SEC on March 1, 2019.

Overview

nVent is a leading global provider of electrical connection and protection solutions. We believe our inventive electrical solutions enable safer systems and ensure a more secure world. We design, manufacture, market, install, and service high performance products and solutions that connect and protect some of the world's most sensitive equipment, buildings, and critical processes. We offer a comprehensive range of enclosures, electrical connections and fastening, and thermal management solutions across industry-leading brands that are recognized globally for quality, reliability, and innovation.

We classify our operations into business segments based primarily on types of products offered and markets served. We operate across three segments: Enclosures, Thermal Management, and Electrical & Fastening Solutions, which represented approximately 47%, 27% and 26% of total revenues during 2019, respectively.

- **Enclosures** - The Enclosures segment provides inventive solutions that protect, connect and manage heat in critical electronics, communication, control, and power equipment. From metallic and non-metallic enclosures to cabinets, subracks and backplanes, it offers the physical infrastructure to host, connect and protect server and network equipment, as well as indoor and outdoor protection for test and measurement, aerospace and defense applications in industrial, infrastructure, energy and commercial verticals.
- **Thermal Management** - The Thermal Management segment provides electric thermal solutions that connect and protect critical buildings, infrastructure, industrial processes and people. Its thermal management systems include heat tracing, floor heating, fire-rated and specialty wiring, sensing and snow melting and de-icing solutions for use in industrial, commercial & residential, energy and infrastructure verticals. It's highly reliable and easy to install solutions lower total cost of ownership to building owners, facility managers, operators and end users.

- **Electrical & Fastening Solutions** - The Electrical & Fastening Solutions segment provides fastening solutions that connect and protect electrical and mechanical systems and civil structures. Its engineered electrical and fastening products are innovative cost efficient and labor saving connections that are used across a wide range of verticals, including commercial, industrial, infrastructure and energy.

On April 30, 2018, Pentair plc ("Pentair" or "former Parent") completed the separation of its Water business and its Electrical business into two independent, publicly-traded companies (the "separation"). To effect the separation, Pentair distributed to its shareholders one ordinary share of nVent for every ordinary share of Pentair held as of the record date of April 17, 2018. As a result of the distribution, nVent is now an independent publicly-traded company and began regular way trading under the symbol "NVT" on the New York Stock Exchange on May 1, 2018.

The Company was incorporated in Ireland on May 30, 2017. Although our jurisdiction of organization is Ireland, we manage our affairs so that we are centrally managed and controlled in the United Kingdom (the "U.K.") and have tax residency in the U.K.

On August 30, 2019, as part of our Enclosures segment, we completed the acquisition of Eldon for \$127.8 million, net of cash acquired. Eldon is an innovative European-based manufacturer of enclosures that protect sensitive electrical, electronic and data and telecommunications components.

Key trends and uncertainties regarding our existing business

The following trends and uncertainties affected our financial performance in 2019 and 2018, and will likely impact our results in the future:

- We have identified specific product, vertical and geographic market opportunities that we find attractive and continue to pursue, both within and outside the U.S. We are positioning our businesses to more effectively address these opportunities through research and development and additional sales and marketing resources. Unless we successfully penetrate these markets, our organic sales growth will likely be limited or may decline.
- We have experienced material and other cost inflation. We strive for productivity improvements and we implement increases in selling prices to help mitigate this inflation. We expect the current economic environment, including the impacts of tariffs, will result in continuing price volatility for many of our raw materials and purchased components and we are uncertain as to the timing and impact of these market changes.
- During 2019 and 2018, we continued execution of certain business restructuring initiatives aimed at reducing our fixed cost structure and realigning our business.

In 2020, our operating objectives include the following:

- Achieving differentiated revenue growth through new products and solutions and vertical market expansion in key developing regions;
- Driving operating excellence through lean enterprise initiatives, with specific focus on sourcing and supply management, cash flow management and lean operations;
- Optimizing our technological capabilities to increasingly generate innovative new and connected products and advance digital transformation; and
- Focusing on developing global talent in light of our global presence.

The financial statements for periods prior to April 30, 2018 were prepared on a stand-alone basis derived from the consolidated financial statements and records of the former Parent as if nVent had operated on a stand-alone basis.

For periods prior to the separation, the consolidated and combined financial statements of nVent include general corporate expenses of the former Parent for certain support functions that were provided on a centralized basis, such as expenses related to executive management, finance, audit, legal, information technology, human resources, communications, facilities and employee benefits and compensation. These general corporate expenses are included in the Consolidated and Combined Statements of Operations and Comprehensive Income within *Selling, general and administrative expense* and *Other expense*. These expenses were allocated to nVent on the basis of direct usage when identifiable, with the remainder allocated based on a proportional basis of net sales, headcount or other measures. nVent considers the allocation methodology regarding the former Parent's general corporate expenses to be reasonable for periods presented prior to the separation. Nevertheless, the consolidated and combined financial statements of nVent for periods prior to the separation may not reflect the actual expenses that would have been incurred and may not reflect nVent's consolidated and combined results of operations, financial position and cash flows had it been a stand-alone company during the periods presented.

CONSOLIDATED AND COMBINED RESULTS OF OPERATIONS

The consolidated and combined results of operations were as follows:

<i>In millions</i>	Years ended December 31		% / point change
	2019	2018	2019 vs 2018
Net sales	\$ 2,204.0	\$ 2,213.6	(0.4%)
Cost of goods sold	1,338.2	1,337.5	0.1%
Gross profit	865.8	876.1	(1.2%)
<i>% of net sales</i>	39.3%	39.6%	(0.3 pts)
Selling, general and administrative	484.5	519.7	(6.8%)
<i>% of net sales</i>	22.0%	23.5%	(1.5 pts)
Research and development	48.2	45.6	5.7%
<i>% of net sales</i>	2.2%	2.1%	0.1 pts
Operating income	333.1	310.8	7.2%
<i>% of net sales</i>	15.1%	14.0%	1.1 pts
Net interest expense	44.7	31.2	N.M.
Other expense	31.0	10.9	N.M.
Income before income taxes	257.4	268.7	(4.2%)
Provision for income taxes	34.7	37.9	(8.4%)
<i>Effective tax rate</i>	13.5%	14.1%	(0.6 pts)

N.M. Not Meaningful

Net sales

The components of the consolidated net sales change were as follows:

	2019 vs 2018
Volume	(1.9%)
Price	1.7
Organic growth	(0.2)
Acquisition	1.4
Currency	(1.6)
Total	(0.4%)

The 0.4 percent decrease in net sales in 2019 from 2018 was primarily the result of:

- unfavorable foreign currency effects; and
- slowdown in capital spending resulting in organic sales decline of approximately 1.5% contributed from our industrial business in 2019 from 2018.

This decrease was partially offset by:

- sales of \$30.6 million in 2019 as a result of the Eldon acquisition; and
- organic sales growth contribution of approximately 1.0% from our commercial & residential business, which includes selective increases in selling prices.

Gross profit

The 0.3 percentage point decrease in gross profit as a percentage of sales in 2019 from 2018 was primarily the result of:

- inflationary increases related to certain raw materials, labor and freight costs; and
- sales volume decline resulting in decreased leverage on fixed expenses and cost of goods sold.

This decrease was partially offset by:

- selective increases in selling prices to mitigate cost increases; and
- savings generated from our lean and supply management practices.

Selling, general and administrative ("SG&A")

The 1.5 percentage point decrease in SG&A expense as a percentage of sales in 2019 from 2018 was driven by:

- non-recurring separation costs of \$45.0 million incurred in 2018 to prepare nVent to operate as an independent stand-alone public company; and
- savings generated from restructuring and other lean initiatives.

This decrease was partially offset by:

- restructuring and other costs of \$24.2 million in 2019, compared to \$7.7 million in 2018;
- investment in sales and marketing to drive growth; and
- inflationary increases impacting our labor costs.

Provision for income taxes

The 0.6 percentage point decrease in the effective tax rate in 2019 from 2018 was primarily due to:

- the mix of global earnings towards lower tax rate jurisdictions.

SEGMENT RESULTS OF OPERATIONS

The summary that follows provides a discussion of the results of operations of our three reportable segments (Enclosures, Thermal Management and Electrical & Fastening Solutions). Each of these segments comprises various product offerings that serve multiple end markets.

We evaluate performance based on sales and segment income and use a variety of ratios to measure performance of our reporting segments. Segment income (loss) represents operating income exclusive of intangible amortization, separation costs, costs of restructuring activities, impairments and other unusual non-operating items.

Enclosures

The net sales and segment income for Enclosures were as follows:

<i>In millions</i>	Years ended December 31		% / point change
	2019	2018	2019 vs 2018
Net sales	\$ 1,033.8	\$ 1,019.7	1.4%
Segment income	181.3	174.8	3.7%
% of net sales	17.5%	17.1%	0.4 pts

Net sales

The components of the change in Enclosures net sales were as follows:

	2019 vs 2018
Volume	(1.8%)
Price	1.5
Organic growth	(0.3)
Acquisition	3.0
Currency	(1.3)
Total	1.4%

The 1.4 percent increase in Enclosures net sales in 2019 from 2018 was primarily the result of:

- net sales of \$30.6 million in 2019 as a result of the Eldon acquisition; and
- organic sales growth contribution of approximately 1.0% from our commercial & residential business, which includes selective increases in selling prices.

This increase was partially offset by:

- unfavorable foreign currency effects; and
- slowdown in capital spending resulting in organic sales decline of approximately 1.0% contributed from our industrial business.

Segment income

The components of the change in Enclosures segment income as a percentage of net sales from the prior period were as follows:

	2019 vs 2018
Growth/acquisition	(0.7 pts)
Price	1.2
Currency	0.2
Net productivity	(0.3)
Total	0.4 pts

The 0.4 percentage point increase in segment income for Enclosures as a percentage of net sales in 2019 from 2018 was primarily the result of:

- selective increases in selling prices to mitigate inflationary cost increases; and
- savings generated from restructuring and lean initiatives.

This increase was partially offset by:

- inflationary increases related to certain raw materials, labor and freight costs; and
- lower sales volume resulting in decreased leverage on fixed expenses.

Thermal Management

The net sales and segment income for Thermal Management were as follows:

In millions	Years ended December 31		% / point change
	2019	2018	2019 vs 2018
Net sales	\$ 590.6	\$ 623.2	(5.2%)
Segment income	145.3	154.2	(5.8%)
% of net sales	24.6%	24.7%	(0.1 pts)

Net sales

The components of the change in Thermal Management net sales were as follows:

	2019 vs 2018
Volume	(3.6%)
Price	0.8
Organic growth	(2.8)
Currency	(2.4)
Total	(5.2%)

The 5.2 percent decrease in Thermal Management net sales in 2019 from 2018 was primarily the result of:

- slowdown in capital spending resulting in organic sales decline of approximately 5.0% contributed from our industrial business; and
- unfavorable foreign currency effects.

This decrease was partially offset by:

- organic sales growth in the after-market repair and maintenance component of our industrial business.

Segment income

The components of the change in Thermal Management segment income as a percentage of net sales from the prior period were as follows:

	2019 vs 2018
Growth	(1.6 pts)
Price	0.6
Currency	0.1
Net productivity	0.8
Total	(0.1 pts)

The 0.1 percentage point decrease in segment income for Thermal Management as a percentage of net sales in 2019 from 2018 was primarily the result of:

- lower sales volume resulting in decreased leverage on fixed expenses;
- inflationary increases related to certain raw materials, labor and freight costs; and
- the impact of unfavorable product mix.

This decrease was partially offset by:

- savings generated from restructuring and lean initiatives; and
- selective increases in selling prices to mitigate inflationary cost increases.

Electrical & Fastening Solutions

The net sales and segment income for Electrical & Fastening Solutions were as follows:

In millions	Years ended December 31		% / point change
	2019	2018	2019 vs 2018
Net sales	\$ 579.6	\$ 570.7	1.6%
Segment income	149.7	144.5	3.6%
% of net sales	25.8%	25.3%	0.5 pts

Net sales

The components of the change in Electrical & Fastening Solutions net sales were as follows:

	2019 vs 2018
Volume	(0.3%)
Price	3.3
Organic growth	3.0
Currency	(1.4)
Total	1.6%

The 1.6 percent increase in Electrical & Fastening Solutions net sales in 2019 from 2018 was primarily the result of:

- organic sales growth contribution of approximately 2.0% from our commercial & residential business, which includes selective increases in selling prices.

This increase was partially offset by

- unfavorable foreign currency effects.

Segment income

The components of the change in Electrical & Fastening Solutions segment income as a percentage of net sales from the prior period were as follows:

	2019 vs 2018
Growth	(0.2 pts)
Price	2.4
Currency	0.2
Net productivity	(1.9)
Total	0.5 pts

The 0.5 percentage point increase in segment income for Electrical & Fastening Solutions as a percentage of net sales in 2019 from 2018 was primarily the result of:

- selective increases in selling prices to offset inflationary cost increases; and
- savings generated from our lean and supply management practices.

This increase was partially offset by:

- inflationary increases related to certain raw materials, labor and freight costs.

LIQUIDITY AND CAPITAL RESOURCES

The primary source of liquidity for our business is cash flows provided by operations. For periods prior to the separation, transfers of cash to and from the former Parent's cash management system have been reflected in the Net Parent investment in the historical Consolidated and Combined Statements of Cash Flows and Consolidated and Combined Statements of Changes in Equity. In connection with the separation, our capital structure and sources of liquidity changed significantly from our historical capital structure. Our businesses no longer participate in cash management and funding arrangements with the former Parent.

We expect to continue to have cash requirements to support working capital needs and capital expenditures, to pay interest and service debt and to pay dividends to shareholders quarterly. We believe we have the ability and sufficient capacity to meet these cash requirements by using available cash and internally generated funds and borrowing under committed credit facilities. We are focused on increasing our cash flow, while continuing to fund our research and development, sales and marketing and capital investment initiatives. Our intent is to maintain investment grade metrics and a solid liquidity position.

We experience seasonal cash flows primarily due to increased demand for Thermal Management products and services during the fall and winter months in the Northern Hemisphere and increased demand for Electrical & Fastening Solutions products during the spring and summer months in the Northern Hemisphere.

Operating activities

Net cash provided by operating activities was \$336.3 million in 2019, compared to \$343.5 million in 2018. Cash provided by operating activities in 2019 primarily reflects net income, net of non-cash depreciation and amortization, of \$319.5 million, and the positive impact of \$6.3 million as a result of changes in net working capital. Cash provided by operating activities in 2018 primarily reflects net income, net of non-cash depreciation and amortization, of \$327.9 million, and the positive impact of \$41.7 million as a result of changes in net working capital.

Investing activities

Net cash used for investing activities of continuing operations was \$160.3 million in 2019, compared to net cash used for investing activities of \$39.1 million in 2018. Net cash used for investing activities in 2019 primarily related to cash paid for the acquisition of Eldon of \$127.8 million, net of cash acquired, and capital expenditures of \$38.8 million. Net cash used for investing activities in 2018 primarily related to capital expenditures of \$39.5 million. Capital expenditures are primarily used for capacity expansions of manufacturing facilities, developing new products and general maintenance.

Financing activities

For periods prior to the separation, transfers of cash, both to and from the former Parent's centralized cash management system are reflected as a financing activity on the Consolidated and Combined Statements of Cash Flows.

Net cash used for financing activities was \$226.4 million in 2019, which primarily related to share repurchases of \$235.7 million and dividends paid of \$120.7 million, partially offset by net receipts of revolving long-term debt of \$134.6 million.

Net cash used for financing activities was \$166.6 million in 2018, which primarily related to \$1.0 billion of proceeds from long-term debt, offset by \$993.6 million of cash provided to the former Parent in connection with the separation. In addition, we repaid \$52.5 million of outstanding principal on the Term Loan Facility, executed share repurchases of \$56.0 million and paid dividends of \$62.9 million.

Senior notes

In March 2018, nVent Finance S.à r.l. ("nVent Finance" or "Subsidiary Issuer"), a 100-percent owned subsidiary of nVent, issued \$300.0 million aggregate principal amount of 3.950% senior notes due 2023 (the "2023 Notes") and \$500.0 million aggregate principal amount of 4.550% senior notes due 2028 (the "2028 Notes" and, collectively with the 2023 Notes, the "Notes"). Interest on the Notes is payable semi-annually in arrears on April 15 and October 15 of each year.

The Notes are fully and unconditionally guaranteed as to payment by nVent ("the Parent Company Guarantor"). There are no subsidiaries that guarantee the Notes. The Parent Company Guarantor has no independent assets or operations unrelated to its investments in its consolidated subsidiaries. The Subsidiary Issuer has no independent assets or operations unrelated to its investments in its consolidated subsidiaries and the issuance of the Notes and other external debt.

The Notes constitute general unsecured senior obligations of the Subsidiary Issuer and rank equally in right of payment with all existing and future unsubordinated and unsecured indebtedness and liabilities of the Subsidiary Issuer. The guarantees of the Notes by the Parent Company Guarantor constitute general unsecured obligations of the Parent Company Guarantor and rank equally in right of payment with all existing and future unsubordinated and unsecured indebtedness and liabilities of the Subsidiary Issuer. Subject to certain qualifications and exceptions, the indenture pursuant to which the Notes were issued contains covenants that, among other things, restrict nVent's, nVent Finance's and certain subsidiaries' ability to merge or consolidate with another person, create liens or engage in sale and lease-back transactions.

There are no significant restrictions on the ability of nVent to obtain funds from its subsidiaries by dividend or loan. None of the assets of nVent or its subsidiaries represents restricted net assets pursuant to the guidelines established by the SEC.

Senior credit facilities

In March 2018, nVent Finance entered into a credit agreement with a syndicate of banks providing for a five-year \$200.0 million senior unsecured term loan facility (the "Term Loan Facility") and a five-year \$600.0 million senior unsecured revolving credit facility (the "Revolving Credit Facility" and, together with the Term Loan Facility, the "Senior Credit Facilities"). We have the option to request to increase the Revolving Credit Facility in an aggregate amount of up to \$300.0 million, subject to customary conditions, including the commitment of the participating lenders. As of December 31, 2019, there were outstanding borrowings of \$134.6 million, and total availability of \$465.4 million under the Revolving Credit Facility.

Our debt agreements contain certain financial covenants, the most restrictive of which are in the Senior Credit Facilities, including that we may not permit (i) the ratio of our consolidated debt (net of our consolidated unrestricted cash in excess of \$5.0 million but not to exceed \$250.0 million) to our consolidated net income (excluding, among other things, non-cash gains and losses) before interest, taxes, depreciation, amortization and non-cash share-based compensation expense ("EBITDA") on the last day of any period of four consecutive fiscal quarters to exceed 3.75 to 1.00 and (ii) the ratio of our EBITDA to our consolidated interest expense for the same period to be less than 3.00 to 1.00. In addition, subject to certain qualifications and exceptions, the Senior Credit Facilities also contain covenants that, among other things, restrict our ability to create liens, merge or consolidate with another person, make acquisitions and incur subsidiary debt. As of December 31, 2019, we were in compliance with all financial covenants in our debt agreements.

As of December 31, 2019, we have \$14.9 million of cash held in certain countries in which the ability to repatriate is limited due to local regulations or significant potential tax consequences.

Dividends

Dividends paid per ordinary share were \$0.70 and \$0.35 for the years ended December 31, 2019 and 2018, respectively.

On December 10, 2019, the Board of Directors declared a quarterly cash dividend of \$0.175 that was paid on February 7, 2020 to shareholders of record at the close of business on January 24, 2020. The balance of dividends payable included in *Other current liabilities* on our Consolidated Balance Sheets was \$29.7 million and \$31.0 million at December 31, 2019 and 2018, respectively.

On February 25, 2020, the Board of Directors declared a quarterly cash dividend of \$0.175 per ordinary share payable on May 8, 2020 to shareholders of record at the close of business on April 24, 2020.

Under Irish law, the payment of future cash dividends and repurchases of shares may be paid only out of nVent Electric plc's "distributable reserves" on its statutory balance sheet. nVent Electric plc is not permitted to pay dividends out of share capital, which includes share premiums. Distributable reserves may be created through the earnings of the Irish parent company and through a reduction in share capital approved by the Irish High Court. Distributable reserves are not linked to a generally accepted accounting principles in the United States of America ("GAAP") reported amount (e.g., retained earnings). In June 2018, the Irish High Court approved nVent Electric plc's conversion of approximately \$3.8 billion of share premium to distributable reserves, and in July 2018, we made the required filing of nVent Electric plc's initial accounts with the Irish Companies Registration Office to complete the process.

Authorized shares

Our authorized share capital consists of 400.0 million ordinary shares with a par value of \$0.01 per share.

Share repurchases

On July 23, 2018, the Board of Directors authorized the repurchase of our ordinary shares up to a maximum dollar limit of \$500.0 million (the "2018 Authorization"). On February 19, 2019, the Board of Directors authorized the repurchase of our ordinary shares up to a maximum dollar limit of \$380.0 million (the "2019 Authorization"). The 2018 and 2019 Authorizations expire on July 23, 2021.

During the year ended December 31, 2019, we repurchased 9.0 million of our ordinary shares for \$232.7 million under the 2018 Authorization. As of December 31, 2019, we had \$588.3 million available for repurchases under the 2018 and 2019 Authorizations, which total \$880.0 million.

Contractual obligations

The following summarizes our significant contractual obligations that impact our liquidity:

<i>In millions</i>	Years ended December 31													
	2020		2021		2022		2023		2024		Thereafter		Total	
Debt obligations	\$	17.5	\$	20.0	\$	20.0	\$	512.1	\$	—	\$	500.0	\$	1,069.6
Interest obligations on fixed-rate debt		34.6		34.6		34.6		28.7		22.8		79.8		235.1
Operating lease obligations, net of sublease rentals		16.7		11.4		7.5		4.4		3.5		10.9		54.4
Purchase obligations		49.4		—		—		—		—		—		49.4
Pension and other post-retirement plan contributions		5.8		6.2		8.6		6.4		8.1		42.5		77.6
Total contractual obligations, net	\$	124.0	\$	72.2	\$	70.7	\$	551.6	\$	34.4	\$	633.2	\$	1,486.1

The majority of the purchase obligations represent commitments for raw materials to be utilized in the normal course of business. For purposes of the above table, arrangements are considered purchase obligations if a contract specifies all significant terms, including fixed or minimum quantities to be purchased, a pricing structure and approximate timing of the transaction.

In addition to the summary of significant contractual obligations, we will incur annual interest expense on outstanding variable rate debt. As of December 31, 2019, variable interest rate debt was \$269.6 million at a weighted average interest rate of 3.167%.

The total gross liability for uncertain tax positions at December 31, 2019 was estimated to be \$17.0 million. We record penalties and interest related to unrecognized tax benefits in *Provision (benefit) for income taxes* and *Net interest expense*, respectively, which is consistent with our past practices. As of December 31, 2019, we had recorded \$1.7 million for the possible payment of penalties and \$3.0 million related to the possible payment of interest.

Other financial measures

In addition to measuring our cash flow generation or usage based upon operating, investing and financing classifications included in the Consolidated and Combined Statements of Cash Flows, we also measure our free cash flow. Free cash flow is a non-GAAP financial measure that we use to assess our cash flow performance. We believe free cash flow is an important measure of liquidity because it provides us and our investors a measurement of cash generated from operations that is available to pay dividends, make acquisitions, repay debt and repurchase shares. In addition, free cash flow is used as a criterion to measure and pay compensation-based incentives. Our measure of free cash flow may not be comparable to similarly titled measures reported by other companies.

The following table is a reconciliation of free cash flow:

<i>In millions</i>	Years ended December 31	
	2019	2018
Net cash provided by (used for) operating activities	\$ 336.3	\$ 343.5
Capital expenditures	(38.8)	(39.5)
Proceeds from sale of property and equipment	6.3	2.4
Free cash flow	\$ 303.8	\$ 306.4

Off-balance sheet arrangements

At December 31, 2019, we had no off-balance sheet financing arrangements.

COMMITMENTS AND CONTINGENCIES

We have been, and in the future may be, made parties to a number of actions filed or have been, and in the future may be, given notice of potential claims relating to the conduct of our business, including those pertaining to commercial or contractual disputes, product liability, environmental, safety and health, patent infringement and employment matters.

While we believe that a material impact on our consolidated financial position, results of operations or cash flows from any such future claims or potential claims is unlikely, given the inherent uncertainty of litigation, a remote possibility exists that a future adverse ruling or unfavorable development could result in future charges that could have a material impact. We do and will continue to periodically re-examine our estimates of probable liabilities and any associated expenses and receivables and make appropriate adjustments to such estimates based on experience and developments in litigation. As a result, the current estimates of the potential impact on our consolidated financial position, results of operations and cash flows for the proceedings and claims described in ITEM 8, Note 16 of the Notes to the Consolidated and Combined Financial Statements could change in the future.

Stand-by Letters of Credit, Bank Guarantees and Bonds

In disposing of assets or businesses, we often provide representations, warranties and indemnities to cover various risks including unknown damage to assets, environmental risks involved in the sale of real estate, liability to investigate and remediate environmental contamination at waste disposal sites and manufacturing facilities and unidentified tax liabilities and legal fees related to periods prior to disposition. We do not have the ability to reasonably estimate the potential liability due to the inchoate and unknown nature of these potential liabilities. However, we have no reason to believe that these uncertainties would have a material adverse effect on our financial position, results of operations or cash flows. In the ordinary course of business, we are required to commit to bonds, letters of credit and bank guarantees that require payments to our customers for any non-performance. The outstanding face value of these instruments fluctuates with the value of our projects in process and in our backlog. In addition, we issue financial stand-by letters of credit primarily to secure our performance to third parties under self-insurance programs.

As of December 31, 2019 and 2018, the outstanding value of bonds, letters of credit and bank guarantees totaled \$70.0 million and \$75.8 million, respectively.

NEW ACCOUNTING STANDARDS

See ITEM 8, Note 1 of the Notes to Consolidated and Combined Financial Statements, included in this Form 10-K, for information pertaining to recently adopted accounting standards or accounting standards to be adopted in the future.

CRITICAL ACCOUNTING POLICIES

We have adopted various accounting policies to prepare the consolidated and combined financial statements in accordance with GAAP. Our significant accounting policies are more fully described in ITEM 8, Note 1 of the Notes to Consolidated and Combined Financial Statements. Certain of our accounting policies require the application of significant judgment by management in selecting the appropriate assumptions for calculating financial estimates. By their nature, these judgments are subject to an inherent degree of uncertainty. These judgments are based on our historical experience, terms of existing contracts, our observance of trends in the industry and information available from other outside sources, as appropriate. We consider an accounting estimate to be critical if:

- it requires us to make assumptions about matters that were uncertain at the time we were making the estimate; and
- changes in the estimate or different estimates that we could have selected would have had a material impact on our financial condition or results of operations.

Our critical accounting estimates include the following:

Cost allocations

For periods prior to the separation, the consolidated and combined financial statements of nVent include general corporate expenses of the former Parent for certain support functions that were provided on a centralized basis, such as expenses related to executive management, finance, audit, legal, information technology, human resources, communications, facilities and employee benefits and compensation. These general corporate expenses are included in the Consolidated and Combined Statements of Operations and Comprehensive Income within *Selling, general and administrative expense* and *Other expense*. The amount allocated was \$42.5 million for the year ended December 31, 2018, of which \$10.3 million was historically recorded to the Electrical segment in the former Parent's consolidated financial statements. These expenses were allocated to nVent on the basis of direct usage when identifiable, with the remainder allocated based on a proportional basis of net sales, headcount or other measures.

The Company considers the allocation methodology regarding the former Parent's general corporate expenses to be reasonable for all periods presented. Nevertheless, the consolidated and combined financial statements of nVent for periods prior to the separation may not reflect the actual expenses that would have been incurred and may not reflect nVent's consolidated and combined results of operations, financial position and cash flows had it been a stand-alone company during the periods presented. Actual costs for periods prior to the separation that would have been incurred if nVent had been a stand-alone company would depend on multiple factors including organization structure, capital structure and strategic decisions made in various areas, including information technology and infrastructure. Transactions between nVent and the former Parent have been included in related party transactions in these consolidated and combined financial statements and were considered to be effectively settled at the time the transaction was recorded. The total net effect of the settlement of these transactions is reflected in the Consolidated and Combined Statements of Cash Flows as a financing activity.

Impairment of goodwill and indefinite-lived intangibles

Goodwill

Goodwill represents the excess of the cost of acquired businesses over the net of the fair value of identifiable tangible net assets and identifiable intangible assets purchased and liabilities assumed.

Goodwill is tested annually for impairment as of the first day of the fourth quarter, and is tested for impairment more frequently if events or changes in circumstances indicate that the asset might be impaired. The impairment test is performed using a two-step process. In the first step, the fair value of each reporting unit is compared with the carrying amount of the reporting unit, including goodwill. If the estimated fair value is less than the carrying amount of the reporting unit there is an indication that goodwill impairment exists and a second step must be completed in order to determine the amount of the goodwill impairment, if any, which should be recorded. In the second step, an impairment loss is recognized for any excess of the carrying amount of the reporting unit's goodwill over the implied fair value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation.

The fair value of each reporting unit is determined using a discounted cash flow analysis and market approach. Projecting discounted future cash flows requires us to make significant estimates regarding future revenues and expenses, projected capital expenditures, changes in working capital and the appropriate discount rate. Use of the market approach consists of comparisons to comparable publicly-traded companies that are similar in size and industry. Actual results may differ from those used in our valuations.

In developing our discounted cash flow analysis, assumptions about future revenues and expenses, capital expenditures and changes in working capital are based on our annual operating plan and long-term business plan for each of our reporting units. These plans take into consideration numerous factors including historical experience, anticipated future economic conditions, changes in raw material prices and growth expectations for the industries and end markets we participate in. These assumptions are determined over a six year long-term planning period. The six year growth rates for revenues and operating profits vary for each reporting unit being evaluated. Revenues and operating profit beyond 2025 are projected to grow at a perpetual growth rate of 3.0%.

Discount rate assumptions for each reporting unit take into consideration our assessment of risks inherent in the future cash flows of the respective reporting unit and our weighted-average cost of capital. We utilized a discount rate ranging from 10.0% to 10.5% for each reporting unit in determining the discounted cash flows in our fair value analysis.

In estimating fair value using the market approach, we identify a group of comparable publicly-traded companies for each reporting unit that are similar in terms of size and product offering. These groups of comparable companies are used to develop multiples based on total market-based invested capital as a multiple of earnings before interest, taxes, depreciation and amortization ("EBITDA"). We determine our estimated values by applying these comparable EBITDA multiples to the operating results of our reporting units. The ultimate fair value of each reporting unit is determined considering the results of both valuation methods.

We did not recognize any goodwill impairment losses in 2019 and 2018.

Identifiable intangible assets

Our primary identifiable intangible assets include: customer relationships, trade names, proprietary technologies and patents. Identifiable intangibles with definite lives are amortized and those identifiable intangibles with indefinite lives are not amortized. Identifiable intangible assets that are subject to amortization are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Identifiable intangible assets not subject to amortization are tested for impairment annually or more frequently if events warrant. We complete our annual impairment test during the fourth quarter each year for those identifiable assets not subject to amortization.

The impairment test for trade names consists of a comparison of the fair value of the trade name with its carrying value. Fair value is measured using the relief-from-royalty method. This method assumes the trade name has value to the extent that the owner is relieved of the obligation to pay royalties for the benefits received from them. This method requires us to estimate the future revenue for the related brands, the appropriate royalty rate and the weighted average cost of capital.

There were no impairment charges recorded in 2019 or 2018 for identifiable intangible assets.

Pension and other post-retirement plans

We sponsor defined-benefit pension plans and a post-retirement health plan ("Direct Plans"). The defined benefit plans cover certain non-U.S. employees and retirees and the pension benefits are based principally on an employee's years of service and/or compensation levels near retirement. For periods prior to the separation, certain nVent employees participated in defined benefit pension plans and post-retirement health plans sponsored by the former Parent. For purposes of these consolidated and combined financial statements, nVent accounts for these plans as multi-employer benefit plans. Accordingly, nVent does not record an asset or liability to recognize the funded status of these plans. However, nVent does record its share of the allocated expense, including net actuarial gains or losses described below.

The amounts recognized in our consolidated and combined financial statements related to our defined-benefit pension and other post-retirement plans are determined from actuarial valuations. Inherent in these valuations are assumptions, including: expected return on plan assets, discount rates and rate of increase in future compensation levels. These assumptions are updated annually and are disclosed for our Direct Plans in ITEM 8, Note 12 to the Notes to Consolidated and Combined Financial Statements. Differences in actual experience or changes in assumptions may affect our pension and other post-retirement obligations and future expense.

We recognize changes in the fair value of plan assets and net actuarial gains or losses for pension and other post-retirement benefits annually in the fourth quarter each year ("mark-to-market adjustment") and, if applicable, in any quarter in which an interim remeasurement is triggered. Net actuarial gains and losses occur when the actual experience differs from any of the various assumptions used to value our pension and other post-retirement plans or when assumptions change, as they may each year. The primary factors contributing to actuarial gains and losses each year are (1) changes in the discount rate used to value pension and other post-retirement benefit obligations as of the measurement date and (2) differences between the expected and the actual return on plan assets. This accounting method also results in the potential for volatile and difficult to forecast mark-to-market adjustments. Mark-to-market adjustments resulted in a pre-tax charge of \$27.3 million in 2019 and \$7.0 million in 2018. The remaining components of pension expense, including service and interest costs and estimated return on plan assets, are recorded on a quarterly basis as ongoing pension expense.

Discount rates

The discount rate reflects the current rate at which the pension liabilities could be effectively settled at the end of the year based on our December 31 measurement date. The discount rates on our pension plans ranged from 0.25% to 3.25% and 0.50% to 4.25% in 2019 and 2018, respectively. The discount rates are determined by matching high-quality, fixed-income debt instruments with maturities corresponding to the expected timing of benefit payments as of the annual measurement date for each of the various plans. There are no known or anticipated changes in our discount rate assumptions that will materially impact our pension expense in 2020.

Expected rates of return

The expected rates of return on our pension plan assets ranged from 1.00% to 5.25% and 1.00% to 5.50% in 2019 and 2018, respectively. The expected rate of return is designed to be a long-term assumption that may be subject to considerable year-to-year variance from actual returns. In developing the expected long-term rate of return, we considered our historical returns, with consideration given to forecasted economic conditions, our asset allocations, input from external consultants and broader long-term market indices. Any difference in the expected rate and actual returns will be included with the actuarial gain or loss recorded in the fourth quarter when our plans are remeasured.

Sensitivity to changes in key assumptions

A 0.25 percentage point change in the discount rates used to measure our pension and other post-retirement benefit plans is estimated to have an impact on our total projected benefit obligation of approximately \$11 million. A 0.25 percentage point change in the assumed rate of return on pension assets or discount rates for our pension and other post-retirement benefit plans is estimated to have no material impact on our ongoing 2020 pension expense. These estimates exclude any potential mark-to-market adjustments.

Income taxes

For periods prior to the separation, certain nVent operations were included in the former Parent's U.S. federal and state income tax returns and substantially all income taxes on those operations have been paid by the former Parent. Income tax expense and other income tax related information contained in these consolidated and combined financial statements for periods prior to the separation are presented on a separate return approach as if nVent filed its own tax returns. Under this approach, the provision for income taxes represented income tax paid or payable (or received or receivable) for the current year plus the change in deferred taxes during the year calculated as if nVent was a stand-alone taxpayer filing hypothetical income tax returns where applicable. Current income tax liabilities were assumed to be immediately settled with the former Parent and relieved through the *Net Parent investment* account and the *Net transfers to Parent* in the Consolidated and Combined Statements of Cash Flows.

In determining taxable income for financial statement purposes, we must make certain estimates and judgments. These estimates and judgments affect the calculation of certain tax liabilities and the determination of the recoverability of certain of the deferred tax assets, which arise from temporary differences between the tax and financial statement recognition of revenue and expense. In evaluating our ability to recover our deferred tax assets we consider all available positive and negative evidence including our past operating results, the existence of cumulative losses in the most recent years and our forecast of future taxable income. In estimating future taxable income, we develop assumptions including the amount of future pre-tax operating income, the reversal of temporary differences and the implementation of feasible and prudent tax planning strategies. These assumptions require significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates we are using to manage the underlying businesses.

We maintain valuation allowances with respect to our deferred tax assets unless it is more likely than not that all or a portion of such deferred tax assets will be realized. Our income tax expense recorded in the future may be reduced to the extent of decreases in our valuation allowances. The realization of our remaining deferred tax assets is primarily dependent on future taxable income in the appropriate jurisdiction. Any reduction in future taxable income including but not limited to any future restructuring activities may require that we record an additional valuation allowance against our deferred tax assets. An increase in the valuation allowance could result in additional income tax expense in such period and could have a significant impact on our future earnings.

Changes in tax laws and rates could also affect recorded deferred tax assets and liabilities in the future. Management records the effect of a tax rate or law change on nVent's deferred tax assets and liabilities in the period of enactment. Future tax rate or law changes could have a material effect on nVent's financial condition, results of operations or cash flows.

In addition, the calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax regulations in a multitude of jurisdictions across our global operations. We perform reviews of our income tax positions on a quarterly basis and accrue for uncertain tax positions. We recognize potential liabilities and record tax liabilities for anticipated tax audit issues in the tax jurisdictions in which we operate based on our estimate of whether, and the extent to which, additional taxes will be due. These tax liabilities are reflected net of related tax loss carryforwards. As events change or resolution occurs, these liabilities are adjusted, such as in the case of audit settlements with taxing authorities. The ultimate resolution may result in a payment that is materially different from our current estimate of the tax liabilities. If our estimate of tax liabilities proves to be less than the ultimate assessment, an additional charge to expense would result. If payment of these amounts ultimately proves to be less than the recorded amounts, the reversal of the liabilities would result in tax benefits being recognized in the period when we determine the liabilities are no longer necessary. We recognize the effect of income tax positions only if those positions are more likely than not to be sustained. Recognized income tax positions are measured at the largest amount that is more likely than not to be realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the potential economic loss that may result from adverse changes in the fair value of financial instruments. We are exposed to various market risks, including changes in interest rates and foreign currency rates. Periodically, we use derivative financial instruments for the purpose of hedging interest rate and currency exposures. The major accounting policies and utilization of these instruments is described more fully in ITEM 8, Note 1 of the Notes to Consolidated and Combined Financial Statements.

Interest rate risk

Our debt portfolio as of December 31, 2019 was comprised of debt denominated in U.S. dollars. The debt portfolio is comprised of approximately 75% fixed-rate debt and 25% variable-rate debt. Changes in interest rates have different impacts on the fixed and variable-rate portions of our debt portfolio. A change in interest rates on the fixed portion of the debt portfolio impacts the fair value, but has no impact on interest incurred or cash flows. A change in interest rates on the variable portion of the debt portfolio impacts the interest incurred and cash flows but does not impact the net financial instrument position.

Based on the fixed-rate debt included in our debt portfolio, as of December 31, 2019, a 100 basis point increase or decrease in interest rates would result in a \$47.5 million decrease or a \$51.1 million increase in fair value, respectively.

Based on the variable-rate debt included in our debt portfolio as of December 31, 2019, a 100 basis point increase or decrease in interest rates would result in a \$2.7 million increase or decrease in interest incurred.

Foreign currency risk

We conduct business in various locations throughout the world and are subject to market risk due to changes in the value of foreign currencies in relation to our reporting currency, the U.S. dollar. Periodically, we use derivative financial instruments to manage these risks. The functional currencies of our foreign operating locations are generally the local currency in the country of domicile. We manage these operating activities at the local level and revenues, costs, assets and liabilities are generally denominated in local currencies, thereby mitigating the risk associated with changes in foreign exchange. However, our results of operations and assets and liabilities are reported in U.S. dollars and thus will fluctuate with changes in exchange rates between such local currencies and the U.S. dollar.

From time to time, we may enter into foreign currency contracts to hedge certain foreign currency risks. As the majority of our foreign currency contracts have an original maturity date of less than one year, there is no material risk of fluctuations in the value of these contracts. Counterparties to all derivative contracts are major financial institutions. All instruments are entered into for other than trading purposes.

At December 31, 2019 and 2018, we had outstanding foreign currency derivative contracts with gross notional U.S. dollar equivalent amounts of \$268.9 million and \$129.0 million, respectively. Changes in the fair value of all derivatives are recognized immediately in income unless the derivative qualifies as a hedge of future cash flows. Gains and losses related to a hedge are deferred and recorded in the Consolidated Balance Sheets as a component of *Accumulated other comprehensive income (loss)* and subsequently recognized in the Consolidated and Combined Statements of Operations and Comprehensive Income when the hedged item affects earnings.

At both December 31, 2019 and 2018, we had a gross notional U.S. dollar equivalent amount of \$69.1 million designated as a net investment hedge for a portion of our net investment in our Euro denominated subsidiaries. The hedge is intended to reduce, but will not eliminate, the impact on our financial results of changes in the exchange rate between the Euro and the U.S. dollar. The currency risk related to the net investment hedge is measured by estimating the potential impact of a 10% change in the value of the U.S. dollar relative to the Euro. The rates used to perform this analysis were based on the market exchange rates in effect on December 31, 2019. A 10% appreciation of the U.S. dollar relative to the Euro would result in a \$6.0 million net increase in Other comprehensive income. Conversely, a 10% depreciation of the U.S. dollar relative to the Euro would result in a \$7.4 million net decrease in Other comprehensive income. However, these increases and decreases in Other comprehensive income would be offset by decreases or increases in the hedged net investments on our balance sheet due to currency translation.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of nVent Electric plc and its subsidiaries (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Securities Exchange Act of 1934. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal control over financial reporting includes those policies and procedures that (1) pertain to maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of the effectiveness of internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2019. In making this assessment, management used the criteria for effective internal control over financial reporting described in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management believes that, as of December 31, 2019, the Company's internal control over financial reporting was effective based on those criteria.

Our independent registered public accounting firm, Deloitte & Touche LLP, has issued an attestation report on the Company's internal control over financial reporting as of December 31, 2019. That attestation report is set forth immediately following this management report.

Beth A. Wozniak
Chief Executive Officer

Sara E. Zawoyski
Executive Vice President and Chief Financial Officer

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
nVent Electric plc
London, United Kingdom

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of nVent Electric plc and subsidiaries (the "Company") as of December 31, 2019, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on the criteria established in *Internal Control - Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the financial statements as of and for the year ended December 31, 2019, of the Company and our report dated February 25, 2020 expressed an unqualified opinion on those financial statements and included an emphasis of a matter paragraph regarding the allocation of expenses from Pentair plc for the periods prior to April 30, 2018.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Minneapolis, Minnesota
February 25, 2020

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
nVent Electric plc
London, United Kingdom

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of nVent Electric plc (the "Company") as of December 31, 2019 and 2018, the related consolidated and combined statements of operations and comprehensive income, changes in equity, and cash flows, for each of the three years in the period ended December 31, 2019, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 25, 2020, expressed an unqualified opinion on the Company's internal control over financial reporting.

Emphasis of a Matter

As described in Note 1, prior to April 30, 2018, the accompanying consolidated and combined financial statements have been derived from the consolidated financial statements and accounting records of Pentair plc. The consolidated and combined financial statements also include expense allocations for certain corporate functions historically provided by Pentair plc. These allocations may not be reflective of the actual expense which would have been incurred had the Company operated as a separate entity apart from Pentair plc during the periods prior to April 30, 2018.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Goodwill - Certain Reporting Units - Refer to Notes 1 and 6 to the financial statements

Critical Audit Matter Description

The Company's evaluation of goodwill for impairment involves the comparison of the fair value of each reporting unit to its carrying value. The Company determines the fair value of its reporting units using income and market approaches. The determination of the fair value using an income approach involves the use of a discounted cash flow model that requires management to make significant estimates and assumptions related to future revenues and expenses, projected capital expenditures, changes in working capital and discount rates. The determination of the fair value using the market approach

requires management to make significant assumptions related to earnings before interest, taxes, depreciation, and amortization (EBITDA) multiples. The goodwill balance was \$2,279 million as of December 31, 2019, and no impairment was recognized as the fair value of all reporting units exceeded their carrying values as of the measurement date.

Given the significant judgments made by management to estimate the fair value of certain reporting units and the difference between their fair value and carrying value, performing audit procedures to evaluate the reasonableness of management's estimates and assumptions related to selection of the discount rates and forecasts of future revenues and operating margins required a high degree of auditor judgment and an increased extent of effort, including the need to involve fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to significant estimates and assumptions for certain reporting units included the following, among others:

- We tested the effectiveness of controls over goodwill, including those over the underlying assumptions to forecast future revenue and operating margins, the selection of the discount rates, and the selection of the EBITDA multiples.
- We evaluated management's ability to accurately forecast future revenues and operating margins by comparing actual results to management's historical forecasts.
- We evaluated the reasonableness of management's forecasts by comparing the forecasts to (1) historical results, (2) internal communications to management and the Board of Directors, and (3) forecasted information included in Company press releases, analyst and industry reports of the Company and companies in its peer group.
- With the assistance of our fair value specialists, we evaluated the discount rates, including testing the underlying source information and the mathematical accuracy of the calculations, and developing a range of independent estimates and comparing those to the discount rates selected by management.
- With the assistance of our fair value specialists, we evaluated the EBITDA multiples used in estimating fair value, including testing the underlying source information and mathematical accuracy of the calculations, and comparing the multiples selected by management to its guideline companies.

Indefinite-Life Intangibles - Certain Trade Names - Refer to Notes 1 and 6 to the financial statements

Critical Audit Matter Description

The Company's evaluation of indefinite-life intangibles, including trade names, for impairment involves the comparison of the fair value of each indefinite-life intangible to its carrying value. The Company determines the fair value of its trade names using an income approach known as the relief-from-royalty method. The determination of the fair value using the relief-from-royalty method requires management to make significant estimates and assumptions related to forecasts of future revenues, and royalty and discount rates. The trade names balance was \$281 million as of December 31, 2019. The fair values of these trade names exceeded their carrying values as of the measurement date and, therefore, no impairment was recognized.

Given the determination of fair values of certain trade names requires management to make significant estimates and assumptions relating to the forecasts of future revenues and the selection of discount and royalty rates, performing audit procedures to evaluate the reasonableness of such estimates and assumptions required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to significant estimates and assumptions for the indefinite-lived intangible assets included the following, among others:

- We tested the effectiveness of controls over trade names, including those over the forecasts of future revenues and the selection of the royalty and discount rates.
- We evaluated management's ability to accurately forecast by comparing actual results to management's historical forecasts.
- We evaluated the reasonableness of management's forecasts by comparing the forecasts to (1) historical results, (2) internal communications to management and the Board of Directors, and (3) forecasted information included in Company press releases, analyst and industry reports of the Company and companies in its peer group.
- With the assistance of our fair value specialists, we evaluated the royalty and discount rates, including testing the underlying source information and the mathematical accuracy of the calculations, and developing a range of independent estimates and comparing those to the royalty and discount rates selected by management.

Income Taxes - Uncertain Tax Positions - Refer to Notes 1 and 11 in the financial statements

Critical Audit Matter Description

The Company's calculation of its tax liabilities involves evaluating uncertainties in the application of complex tax regulations in a multitude of jurisdictions around the world. The Company recognizes liabilities for uncertain tax positions based on their estimate of whether, and the extent to which, additional taxes may be due. The effect of income tax positions is recognized only if those positions are determined to be more likely than not to be sustained. Recognized income tax positions are measured at the largest amount that is more likely than not to be realized.

Given the complexity of the tax laws and regulations associated with certain tax positions taken by the Company, auditing management's estimate of the tax positions to be sustained upon examination required a high degree of auditor judgment and an increased extent of effort, including the need to involve our income tax specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to uncertain tax positions and determination of whether the Company has appropriately recorded all such positions that meet the more likely than not criteria included the following, among others:

- We tested the effectiveness of controls over uncertain tax positions.
- With the assistance of income tax specialists, we evaluated the following sources of information for management's tax positions taken and benefits recognized:
 - Management's technical tax memorandum and related appendices.
 - Analysis performed by external tax specialists.
 - Historical tax return data.
 - Results of audits performed by tax authorities.
- With the assistance of income tax specialists, we assessed management's conclusion as to whether the recorded tax benefits are more likely than not to be sustained on the basis of their technical merits.
- With the assistance of income tax specialists, we evaluated the reasonableness of management's estimates of the tax benefit to be recognized by:
 - Evaluating the Company's analysis of tax regulations and their application to the Company's particular facts in each relevant jurisdiction.
 - Reviewing changes in tax laws and regulations or their application by the relevant taxing authorities.
 - Evaluating the impact of changes in taxable income, available tax credits, or other economic factors that could affect recorded tax benefits.
 - Assessing conclusions that benefits meet the more likely than not criteria to be realized.
 - Evaluating the appropriateness of the underlying assumptions in management's estimates.
 - Assessing management's methods and assumptions used in identifying uncertain tax positions.
 - Comparing results of prior tax audits to ongoing and anticipated tax audits by tax authorities.
- With the assistance of income tax specialists, we evaluated a sample of the reserves for unrecognized tax benefits to assess the establishment and amount of the liability for the specific underlying tax position.

/s/ Deloitte & Touche LLP

Minneapolis, Minnesota
February 25, 2020

We have served as the Company's auditor since 2017.

nVent Electric plc
Consolidated and Combined Statements of Operations and Comprehensive Income

<i>In millions, except per-share data</i>	Years ended December 31					
	2019		2018		2017	
Net sales	\$	2,204.0	\$	2,213.6	\$	2,097.9
Cost of goods sold		1,338.2		1,337.5		1,256.0
Gross profit		865.8		876.1		841.9
Selling, general and administrative		484.5		519.7		483.3
Research and development		48.2		45.6		42.5
Operating income		333.1		310.8		316.1
Net interest expense		44.7		31.2		0.2
Other expense		31.0		10.9		2.6
Income before income taxes		257.4		268.7		313.3
Provision (benefit) for income taxes		34.7		37.9		(48.4)
Net income	\$	222.7	\$	230.8	\$	361.7
Comprehensive income, net of tax						
Net income	\$	222.7	\$	230.8	\$	361.7
Changes in cumulative translation adjustment		4.8		(48.2)		2.4
Changes in market value of derivative financial instruments, net of tax		4.4		(2.5)		1.1
Comprehensive income	\$	231.9	\$	180.1	\$	365.2
Earnings per ordinary share						
Basic	\$	1.30	\$	1.29	\$	2.02
Diluted	\$	1.29	\$	1.28	\$	2.00
Weighted average ordinary shares outstanding						
Basic		171.6		178.6		179.0
Diluted		173.0		180.8		181.2

See accompanying notes to consolidated and combined financial statements.

nVent Electric plc
Consolidated Balance Sheets

<i>In millions, except per-share data</i>	December 31	
	2019	2018
Assets		
Current assets		
Cash and cash equivalents	\$ 106.4	\$ 159.0
Accounts and notes receivable, net of allowances of \$5.4 and \$6.1, respectively	334.3	340.9
Inventories	244.7	228.2
Other current assets	113.3	118.4
Total current assets	798.7	846.5
Property, plant and equipment, net	284.5	264.8
Other assets		
Goodwill	2,279.1	2,234.3
Intangibles, net	1,160.5	1,173.3
Other non-current assets	117.5	33.8
Total other assets	3,557.1	3,441.4
Total assets	\$ 4,640.3	\$ 4,552.7
Liabilities and Equity		
Current liabilities		
Current maturities of long-term debt and short-term borrowings	\$ 17.5	\$ 12.5
Accounts payable	187.1	186.4
Employee compensation and benefits	71.9	75.8
Other current liabilities	185.7	187.0
Total current liabilities	462.2	461.7
Other liabilities		
Long-term debt	1,047.1	929.2
Pension and other post-retirement compensation and benefits	207.2	177.9
Deferred tax liabilities	237.8	224.8
Other non-current liabilities	93.5	72.0
Total liabilities	2,047.8	1,865.6
Commitments and Contingencies (Note 16)		
Equity		
Ordinary shares \$0.01 par value, 400.0 authorized, 169.5 and 177.2 issued at December 31, 2019 and 2018, respectively	1.7	1.8
Additional paid-in capital	2,502.7	2,709.7
Retained earnings	186.7	83.4
Accumulated other comprehensive loss	(98.6)	(107.8)
Total equity	2,592.5	2,687.1
Total liabilities and equity	\$ 4,640.3	\$ 4,552.7

See accompanying notes to consolidated and combined financial statements.

nVent Electric plc
Consolidated and Combined Statements of Cash Flows

<i>In millions</i>	Years ended December 31		
	2019	2018	2017
Operating activities			
Net income	\$ 222.7	\$ 230.8	\$ 361.7
Adjustments to reconcile net income to net cash provided by (used for) operating activities			
Depreciation	35.4	36.2	36.5
Amortization	61.4	60.9	61.4
Deferred income taxes	(24.6)	(23.6)	(158.0)
Share-based compensation	16.1	12.8	14.6
Impairment of trade names	—	—	16.4
Pension and other post-retirement expense	36.5	14.9	14.3
Pension and other post-retirement contributions	(5.8)	(6.7)	(6.7)
Changes in assets and liabilities, net of effects of business acquisitions			
Accounts and notes receivable	26.6	(1.3)	(18.2)
Inventories	0.9	(12.0)	(8.9)
Other current assets	10.2	7.3	5.6
Accounts payable	(7.9)	13.4	17.0
Employee compensation and benefits	(6.6)	6.8	11.6
Other current liabilities	(16.9)	27.5	21.3
Other non-current assets and liabilities	(11.7)	(23.5)	41.1
Net cash provided by (used for) operating activities	336.3	343.5	409.7
Investing activities			
Capital expenditures	(38.8)	(39.5)	(31.8)
Proceeds from sale of property and equipment	6.3	2.4	4.2
Acquisitions, net of cash acquired	(127.8)	(2.0)	(13.6)
Net cash provided by (used for) investing activities	(160.3)	(39.1)	(41.2)
Financing activities			
Net repayments of short-term borrowings	—	(0.3)	—
Net receipts of revolving credit facility	134.6	—	—
Proceeds from long-term debt	—	1,000.0	—
Repayment of long-term debt	(14.1)	(52.5)	—
Debt issuance costs	—	(9.9)	—
Cash provided at separation to former Parent	—	(993.6)	—
Dividends paid	(120.7)	(62.9)	—
Net transfers to former Parent prior to separation	—	—	(359.5)
Shares issued to employees, net of shares surrendered	9.5	8.6	—
Repurchases of ordinary shares	(235.7)	(56.0)	—
Net cash provided by (used for) financing activities	(226.4)	(166.6)	(359.5)
Effect of exchange rate changes on cash and cash equivalents	(2.2)	(5.7)	(3.6)
Change in cash and cash equivalents	(52.6)	132.1	5.4
Cash and cash equivalents, beginning of year	159.0	26.9	21.5
Cash and cash equivalents, end of year	\$ 106.4	\$ 159.0	\$ 26.9
Supplemental cash flow information			
Cash paid for interest, net	\$ 52.3	\$ 34.7	\$ —
Cash paid for income taxes, net	\$ 60.8	\$ 57.4	\$ —

See accompanying notes to consolidated and combined financial statements.

nVent Electric plc
Consolidated and Combined Statements of Changes in Equity

<i>In millions</i>	Ordinary shares		Additional paid-in capital	Retained earnings	Net Parent Investment	Accumulated other comprehensive loss	Total
	Number	Amount					
Balance - December 31, 2016	—	\$ —	\$ —	\$ —	\$ 3,546.3	\$ (60.6)	\$ 3,485.7
Net Income	—	—	—	—	361.7	—	361.7
Other comprehensive income, net of tax	—	—	—	—	—	3.5	3.5
Net transfers to former Parent	—	—	—	—	(59.6)	—	(59.6)
Balance - December 31, 2017	—	\$ —	\$ —	\$ —	\$ 3,848.4	\$ (57.1)	\$ 3,791.3
Net Income	—	—	—	177.3	53.5	—	230.8
Cumulative effect of accounting changes	—	—	—	—	(172.7)	—	(172.7)
Other comprehensive income, net of tax	—	—	—	—	—	(50.7)	(50.7)
Net transfers from former Parent	—	—	—	—	14.6	—	14.6
Cash provided at separation to former Parent	—	—	—	—	(993.6)	—	(993.6)
Reclassification of Net Parent investment to additional paid-in capital	—	—	2,750.2	—	(2,750.2)	—	—
Issuance of common stock upon separation	178.4	1.8	—	—	—	—	1.8
Dividends declared	—	—	—	(93.9)	—	—	(93.9)
Share repurchases	(2.4)	—	(59.0)	—	—	—	(59.0)
Exercise of options, net of shares tendered for payment	1.0	—	12.1	—	—	—	12.1
Issuance of restricted shares, net of cancellations	0.4	—	—	—	—	—	—
Shares surrendered by employees to pay taxes	(0.2)	—	(3.5)	—	—	—	(3.5)
Share-based compensation	—	—	9.9	—	—	—	9.9
Balance - December 31, 2018	177.2	\$ 1.8	\$ 2,709.7	\$ 83.4	\$ —	\$ (107.8)	\$ 2,687.1
Net income	—	—	—	222.7	—	—	222.7
Other comprehensive income, net of tax	—	—	—	—	—	9.2	9.2
Dividends declared	—	—	—	(119.4)	—	—	(119.4)
Share repurchases	(8.9)	(0.1)	(232.6)	—	—	—	(232.7)
Exercise of options, net of shares tendered for payment	0.9	—	13.1	—	—	—	13.1
Issuance of restricted shares, net of cancellations	0.4	—	—	—	—	—	—
Shares surrendered by employees to pay taxes	(0.1)	—	(3.6)	—	—	—	(3.6)
Share-based compensation	—	—	16.1	—	—	—	16.1
Balance - December 31, 2019	169.5	\$ 1.7	\$ 2,502.7	\$ 186.7	\$ —	\$ (98.6)	\$ 2,592.5

See accompanying notes to consolidated and combined financial statements.

1. Basis of Presentation and Summary of Significant Accounting Policies

Business

nVent Electric plc ("nVent," "we," "us," "our" or the "Company") is a leading global provider of electrical connection and protection solutions. The Company is comprised of three reporting segments: Enclosures, Thermal Management and Electrical & Fastening Solutions.

The Company was incorporated in Ireland on May 30, 2017. Although our jurisdiction of organization is Ireland, we manage our affairs so that we are centrally managed and controlled in the United Kingdom (the "U.K.") and have tax residency in the U.K.

Separation from Pentair

On April 30, 2018, Pentair plc ("Pentair" or "former Parent") completed the separation of its Water business and its Electrical business into two independent, publicly-traded companies (the "separation"). To effect the separation, Pentair distributed to its shareholders one ordinary share of nVent for every ordinary share of Pentair held as of the record date of April 17, 2018. As a result of the distribution, nVent is now an independent publicly-traded company and began "regular way" trading under the symbol "NVT" on the New York Stock Exchange on May 1, 2018.

Except where indicated, references below to transactions completed by nVent prior to April 30, 2018 refer to transactions completed by or on behalf of the Electrical reporting segment of the former Parent that are reflected on the consolidated and combined financial statements of nVent.

Basis of presentation

The consolidated and combined financial statements have been prepared in U.S. dollars ("USD") and in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Intercompany accounts and transactions have been eliminated.

The financial statements for periods prior to April 30, 2018 were prepared on a stand-alone basis derived from the consolidated financial statements and records of the former Parent as if nVent were operated on a stand-alone basis.

Cost allocations

For periods prior to the separation, the consolidated and combined financial statements of nVent include general corporate expenses of the former Parent for certain support functions that were provided on a centralized basis, such as expenses related to executive management, finance, audit, legal, information technology, human resources, communications, facilities and employee benefits and compensation. These general corporate expenses are included in the Consolidated and Combined Statements of Operations and Comprehensive Income within *Selling, general and administrative expense* and *Other expense*. The amounts allocated were \$42.5 million and \$65.7 million for the years ended December 31, 2018 and 2017, respectively, of which \$10.3 million and \$31.0 million, respectively, were historically recorded to the Electrical segment in the former Parent's consolidated financial statements. These expenses were allocated to nVent on the basis of direct usage when identifiable, with the remainder allocated based on a proportional basis of net sales, headcount or other measures.

The Company considers the allocation methodology regarding general corporate expenses of the former Parent to be reasonable for all periods presented. Nevertheless, the consolidated and combined financial statements of nVent for periods prior to the separation may not reflect the actual expenses that would have been incurred and may not reflect nVent's consolidated and combined results of operations, financial position and cash flows had it been a stand-alone company during the periods presented. Actual costs for periods prior to the separation that would have been incurred if nVent had been a stand-alone company would depend on multiple factors including organization structure, capital structure and strategic decisions made in various areas, including information technology and infrastructure. Transactions between nVent and the former Parent have been included in related party transactions in these consolidated and combined financial statements and were considered to be effectively settled at the time the transaction was recorded. The total net effect of the settlement of these transactions is reflected in the Consolidated and Combined Statements of Cash Flows as a financing activity.

For periods prior to the separation, certain nVent operations were included in the former Parent's U.S. federal and state income tax returns and substantially all income taxes on those operations have been paid by the former Parent. Income tax expense and other income tax related information contained in these consolidated and combined financial statements for periods prior to the separation are presented on a separate return approach as if nVent filed its own tax returns. Under this approach, the provision for income taxes represented income tax paid or payable (or received or receivable) for the current year plus the change in deferred taxes during the year calculated as if nVent was a stand-alone taxpayer filing hypothetical income tax returns where applicable. Current income tax liabilities were assumed to be immediately settled with the former Parent and relieved through the *Net Parent investment* account and the *Net transfers to former Parent* in the Consolidated and Combined Statements of Cash Flows.

Fiscal year

Our fiscal year ends on December 31. We report our interim quarterly periods on a calendar quarter basis.

Use of estimates

The preparation of our consolidated and combined financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the amounts reported in these consolidated and combined financial statements and accompanying notes, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates include our accounting for valuation of goodwill and indefinite lived intangible assets, estimated losses on accounts receivable, estimated realizable value on excess and obsolete inventory, percentage of completion revenue recognition, assets acquired and liabilities assumed in acquisitions, contingent liabilities, income taxes and pension and other post-retirement benefits. Actual results could differ from our estimates.

Revenue recognition

Revenue is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for transferring those goods or providing services. We account for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

When determining whether the customer has obtained control of the goods or services, we consider any future performance obligations. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer, and is the unit of account in Accounting Standards Codification 606 - Revenue from Contracts with Customers. Generally, there is no post-shipment obligation on product sold other than warranty obligations in the normal and ordinary course of business.

Contract transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The majority of our contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and, therefore, not distinct. For contracts with multiple performance obligations, stand-alone selling price is generally readily observable.

Our performance obligations are satisfied at a point in time or over time as work progresses. Revenue from products and services transferred to customers at a point in time accounted for 73% and 72% of our revenue for the years ended December 31, 2019 and 2018, respectively. Revenue on these contracts is recognized when obligations under the terms of the contract with our customer are satisfied; generally this occurs with the transfer of control upon shipment.

Revenue from products and services transferred to customers over time accounted for 27% and 28% of our revenue for the years ended December 31, 2019 and 2018, respectively. For the majority of our revenue recognized over time, we use an input measure to determine progress towards completion. Under this method, sales and gross profit are recognized as work is performed generally based on the relationship between the actual costs incurred and the total estimated costs at completion ("the cost-to-cost method") or based on efforts for measuring progress towards completion in situations in which this approach is more representative of the progress on the contract than the cost-to-cost method. Contract costs include labor, material, overhead and, when appropriate, general and administrative expenses. Changes to the original estimates may be required during the life of the contract and such estimates are reviewed on a regular basis. Sales and gross profit are adjusted using the cumulative catch-up method for revisions in estimated total contract costs. These reviews have not resulted in adjustments that were significant to our results of operations. For performance obligations related to long-term contracts, when estimates of total costs to be incurred on a performance obligation exceed total estimates of revenue to be earned, a provision for the entire loss on the performance obligation is recognized in the period the loss is determined.

We use an output method to measure progress towards completion for certain of our Enclosures businesses, as this method appropriately depicts performance towards satisfaction of the performance obligation. Under the output method, revenue is recognized based on number of units produced.

We apply a practical expedient to expense incremental costs of obtaining a contract when incurred because the amortization period would be less than one year. These costs primarily relate to sales commissions and are recorded in *Selling, general and administrative expense* in the Consolidated and Combined Statements of Operations and Comprehensive Income. Further, we do not adjust the promised amount of consideration for the effects of a significant financing component if we expect, at contract inception, that the period between when we transfer a promised good or service to a customer and when the customer pays for that good or service will be less than one year.

Sales returns

The right of return may exist explicitly or implicitly with our customers. Our return policy allows for customer returns only upon our authorization. Goods returned must be product we continue to market and must be in salable condition. When the right of return exists, we adjust the transaction price for the estimated effect of returns. We estimate the expected returns based on historical sales levels, the timing and magnitude of historical sales return levels as a percent of sales, type of product, type of customer and a projection of this experience into the future.

Pricing and sales incentives

Our sales contracts may give customers the option to purchase additional goods or services priced at a discount. This can come in many forms, such as customer programs and incentive offerings including pricing arrangements, promotions and other volume-based incentives.

We reduce the transaction price for certain customer programs and incentive offerings including pricing arrangements, promotions and other volume-based incentives that represent variable consideration. Sales incentives given to our customers are recorded using either the expected value method or most likely amount approach for estimating the amount of consideration to which nVent shall be entitled. The expected value is the sum of probability-weighted amounts in a range of possible consideration amounts. An expected value is an appropriate estimate of the amount of variable consideration when there are a large number of contracts with similar characteristics. The most likely amount is the single most likely amount in a range of possible consideration amounts (that is, the single most likely outcome of the contract). The most likely amount is an appropriate estimate of the amount of variable consideration if the contract has limited possible outcomes (for example, an entity either achieves a performance bonus or does not).

Pricing is established at or prior to the time of sale with our customers and we record sales at the agreed-upon net selling price. However, certain of our businesses allow customers to apply for a refund of a percentage of the original purchase price if they can demonstrate sales to a qualifying end customer. We use the expected value method to estimate the anticipated refund to be paid based on historical experience and the transaction price is reduced for the probable cost of the discount.

Volume-based incentives involve rebates that are negotiated at or prior to the time of sale with the customer and are redeemable only if the customer achieves a specified cumulative level of sales or sales increase. Under these incentive programs, at the time of sale, we estimate the anticipated rebate to be paid based on forecasted sales levels. These forecasts are updated at least quarterly for each customer and the transaction price is reduced for the anticipated cost of the rebate. If the forecasted sales for a customer changes, the accrual for rebates is adjusted to reflect the new amount of rebates expected to be earned by the customer.

Shipping and handling costs

Amounts billed to customers for shipping and handling activities after the customer obtains control are treated as a promised service performance obligation and recorded in *Net sales* in the Consolidated and Combined Statements of Operations and Comprehensive Income. Shipping and handling costs incurred by nVent for the delivery of goods to customers are considered a cost to fulfill the contract and are included in *Cost of goods sold* in the Consolidated and Combined Statements of Operations and Comprehensive Income.

Contract assets and liabilities

Contract assets consist of unbilled amounts resulting from sales under long-term contracts when the cost-to-cost method of revenue recognition is utilized and revenue recognized exceeds the amount billed to the customer, such as when the customer retains a small portion of the contract price until completion of the contract. We typically receive interim payments on sales under long-term contracts as work progresses, although for some contracts, we may be entitled to receive an advance payment. Contract liabilities consist of advanced payments and billings in excess of costs incurred and deferred revenue.

Contract assets are recorded within *Other current assets* and contract liabilities are recorded within *Other current liabilities* in the Consolidated Balance Sheets.

Research and development

We conduct research and development (“R&D”) activities in our own facilities, which consist primarily of the development of new products, product applications and manufacturing processes.

Cash equivalents

We consider highly liquid investments with original maturities of three months or less at the date of acquisition to be cash equivalents.

Trade receivables and concentration of credit risk

We record an allowance for doubtful accounts, reducing our receivables balance to an amount we estimate is collectible from our customers. Estimates used in determining the allowance for doubtful accounts are based on current trends, aging of accounts receivable, periodic credit evaluations of our customers' financial condition and historical collection experience. We generally do not require collateral. No customer receivable balances exceeded 10% of total net receivable balances as of December 31, 2019 or 2018.

Inventories

Inventories are stated at the lower of cost or net realizable value with substantially all inventories recorded using the first-in, first-out ("FIFO") cost method.

Property, plant and equipment, net

Property, plant and equipment is stated at historical cost. We compute depreciation by the straight-line method based on the following estimated useful lives:

	Years
Land improvements	5 to 20
Buildings and leasehold improvements	5 to 50
Machinery and equipment	3 to 15

Significant improvements that add to productive capacity or extend the lives of properties are capitalized. Costs for repairs and maintenance are charged to expense as incurred. When property is retired or otherwise disposed of, the recorded cost of the assets and their related accumulated depreciation are removed from the Consolidated Balance Sheets and any related gains or losses are included in income.

We review the recoverability of long-lived assets to be held and used, such as property, plant and equipment, when events or changes in circumstances occur that indicate the carrying value of the asset or asset group may not be recoverable. The assessment of possible impairment is based on our ability to recover the carrying value of the asset or asset group from the expected future pre-tax cash flows (undiscounted and without interest charges) of the related operations. If these cash flows are less than the carrying value of such asset or asset group, an impairment loss is recognized for the difference between estimated fair value and carrying value. Impairment losses on long-lived assets held for sale are determined in a similar manner, except that fair values are reduced for the cost to dispose of the assets. The measurement of impairment requires us to estimate future cash flows and the fair value of long-lived assets. We recorded no material impairment charges in 2019, 2018 or 2017.

The following table presents geographic *Property, plant and equipment, net* by region as of December 31:

<i>In millions</i>	2019		2018	
U.S. & Canada	\$	160.7	\$	159.6
Mexico		42.1		39.7
EMEA ⁽¹⁾		75.0		58.1
Rest of World ⁽²⁾		6.7		7.4
Consolidated	\$	284.5	\$	264.8

⁽¹⁾ EMEA includes Europe, Middle East and Africa

⁽²⁾ Rest of World includes Latin America and Asia-Pacific

Goodwill and identifiable intangible assets

Goodwill

Goodwill represents the excess of the cost of acquired businesses over the net of the fair value of identifiable tangible net assets and identifiable intangible assets purchased and liabilities assumed.

Goodwill is tested annually for impairment and is tested for impairment more frequently if events or changes in circumstances indicate that the asset might be impaired. The impairment test is performed using a two-step process. In the first step, the fair value of each reporting unit is compared with the carrying amount of the reporting unit, including goodwill. If the estimated fair value is less than the carrying amount of the reporting unit there is an indication that goodwill impairment exists and a second step must be completed in order to determine the amount of the goodwill impairment, if any, which should be recorded. In the second step, an impairment loss is recognized for any excess of the carrying amount of the reporting unit's goodwill over the implied fair value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation.

The fair value of each reporting unit is determined using a discounted cash flow analysis and market approach. Projecting discounted future cash flows requires us to make significant estimates regarding future revenues and expenses, projected capital expenditures, changes in working capital and the appropriate discount rate. Use of the market approach consists of comparisons to comparable publicly-traded companies that are similar in size and industry. Actual results may differ from those used in our valuations. The non-recurring fair value measurement is a Level 3 measurement under the fair value hierarchy described below.

In developing our discounted cash flow analysis, assumptions about future revenues and expenses, capital expenditures and changes in working capital are based on our annual operating plan and long-term business plan for each of our reporting units. These plans take into consideration numerous factors including historical experience, anticipated future economic conditions, changes in raw material prices and growth expectations for the industries and end markets we participate in.

In estimating fair value using the market approach, we identify a group of comparable publicly-traded companies for each reporting unit that are similar in terms of size and product offering. These groups of comparable companies are used to develop multiples based on total market-based invested capital as a multiple of earnings before interest, taxes, depreciation and amortization ("EBITDA"). We determine our estimated values by applying these comparable EBITDA multiples to the operating results of our reporting units. The ultimate fair value of each reporting unit is determined considering the results of both valuation methods.

We did not recognize any goodwill impairment losses in 2019, 2018, or 2017.

Identifiable intangible assets

Our primary identifiable intangible assets include customer relationships, trade names, proprietary technologies and patents. Identifiable intangibles with definite lives are amortized and those identifiable intangibles with indefinite lives are not amortized. Identifiable intangible assets that are subject to amortization are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Identifiable intangible assets not subject to amortization are tested for impairment annually or more frequently if events warrant. We complete our annual impairment test during the fourth quarter each year for those identifiable assets not subject to amortization.

The impairment test for trade names consists of a comparison of the fair value of the trade name with its carrying value. Fair value is measured using the relief-from-royalty method. This method assumes the trade name has value to the extent that the owner is relieved of the obligation to pay royalties for the benefits received from them. This method requires us to estimate the future revenue for the related brands, the appropriate royalty rate and the weighted average cost of capital. The non-recurring fair value measurement is a Level 3 measurement under the fair value hierarchy described below.

There were no impairment charges recorded in 2019 or 2018 for identifiable intangible assets. During 2017, an impairment charge of \$16.4 million was recorded related to certain trade names in Electrical & Fastening Solutions and Thermal Management. The impairment charge was recorded in *Selling, general and administrative expense* in our Consolidated and Combined Statements of Operations and Comprehensive Income.

Income taxes

We use the asset and liability approach to account for income taxes. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of differences between the carrying amounts of assets and liabilities and their respective tax bases using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period when the change is enacted. We maintain valuation allowances unless it is more likely than not that all or a portion of the deferred tax assets will be realized. Changes in valuation allowances from period to period are included in our tax provision in the period of change. We recognize the effect of income tax positions only if those positions are more likely than not to be sustained. Recognized income tax positions are measured at the largest amount that is more likely than not to be realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

Pension and other post-retirement plans

We sponsor defined-benefit pension plans and a post-retirement health plan. The pension and other post-retirement benefit costs for these plans are determined from actuarial assumptions and methodologies, including discount rates and expected returns on plan assets. These assumptions are updated annually and are disclosed in Note 12.

For periods prior to the separation, certain nVent employees participated in defined benefit pension plans and post-retirement health plans sponsored by the former Parent. For purposes of these consolidated and combined financial statements, nVent accounted for these plans as multi-employer benefit plans. Accordingly, nVent did not record an asset or liability to recognize the funded status of these plans. However, nVent did record its share of the allocated expense, including net actuarial gains or losses described below.

We recognize changes in the fair value of plan assets and net actuarial gains or losses for pension and other post-retirement benefits annually in the fourth quarter each year ("mark-to-market adjustment") and, if applicable, in any quarter in which an interim remeasurement is triggered. Net actuarial gains and losses occur when the actual experience differs from any of the various assumptions used to value our pension and other post-retirement plans or when assumptions change, as they may each year. The remaining components of pension expense, including service and interest costs and estimated return on plan assets, are recorded on a quarterly basis.

Earnings per ordinary share

Basic earnings per share are computed by dividing net income by the weighted-average number of ordinary shares outstanding. Diluted earnings per share are computed by dividing net income by the weighted-average number of ordinary shares outstanding including the dilutive effects of ordinary share equivalents.

Derivative financial instruments

We recognize all derivatives, including those embedded in other contracts, as either assets or liabilities at fair value in our Consolidated Balance Sheets. If the derivative is designated and is effective as a cash-flow hedge, the effective portion of changes in the fair value of the derivative are recorded in *Accumulated other comprehensive loss* ("AOCI") as a separate component of equity in the Consolidated Balance Sheets and are recognized in the Consolidated and Combined Statements of Operations and Comprehensive Income when the hedged item affects earnings. For a derivative that is not designated as or does not qualify as a hedge, changes in fair value are reported in earnings immediately.

Gains and losses on net investment hedges are included in AOCI as a separate component of equity in the Consolidated Balance Sheets.

We use derivative instruments for the purpose of hedging interest rate and currency exposures, which exist as part of ongoing business operations. We do not hold or issue derivative financial instruments for trading or speculative purposes. All other contracts that contain provisions meeting the definition of a derivative also meet the requirements for the normal purchases and normal sales scope exception. Our policy is not to enter into contracts with terms that cannot be designated as normal purchases or sales. From time to time, we may enter into short duration foreign currency contracts to hedge foreign currency risks.

Fair value measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assets and liabilities measured at fair value are classified using the following hierarchy, which is based upon the transparency of inputs to the valuation as of the measurement date:

Level 1: Valuation is based on observable inputs such as quoted market prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Valuation is based on inputs such as quoted market prices for similar assets or liabilities in active markets or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Valuation is based upon other unobservable inputs that are significant to the fair value measurement.

In making fair value measurements, observable market data must be used when available. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement.

Foreign currency translation

The financial statements of subsidiaries located outside of the U.S. are generally measured using the local currency as the functional currency, except for certain corporate entities outside of the U.S. which are measured using USD. Assets and liabilities of these subsidiaries are translated at the rates of exchange at the balance sheet date. Income and expense items are translated at average monthly rates of exchange. The resultant translation adjustments are included in AOCI as a separate component of equity.

Adoption of new accounting standards

On January 1, 2019, we adopted Accounting Standards Update ("ASU") No. 2016-02, "Leases" using the alternative transition method and did not recast comparative periods in transition to the new standard. In addition, we elected the package of practical expedients permitted under the transition guidance, which among other things, allowed us to carry forward the historical lease classification. We also elected to apply the practical expedient to not separate non-lease components from the lease components for all leases. Accordingly, all costs associated with a lease contract are accounted for as lease cost. In addition, we did not elect to apply the hindsight practical expedient. Adoption of the new standard resulted in the recording of additional right-of-use assets and lease liabilities of \$44.2 million, as of January 1, 2019. The adoption of the standard did not have a material impact on our Consolidated and Combined Statements of Operations and Comprehensive Income or our Consolidated and Combined Statements of Cash Flows. We implemented internal controls and key system functionality to enable the preparation of financial information upon adoption.

On January 1, 2018, we adopted ASU No. 2014-09, "Revenue from Contracts with Customers" and the related amendments (the "new revenue standard") using the modified retrospective method. As a result of adoption, the cumulative impact to our beginning equity at January 1, 2018 was \$1.8 million. The comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods. We expect the impact of the adoption of the new standard to be immaterial to our net income on an ongoing basis. The adoption of the new standard had an impact on our accounting for certain custom products manufactured by our Enclosures segment. Prior to the adoption of the standard revenue was recognized for these custom products upon shipment. However, as these products have no alternative use to the Company and we have an enforceable right to payment for our performance completed to date, revenue related to these custom products are now recognized over time. Additionally, the new revenue standard resulted in reclassifications on the Consolidated Balance Sheets related to accounting for sales returns. The impact of adoption of the new revenue standard on our Consolidated and Combined Statements of Operations and Comprehensive Income and Consolidated Balance Sheets was not material.

On January 1, 2018, we adopted ASU No. 2017-07, "Retirement Benefits-Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost." As a result of the adoption, the interest cost, expected return on plan assets and net actuarial gain/loss components of net periodic pension and post-retirement benefit cost have been reclassified from *Selling, general and administrative expense* to *Other expense*. Only the service cost component remains in *Operating income* and will be eligible for capitalization in assets on a prospective basis. The effect of the retrospective presentation change related to the net periodic cost of our defined benefit pension and other post-retirement plans on our Consolidated and Combined Statements of Operations and Comprehensive Income was a reclassification of \$2.6 million of pension and post-retirement expense for the year ended December 31, 2017, from *Selling, general and administrative expense* to *Other expense*.

On January 1, 2018, we adopted ASU No. 2016-16, "Accounting for Income Taxes: Intra-Entity Asset Transfers of Assets Other than Inventory" using the modified retrospective method. The ASU requires the tax effects of all intra-entity sales of assets other than inventory to be recognized in the period in which the transaction occurs. The adoption resulted in a \$174.5 million cumulative-effect adjustment recorded in equity as of the beginning of 2018 that reflects a \$201.5 million reduction of non-current prepaid income tax assets, partially offset by the establishment of \$27.0 million of deferred tax assets.

The cumulative effect of the changes made to our January 1, 2018 Combined Balance Sheets from the modified retrospective adoption of ASU 2016-16 and ASU 2014-09 was as follows:

Combined Balance Sheets

<i>In millions</i>	Balance at December 31, 2017	Adjustments due to ASU 2016-16	Adjustments due to ASU 2014-09	Balance at January 1, 2018
<u>Assets</u>				
Accounts and notes receivable, net	\$ 349.3	\$ —	\$ 3.8	\$ 353.1
Inventories	224.1	—	(1.8)	222.3
Other current assets	132.3	—	1.8	134.1
Other non-current assets	251.8	(174.5)	—	77.3
<u>Liabilities</u>				
Other current liabilities	141.3	—	3.8	145.1
Deferred tax liabilities	279.4	—	0.4	279.8
<u>Equity</u>				
Net Parent investment	3,848.4	(174.5)	1.8	3,675.7

2. Revenue

Disaggregation of revenue

We disaggregate our revenue from contracts with customers by geographic location and vertical market, as we believe these best depict how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors.

Geographic net sales information, based on geographic destination of the sale, was as follows:

<i>In millions</i>	Year ended December 31, 2019				
	Enclosures	Thermal Management	Electrical & Fastening Solutions	Total	
U.S. and Canada	\$ 715.5	\$ 351.9	\$ 414.7	\$	1,482.1
Developed Europe ⁽¹⁾	212.5	136.3	109.3		458.1
Developing ⁽²⁾	92.5	87.7	42.0		222.2
Other Developed ⁽³⁾	13.3	14.7	13.6		41.6
Total	\$ 1,033.8	\$ 590.6	\$ 579.6	\$	2,204.0

<i>In millions</i>	Year ended December 31, 2018				
	Enclosures	Thermal Management	Electrical & Fastening Solutions	Total	
U.S. and Canada	\$ 704.3	\$ 351.4	\$ 397.8	\$	1,453.5
Developed Europe ⁽¹⁾	202.7	174.4	110.8		487.9
Developing ⁽²⁾	101.0	80.9	47.1		229.0
Other Developed ⁽³⁾	11.7	16.5	15.0		43.2
Total	\$ 1,019.7	\$ 623.2	\$ 570.7	\$	2,213.6

⁽¹⁾ Developed Europe includes Western Europe and Eastern Europe included in European Union.

⁽²⁾ Developing includes China, Eastern Europe not included in European Union, Latin America, Middle East and Southeast Asia.

⁽³⁾ Other Developed includes Australia and Japan.

Vertical net sales information was as follows:

<i>In millions</i>	Year ended December 31, 2019				
	Enclosures	Thermal Management	Electrical & Fastening Solutions	Total	
Industrial	\$ 623.2	\$ 224.5	\$ 114.7	\$	962.4
Commercial & Residential	113.2	186.2	338.1		637.5
Energy	103.4	171.4	55.2		330.0
Infrastructure	194.0	8.5	71.6		274.1
Total	\$ 1,033.8	\$ 590.6	\$ 579.6	\$	2,204.0

<i>In millions</i>	Year ended December 31, 2018				
	Enclosures	Thermal Management	Electrical & Fastening Solutions	Total	
Industrial	\$ 626.1	\$ 263.0	\$ 112.7	\$	1,001.8
Commercial & Residential	87.5	187.7	329.7		604.9
Energy	103.4	166.9	52.1		322.4
Infrastructure	202.7	5.6	76.2		284.5
Total	\$ 1,019.7	\$ 623.2	\$ 570.7	\$	2,213.6

Contract balances

Contract assets and liabilities consisted of the following:

<i>In millions</i>	December 31, 2019		December 31, 2018		\$ Change	% Change
Contract assets	\$	69.4	\$	74.4	\$ (5.0)	(6.7%)
Contract liabilities		13.7		13.2	0.5	3.8 %
Net contract assets	\$	55.7	\$	61.2	\$ (5.5)	(9.0%)

<i>In millions</i>	December 31, 2018		January 1, 2018		\$ Change	% Change
Contract assets	\$	74.4	\$	69.9	\$ 4.5	6.4 %
Contract liabilities		13.2		14.3	(1.1)	(7.7%)
Net contract assets	\$	61.2	\$	55.6	\$ 5.6	10.1 %

The \$5.5 million decrease in net contract assets from December 31, 2018 to December 31, 2019 and the \$5.6 million increase in net contract assets from January 1, 2018 to December 31, 2018 were primarily the result of timing of milestone payments. The majority of our contract liabilities at December 31, 2018 and January 1, 2018 were recognized in revenue as of December 31, 2019 and December 31, 2018, respectively. There were no impairment losses recognized on our contract assets for the twelve months ended December 31, 2019 and 2018.

Remaining performance obligations

We have elected the practical expedient to disclose only the value of remaining performance obligations for contracts with an original expected length of one year or more. On December 31, 2019, we had \$79.0 million of remaining performance obligations on contracts with original expected duration of one year or more. We expect to recognize the majority of our remaining performance obligations on these contracts within the next twelve to eighteen months.

3. Restructuring

During 2019, 2018 and 2017, we initiated and continued execution of certain business restructuring initiatives aimed at reducing our fixed cost structure and realigning our business. Initiatives during the years ended December 31, 2019, 2018 and 2017, respectively, included a reduction in hourly and salaried headcount of approximately 425, 50 and 250 employees.

Restructuring related costs included in *Selling, general and administrative expense* in the Consolidated and Combined Statements of Operations and Comprehensive Income included costs for severance and other restructuring costs as follows:

<i>In millions</i>	Years ended December 31		
	2019	2018	2017
Severance and related costs	\$ 19.6	\$ 7.3	\$ 16.0
Other	2.3	0.4	0.8
Total restructuring costs	\$ 21.9	\$ 7.7	\$ 16.8

Restructuring costs by reportable segment were as follows:

<i>In millions</i>	Years ended December 31		
	2019	2018	2017
Enclosures	\$ 5.3	\$ 1.3	\$ 6.7
Thermal Management	6.6	2.8	7.5
Electrical & Fastening Solutions	2.2	1.9	2.6
Other	7.8	1.7	—
Consolidated	\$ 21.9	\$ 7.7	\$ 16.8

Activity related to accrued severance and related costs recorded in *Other current liabilities* in the Consolidated Balance Sheets is summarized as follows:

<i>In millions</i>	Years ended December 31			
	2019		2018	
Beginning balance	\$	3.8	\$	5.1
Costs incurred		19.6		7.3
Cash payments and other		(13.9)		(8.6)
Ending balance	\$	9.5	\$	3.8

4. Earnings Per Share

On April 30, 2018, Pentair completed the separation of its Electrical business, distributing to its shareholders one ordinary share of nVent for every ordinary share of Pentair held as of the record date of April 17, 2018. The computations of basic and diluted earnings per share for periods prior to the separation were calculated using the shares that were distributed to Pentair shareholders upon the separation.

Basic and diluted earnings per share were calculated as follows:

<i>In millions, except per share data</i>	Years ended December 31					
	2019		2018		2017	
Net income	\$	222.7	\$	230.8	\$	361.7
Weighted average ordinary shares outstanding						
Basic		171.6		178.6		179.0
Dilutive impact of stock options, restricted stock units and performance share units		1.4		2.2		2.2
Diluted		173.0		180.8		181.2
Earnings per ordinary share						
Basic earnings per ordinary share	\$	1.30	\$	1.29	\$	2.02
Diluted earnings per ordinary share	\$	1.29	\$	1.28	\$	2.00
Anti-dilutive stock options excluded from the calculation of diluted earnings per share		2.1		1.0		0.4

5. Acquisitions

On August 30, 2019, we completed the acquisition of Eldon Holding AB ("Eldon") for \$127.8 million, net of cash acquired. Eldon, now part of our Enclosures segment, is an innovative European based manufacturer of enclosures that protect sensitive electrical, electronic and data and telecommunications components. The purchase price was funded primarily through borrowings under our Revolving Credit Facility (as defined in note 9).

The excess purchase price over tangible net assets and identified intangible assets acquired has been preliminarily allocated to goodwill in the amount of \$45.1 million, none of which is expected to be deductible for income tax purposes. Identifiable intangible assets acquired included \$46.7 million of definite-lived customer relationships with an estimated useful life of 17 years. During the quarter ended December 31, 2019, we further refined certain income tax and working capital accounts resulting in a \$9.1 million decrease in goodwill compared to the preliminary provisional value that was recorded at September 30, 2019. The preliminary purchase price allocation is subject to further refinement, primarily related to the impacts associated with income taxes and other accruals, and may require significant adjustments to arrive at the final purchase price allocation.

Eldon's net sales for the period from the acquisition date to December 31, 2019 were \$30.6 million. The pro forma impact of the acquisition is not material.

On February 10, 2020, we acquired substantially all of the assets of WBT LLC ("WBT") for approximately \$30.0 million in cash, subject to purchase price adjustments and holdbacks. WBT is a U.S. based manufacturer of high-quality cable tray that will be marketed as part of the nVent CADDY product line within our Electrical and Fastening Solutions segment.

6. Goodwill and Other Identifiable Intangible Assets

The changes in the carrying amount of goodwill by reportable segment were as follows:

<i>In millions</i>	December 31, 2018		Acquisitions/ divestitures	Foreign currency translation/other		December 31, 2019
Enclosures	\$	272.0	\$	45.1	\$	(1.7) \$ 315.4
Thermal Management		924.1		—		1.4 925.5
Electrical & Fastening Solutions		1,038.2		—		1,038.2
Total goodwill	\$	2,234.3	\$	45.1	\$	(0.3) \$ 2,279.1

<i>In millions</i>	December 31, 2017		Acquisitions/ divestitures	Foreign currency translation/other		December 31, 2018
Enclosures	\$	274.8	\$	—	\$	(2.8) \$ 272.0
Thermal Management		927.1		—		(3.0) 924.1
Electrical & Fastening Solutions		1,036.3		1.9		— 1,038.2
Total goodwill	\$	2,238.2	\$	1.9	\$	(5.8) \$ 2,234.3

Identifiable intangible assets consisted of the following at December 31:

<i>In millions</i>	2019			2018		
	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Definite-life intangibles						
Customer relationships	\$ 1,197.9	\$ (326.1)	\$ 871.8	\$ 1,149.7	\$ (266.4)	\$ 883.3
Proprietary technologies and patents	14.8	(7.4)	7.4	14.8	(6.1)	8.7
Total definite-life intangibles	1,212.7	(333.5)	879.2	1,164.5	(272.5)	892.0
Indefinite-life intangibles						
Trade names	281.3	—	281.3	281.3	—	281.3
Total intangibles	\$ 1,494.0	\$ (333.5)	\$ 1,160.5	\$ 1,445.8	\$ (272.5)	\$ 1,173.3

Identifiable intangible asset amortization expense in 2019, 2018 and 2017 was \$61.4 million, \$60.9 million and \$61.4 million, respectively.

There were no impairment charges recorded in 2019 or 2018. In 2017, we recorded impairment charges for trade name intangible assets of \$16.4 million.

Estimated future amortization expense for identifiable intangible assets during the next five years is as follows:

<i>In millions</i>	2020	2021	2022	2023	2024
Estimated amortization expense	\$ 63.2	\$ 62.0	\$ 61.9	\$ 61.7	\$ 61.1

7. Supplemental Balance Sheet Information

<i>In millions</i>	December 31	
	2019	2018
Inventories		
Raw materials and supplies	\$ 67.1	\$ 63.1
Work-in-process	25.6	25.3
Finished goods	152.0	139.8
Total inventories	\$ 244.7	\$ 228.2
Other current assets		
Contract assets	\$ 69.4	\$ 74.4
Prepaid expenses	32.5	31.7
Prepaid income taxes	9.0	9.1
Other current assets	2.4	3.2
Total other current assets	\$ 113.3	\$ 118.4
Property, plant and equipment, net		
Land and land improvements	\$ 40.6	\$ 39.1
Buildings and leasehold improvements	181.6	172.6
Machinery and equipment	440.4	410.8
Construction in progress	16.5	14.6
Total property, plant and equipment	679.1	637.1
Accumulated depreciation and amortization	394.6	372.3
Total property, plant and equipment, net	\$ 284.5	\$ 264.8
Other non-current assets		
Deferred compensation plan assets	\$ 17.3	\$ 23.1
Lease right-of-use assets	44.2	—
Deferred tax assets	40.9	4.6
Other non-current assets	15.1	6.1
Total other non-current assets	\$ 117.5	\$ 33.8
Other current liabilities		
Dividends payable	\$ 29.7	\$ 31.0
Accrued rebates	44.1	46.1
Contract liabilities	13.7	13.2
Accrued taxes payable	24.8	27.4
Current lease liabilities	14.7	—
Other current liabilities	58.7	69.3
Total other current liabilities	\$ 185.7	\$ 187.0
Other non-current liabilities		
Income taxes payable	\$ 31.9	\$ 41.9
Deferred compensation plan liabilities	17.3	23.1
Non-current lease liabilities	33.7	—
Other non-current liabilities	10.6	7.0
Total other non-current liabilities	\$ 93.5	\$ 72.0

8. Accumulated Other Comprehensive Income (Loss)

Components of AOCI consist of the following at December 31:

<i>In millions</i>	2019	2018
Cumulative translation adjustments	\$ (100.5)	\$ (105.3)
Change in market value of derivative financial instruments, net of tax	1.9	(2.5)
Accumulated other comprehensive loss	\$ (98.6)	\$ (107.8)

9. Debt

Debt and the average interest rates on debt outstanding were as follows:

<i>In millions</i>	Average interest rate at December 31, 2019	Maturity year	December 31	
			2019	2018
Revolving credit facility	3.174%	2023	\$ 134.6	\$ —
Senior notes - fixed rate	3.950%	2023	300.0	300.0
Senior notes - fixed rate	4.550%	2028	500.0	500.0
Term loan facility	3.160%	2023	135.0	147.5
Unamortized issuance costs and discounts	N/A	N/A	(5.0)	(5.8)
Total debt			1,064.6	941.7
Less: Current maturities and short-term borrowings			(17.5)	(12.5)
Long-term debt			\$ 1,047.1	\$ 929.2

Senior notes

In March 2018, nVent Finance S.à r.l. ("nVent Finance" or "Subsidiary Issuer"), a 100-percent owned subsidiary of nVent, issued \$300.0 million aggregate principal amount of 3.950% senior notes due 2023 (the "2023 Notes") and \$500.0 million aggregate principal amount of 4.550% senior notes due 2028 (the "2028 Notes" and, collectively with the 2023 Notes, the "Notes"). Interest on the Notes is payable semi-annually in arrears on April 15 and October 15 of each year.

The Notes are fully and unconditionally guaranteed as to payment by the Parent Company Guarantor. There are no subsidiaries that guarantee the Notes. The Parent Company Guarantor has no independent assets or operations unrelated to its investments in its consolidated subsidiaries. The Subsidiary Issuer has no independent assets or operations unrelated to its investments in its consolidated subsidiaries and the issuance of the Notes and other external debt.

The Notes constitute general unsecured senior obligations of the Subsidiary Issuer and rank equally in right of payment with all existing and future unsubordinated and unsecured indebtedness and liabilities of the Subsidiary Issuer. The guarantees of the Notes by the Parent Company Guarantor constitute general unsecured obligations of the Parent Company Guarantor and rank equally in right of payment with all existing and future unsubordinated and unsecured indebtedness and liabilities of the Subsidiary Issuer. Subject to certain qualifications and exceptions, the indenture pursuant to which the Notes were issued contains covenants that, among other things, restrict nVent's, nVent Finance's and certain subsidiaries' ability to merge or consolidate with another person, create liens or engage in sale and lease-back transactions.

There are no significant restrictions on the ability of nVent to obtain funds from its subsidiaries by dividend or loan. None of the assets of nVent or its subsidiaries represents restricted net assets pursuant to the guidelines established by the Securities and Exchange Commission.

Senior credit facilities

In March 2018, nVent Finance entered into a credit agreement with a syndicate of banks providing for a five-year \$200.0 million senior unsecured term loan facility (the "Term Loan Facility") and a five-year \$600.0 million senior unsecured revolving credit facility (the "Revolving Credit Facility" and, together with the Term Loan Facility, the "Senior Credit Facilities"). We have the option to request to increase the Revolving Credit Facility in an aggregate amount of up to \$300.0 million, subject to customary conditions, including the commitment of the participating lenders. Total availability under the Revolving Credit Facility was \$465.4 million as of December 31, 2019.

Our debt agreements contain certain financial covenants, the most restrictive of which are in the Senior Credit Facilities, including that we may not permit (i) the ratio of our consolidated debt (net of our consolidated unrestricted cash in excess of \$5.0 million but not to exceed \$250.0 million) to our consolidated net income (excluding, among other things, non-cash gains and losses) before interest, taxes, depreciation, amortization and non-cash share-based compensation expense ("EBITDA") on the last day of any period of four consecutive fiscal quarters to exceed 3.75 to 1.00 and (ii) the ratio of our EBITDA to our consolidated interest expense for the same period to be less than 3.00 to 1.00. In addition, subject to certain qualifications and exceptions, the Senior Credit Facilities also contain covenants that, among other things, restrict our ability to create liens, merge or consolidate with another person, make acquisitions and incur subsidiary debt. As of December 31, 2019, we were in compliance with all financial covenants in our debt agreements.

Debt outstanding at December 31, 2019, excluding unamortized issuance costs and discounts, matures on a calendar year basis as follows:

<i>In millions</i>	2020	2021	2022	2023	2024	Thereafter	Total
Contractual debt obligation maturities	\$ 17.5	\$ 20.0	\$ 20.0	\$ 512.1	\$ —	\$ 500.0	\$ 1,069.6

10. Derivatives and Financial Instruments

Derivative financial instruments

We are exposed to market risk related to changes in foreign currency exchange rates. To manage the volatility related to this exposure, we periodically enter into a variety of derivative financial instruments. Our objective is to reduce, where it is deemed appropriate to do so, fluctuations in earnings and cash flows associated with changes in foreign currency exchange rates. The derivative contracts contain credit risk to the extent that our bank counterparties may be unable to meet the terms of the agreements. The amount of such credit risk is generally limited to the unrealized gains, if any, in such contracts. Such risk is minimized by limiting those counterparties to major financial institutions of high credit quality.

Foreign currency contracts

We conduct business in various locations throughout the world and are subject to market risk due to changes in the value of foreign currencies in relation to our reporting currency, the U.S. dollar. We manage our economic and transaction exposure to certain market-based risks through the use of foreign currency derivative financial instruments. Our objective in holding these derivatives is to reduce the volatility in net earnings and cash flows associated with changes in foreign currency rates. The majority of our foreign currency contracts have an original maturity date of less than one year.

At December 31, 2019 and 2018, we had outstanding foreign currency derivative contracts with gross notional U.S. dollar equivalent amounts of \$34.5 million and \$28.4 million, respectively. The impact of these contracts on the Consolidated and Combined Statements of Operations and Comprehensive Income (Loss) was not material for any period presented.

Cross currency swaps

At December 31, 2019 and 2018, we had outstanding cross currency swap agreements with a combined notional amount of \$303.5 million and \$169.7 million, respectively. The agreements are accounted for as either cash flow hedges, to hedge foreign currency fluctuations on certain intercompany debt, or as net investment hedge, to manage our exposure to fluctuations in the Euro-U.S. Dollar exchange rate. The impact of the foreign currency activity in AOCI associated with the cross currency swaps was not material for any period presented.

Fair value of financial instruments

The following methods were used to estimate the fair values of each class of financial instrument:

- *short-term financial instruments (cash and cash equivalents, accounts and notes receivable, accounts and notes payable and variable-rate debt)* — recorded amount approximates fair value because of the short maturity period;
- *long-term fixed-rate debt, including current maturities* — fair value is based on market quotes available for issuance of debt with similar terms, which are inputs that are classified as Level 2 in the valuation hierarchy defined by the accounting guidance;
- *foreign currency contract agreements* — fair values are determined through the use of models that consider various assumptions, including time value, yield curves, as well as other relevant economic measures, which are observable inputs that are classified as Level 2 in the valuation hierarchy defined by the accounting guidance; and
- *deferred compensation plan assets (mutual funds, common/collective trusts and cash equivalents for payment of certain non-qualified benefits for retired, terminated and active employees)* — fair value of mutual funds and cash equivalents are based on quoted market prices in active markets that are classified as Level 1 in the valuation hierarchy defined by the accounting guidance; fair value of common/collective trusts are valued at net asset value ("NAV"), which is based on the fair value of the underlying securities owned by the fund divided by the number of shares outstanding.

The recorded amounts and estimated fair values of total debt, excluding unamortized issuance costs and discounts, at December 31 were as follows:

	2019		2018	
	Recorded Amount	Fair Value	Recorded Amount	Fair Value
<i>In millions</i>				
Variable rate debt	\$ 269.6	\$ 269.6	\$ 147.5	\$ 147.5
Fixed rate debt	800.0	863.5	800.0	793.5
Total debt	\$ 1,069.6	\$ 1,133.1	\$ 947.5	\$ 941.0

Financial assets and liabilities measured at fair value on a recurring basis at December 31 were as follows:

Recurring fair value measurements		2019				
<i>In millions</i>		Level 1	Level 2	Level 3	NAV	Total
Foreign currency contract liabilities	\$	—	\$ (3.4)	\$ —	\$ —	\$ (3.4)
Foreign currency contract assets		—	7.6	—	—	7.6
Deferred compensation plan assets		12.8	—	—	4.5	17.3
Total recurring fair value measurements	\$	12.8	\$ 4.2	\$ —	\$ 4.5	\$ 21.5

Recurring fair value measurements		2018				
<i>In millions</i>		Level 1	Level 2	Level 3	NAV	Total
Foreign currency contract liabilities	\$	—	\$ (2.6)	\$ —	\$ —	\$ (2.6)
Deferred compensation plan assets		19.1	—	—	4.0	23.1
Total recurring fair value measurements	\$	19.1	\$ (2.6)	\$ —	\$ 4.0	\$ 20.5

11. Income Taxes

Income before income taxes consisted of the following:

<i>In millions</i>	Years ended December 31		
	2019	2018	2017
Federal ⁽¹⁾	\$ (21.1)	\$ (20.4)	\$ (19.9)
International ⁽²⁾	278.5	289.1	333.2
Income before income taxes	\$ 257.4	\$ 268.7	\$ 313.3

⁽¹⁾ "Federal" reflects United Kingdom ("U.K.") income before income taxes.

⁽²⁾ "International" reflects non-U.K. income before income taxes.

The provision for income taxes consisted of the following:

<i>In millions</i>	Years ended December 31		
	2019	2018	2017
Currently payable			
Federal ⁽¹⁾	\$ —	\$ —	\$ 1.0
International ⁽²⁾	55.6	47.0	94.5
Total current taxes	55.6	47.0	95.5
Deferred			
International ⁽²⁾	(20.9)	(9.1)	(143.9)
Total deferred taxes	(20.9)	(9.1)	(143.9)
Total provision (benefit) for income taxes	\$ 34.7	\$ 37.9	\$ (48.4)

⁽¹⁾ "Federal" represents U.K. taxes.

⁽²⁾ "International" represents non-U.K. taxes.

Reconciliations of the federal statutory income tax rate to our effective tax rate were as follows:

<i>Percentages</i>	Years ended December 31		
	2019	2018	2017
Federal statutory income tax rate ⁽¹⁾	19.0 %	19.0 %	19.3 %
Tax effect of international operations ⁽²⁾	(1.8)	(5.8)	(5.9)
Change in valuation allowances	(3.6)	0.9	(2.2)
Non-deductible transaction costs	—	—	0.5
Excess tax benefits on stock-based compensation	(0.1)	—	(0.1)
Tax effect of U.S. tax reform	—	—	(27.0)
Effective tax rate	13.5 %	14.1 %	(15.4%)

⁽¹⁾ The statutory rate for 2019, 2018 and 2017 reflects the U.K. statutory rate of 19.0%, 19.0% and 19.3%, respectively.

⁽²⁾ The tax effect of international operations consists of non-U.K. jurisdictions.

Reconciliations of the beginning and ending gross unrecognized tax benefits were as follows:

<i>In millions</i>	Years ended December 31		
	2019	2018	2017
Beginning balance	\$ 16.8	\$ 24.6	\$ 26.6
Gross increases for tax positions in prior periods	0.3	2.3	1.2
Gross decreases for tax positions in prior periods	(1.3)	(1.6)	(2.2)
Gross increases based on tax positions related to the current year	1.8	1.2	1.3
Gross decreases related to settlements with taxing authorities	(0.2)	(8.0)	(2.3)
Reductions due to statute expiration	(0.1)	(1.9)	(1.3)
Gross increases (decreases) due to currency fluctuations	(0.3)	0.2	1.3
Ending balance	\$ 17.0	\$ 16.8	\$ 24.6

We record gross unrecognized tax benefits in *Other current liabilities* and *Other non-current liabilities* in the Consolidated Balance Sheets. Included in the \$17.0 million of total gross unrecognized tax benefits as of December 31, 2019 was \$15.7 million of tax benefits that, if recognized, would impact the effective tax rate. It is reasonably possible that the gross unrecognized tax benefits as of December 31, 2019 may decrease by a range of zero to \$3.0 million during 2020, primarily as a result of the resolution of non-U.K. examinations and the expiration of various statutes of limitations.

Based on the outcome of tax examinations, or as a result of the expiration of statute of limitations for specific jurisdictions, it is reasonably possible that certain unrecognized tax benefits for tax positions taken on previously filed tax returns will materially change from those recorded as liabilities in our financial statements. A number of tax periods from 2008 to present are under audit by tax authorities in various jurisdictions, including Canada, China, France, Germany and Romania. We anticipate that several of these audits may be concluded in the foreseeable future.

We record penalties and interest related to unrecognized tax benefits in *Provision (benefit) for income taxes* and *Net interest expense*, respectively, in the Consolidated and Combined Statements of Operations and Comprehensive Income. As of December 31, 2019 and 2018, we have liabilities of \$1.7 million and \$1.7 million, respectively, for the possible payment of penalties and \$3.0 million and \$2.7 million, respectively, for the possible payment of interest expense, which are recorded in *Other current liabilities* in the Consolidated Balance Sheets.

No additional income taxes have been provided for any undistributed foreign earnings or outside basis difference inherent in subsidiaries as these amounts continue to be indefinitely reinvested in foreign operations.

Deferred taxes arise because of different treatment between financial statement accounting and tax accounting, known as "temporary differences." We record the tax effect of these temporary differences as "deferred tax assets" (generally items that can be used as a tax deduction or credit in future periods) and "deferred tax liabilities" (generally items for which we received a tax deduction but the tax impact has not yet been recorded in the Consolidated and Combined Statements of Operations and Comprehensive Income).

Deferred taxes were recorded in the Consolidated Balance Sheets at December 31 as follows:

<i>In millions</i>	2019	2018
Other non-current assets	\$ 40.9	\$ 4.6
Deferred tax liabilities	237.8	224.8
Net deferred tax liabilities	\$ 196.9	\$ 220.2

The tax effects of the major items recorded as deferred tax assets and liabilities at December 31 were as follows:

<i>In millions</i>	2019	2018
Deferred tax assets		
Accrued liabilities and reserves	\$ 10.4	\$ 10.6
Pension and other post-retirement compensation and benefits	36.9	26.8
Employee compensation and benefits	11.8	12.8
Tax loss and credit carryforwards	138.1	143.0
Interest limitation	20.0	7.7
Other assets	9.0	—
Total deferred tax assets	226.2	200.9
Valuation allowance	125.3	137.8
Deferred tax assets, net of valuation allowance	100.9	63.1
Deferred tax liabilities		
Property, plant and equipment	17.6	15.3
Goodwill and other intangibles	262.2	260.4
Other liabilities	18.0	7.6
Total deferred tax liabilities	297.8	283.3
Net deferred tax liabilities	\$ 196.9	\$ 220.2

Included in tax loss and credit carryforwards in the table above is a deferred tax asset of \$3.1 million as of December 31, 2019 related to foreign tax credit carryover from the tax period ended December 31, 2017 and related to transition taxes. The entire amount is subject to a valuation allowance. The foreign tax credit is eligible for carryforward until the tax period ending December 31, 2027.

As of December 31, 2019, tax loss carryforwards of \$460.7 million were available to offset future income. A valuation allowance of \$117.0 million exists for deferred income tax benefits related to the tax loss carryforwards which may not be realized. We believe sufficient taxable income will be generated in the respective jurisdictions to allow us to fully recover the remainder of the tax losses. The tax losses relate to non-U.S. carryforwards which are subject to varying expiration periods. Non-U.S. carryforwards of \$423.5 million are located in jurisdictions with unlimited tax loss carryforward periods, while the remainder will begin to expire in 2020.

On December 22, 2017, the Tax Cuts and Jobs Act of 2017 (the “Act”) was signed into law making significant changes to the Internal Revenue Code. Changes include, but are not limited to, a corporate tax rate decrease from 35% to 21% effective for tax years beginning after December 31, 2017, the transition of U.S. international taxation from a worldwide tax system to a territorial system and a one-time transition tax on the mandatory deemed repatriation of cumulative foreign earnings as of December 31, 2017.

We recorded an income tax benefit of \$84.8 million in the fourth quarter of 2017, the period in which the legislation was enacted. The amount related to the remeasurement of certain deferred tax assets and liabilities based on the rates at which they are expected to reverse in the future was a decrease to income tax expense of \$122.0 million. Upon completion of our analysis of the impact of the Act, there were no adjustments to the amount recorded at December 31, 2017.

The amount related to the one-time transition tax on the mandatory deemed repatriation of foreign earnings was an increase to income tax expense of \$32.9 million, which represents a decrease of \$4.3 million compared to the provisional amount recorded at December 31, 2017.

12. Benefit Plans

Pension and other post-retirement plans

We sponsor U.S. and non-U.S. defined-benefit pension and other post-retirement plans (“Direct Plans”). The defined benefit pension plans cover certain non-U.S. employees and retirees, and the pension benefits are based principally on an employee's years of service and/or compensation levels near retirement. In addition, we provide certain post-retirement health care and life insurance benefits. Generally, the post-retirement health care and life insurance plans require contributions from retirees.

For periods prior to the separation, certain nVent employees participated in defined benefit pension plans and post-retirement health plans sponsored by the former Parent. For purposes of these consolidated and combined financial statements, nVent accounted for these plans as multi-employer benefit plans. Accordingly, the Company did not record an asset or liability to recognize the funded status of these plans. However, for periods prior to the separation, the Company recorded expense attributable to its employees who participate in these plans, as well as expense allocated for the former Parent's corporate and shared functional employees. The total allocated expense was \$2.7 million and \$11.1 million for the years ended December 31, 2018 and 2017, respectively.

The following information is applicable to only Direct Plans.

Obligations and funded status

The following tables present reconciliations of plan benefit obligations, fair value of plan assets and the funded status of pension plans and other post-retirement plans as of and for the years ended December 31, 2019 and 2018:

<i>In millions</i>	Pension plans		Post-retirement health plan	
	2019	2018	2019	2018
Change in benefit obligations				
Benefit obligation beginning of year	\$ 199.5	\$ 195.3	\$ 16.2	\$ 18.2
Service cost	5.9	5.8	0.1	0.1
Interest cost	4.0	4.2	0.6	0.6
Benefit obligations from new plans	—	1.6	—	—
Plan settlements	(0.5)	—	—	—
Actuarial loss (gain)	27.3	5.0	1.5	(2.0)
Foreign currency translation	(4.2)	(8.0)	—	—
Benefits paid	(5.0)	(4.4)	(1.1)	(0.7)
Plan transfer	(16.2)	—	—	—
Benefit obligation end of year	\$ 210.8	\$ 199.5	\$ 17.3	\$ 16.2
Change in plan assets				
Fair value of plan assets beginning of year	\$ 41.8	\$ 42.2	\$ —	\$ —
Actual return on plan assets	3.0	(0.6)	—	—
Assets from new plans	—	0.7	—	—
Company contributions	5.2	6.1	1.1	0.6
Plan settlements	(0.5)	—	—	—
Foreign currency translation	0.4	(2.2)	—	—
Benefits paid	(5.0)	(4.4)	(1.1)	(0.6)
Plan transfer	(16.2)	—	—	—
Fair value of plan assets end of year	\$ 28.7	\$ 41.8	\$ —	\$ —
Funded status				
Fair value of plan assets end of year	\$ 28.7	\$ 41.8	\$ —	\$ —
Benefit obligation end of year	210.8	199.5	17.3	16.2
Benefit obligations in excess of the fair value of plan assets	\$ (182.1)	\$ (157.7)	\$ (17.3)	\$ (16.2)

In the fourth quarter of 2019, we transferred all of our remaining benefit obligations and plan assets attributed to a pension plan in the U.K. to a third-party insurance company purchased through an annuity contract. The transfer of benefit obligations and plan assets are reflected in the *Plan transfer* lines in the table above.

Amounts recorded in the Consolidated Balance Sheets at December 31 were as follows:

<i>In millions</i>	Pension plans		Post-retirement health plan	
	2019	2018	2019	2018
Other non-current assets	\$ 1.7	\$ 1.0	\$ —	\$ —
Current liabilities	(3.7)	(3.8)	(1.2)	(1.2)
Non-current liabilities	(180.1)	(154.9)	(16.1)	(15.0)
Benefit obligations in excess of the fair value of plan assets	\$ (182.1)	\$ (157.7)	\$ (17.3)	\$ (16.2)

The accumulated benefit obligation for all defined benefit plans was \$199.5 million and \$191.2 million at December 31, 2019 and 2018, respectively.

Information for pension plans with an accumulated benefit obligation or projected benefit obligation in excess of plan assets as of December 31 was as follows:

<i>In millions</i>	Projected benefit obligation exceeds the fair value of plan assets		Accumulated benefit obligation exceeds the fair value of plan assets	
	2019	2018	2019	2018
Projected benefit obligation	\$ 198.3	\$ 188.7	\$ 198.3	\$ 185.8
Fair value of plan assets	14.6	30.0	14.6	27.4
Accumulated benefit obligation	N/A	N/A	187.1	177.8

Components of net periodic benefit expense for our pension plans were as follows:

<i>In millions</i>	Years ended December 31		
	2019	2018	2017
Service cost	\$ 5.9	\$ 5.8	\$ 6.3
Interest cost	4.0	4.2	4.0
Expected return on plan assets	(1.1)	(1.4)	(1.4)
Net actuarial loss (gain)	25.4	7.5	(6.8)
Net periodic benefit expense	\$ 34.2	\$ 16.1	\$ 2.1

Components of net periodic benefit expense for our post-retirement plan for the years ended December 31, 2019, 2018 and 2017, were not material.

Assumptions

Weighted-average assumptions used to determine benefit obligations as of December 31 were as follows:

<i>Percentages</i>	Pension plans			Post-retirement health plan		
	2019	2018	2017	2019	2018	2017
Discount rate	1.54%	2.25%	2.25%	3.08%	4.10%	3.40%
Rate of compensation increase	2.97%	2.97%	2.98%	—	—	—

Weighted-average assumptions used to determine net periodic benefit expense for years ended December 31 were as follows:

<i>Percentages</i>	Pension plans			Post-retirement health plan		
	2019	2018	2017	2019	2018	2017
Discount rate	2.25%	2.25%	2.06%	4.10%	3.40%	3.80%
Expected long-term return on plan assets	4.15%	3.45%	3.38%	—	—	—
Rate of compensation increase	2.97%	2.98%	2.97%	—	—	—

Uncertainty in the securities markets and U.S. economy could result in investment returns less than those assumed. Should the securities markets decline or medical and prescription drug costs increase at a rate greater than assumed, we would expect increasing annual combined net pension and other post-retirement costs for the next several years. Should actual experience differ from actuarial assumptions, the projected pension benefit obligation and net pension cost and accumulated other post-retirement benefit obligation and other post-retirement benefit cost would be affected in future years.

Discount rates

The discount rate reflects the current rate at which the pension liabilities could be effectively settled at the end of the year based on our December 31 measurement date. The discount rates on our pension plans ranged from 0.25% to 3.25%, 0.50% to 4.25% and 0.50% to 3.50% in 2019, 2018 and 2017, respectively. The discount rates are determined by matching high-quality, fixed-income debt instruments with maturities corresponding to the expected timing of benefit payments as of the annual measurement date for each of the various plans. There are no known or anticipated changes in our discount rate assumptions that will materially impact our pension expense in 2020.

Expected rates of return

The expected rates of return on our pension plan assets ranged from 1.00% to 5.25%, 1.00% to 5.50% and 1.00% to 5.50% in 2019, 2018 and 2017, respectively. The expected rate of return is designed to be a long-term assumption that may be subject to considerable year-to-year variance from actual returns. In developing the expected long-term rate of return, we considered our historical returns, with consideration given to forecasted economic conditions, our asset allocations, input from external consultants and broader longer-term market indices. Any difference in the expected rate and actual returns will be included with the actuarial gain or loss recorded in the fourth quarter when our plans are remeasured.

Pension plans assets

Objective

The primary objective of our investment strategy is to meet the pension obligation to our employees at a reasonable cost to us. This is primarily accomplished through growth of capital and safety of the funds invested.

Asset allocation

The majority of our pension plan assets are invested in fixed income and equity securities which is consistent with our investment policy goals. Actual investments for our pension plans as of December 31 were as follows:

<i>Percentages</i>	Actual	
	2019	2018
Equity securities	43%	23%
Fixed income	42%	65%
Alternative investments	11%	8%
Cash equivalents	4%	4%

Fair value measurement

The fair values of our pension plan assets as of December 31 were as follows:

<i>In millions</i>	2019	2018
Cash equivalents	\$ 1.2	\$ 1.5
Fixed income:		
Corporate and non U.S. government	11.9	27.1
Other investments (alternative investments)	3.1	3.5
Total investments at fair value	\$ 16.2	\$ 32.1
Investments measured at net asset value (equity securities)	12.5	9.7
Total	\$ 28.7	\$ 41.8

Valuation methodologies used for investments measured at fair value, each of which is classified as Level 2 in the fair value hierarchy, were as follows:

- *cash equivalents* — Cash equivalents consist of investments in commingled funds valued based on observable market data.
- *fixed income* — Investments in corporate bonds, government securities, mortgages and asset backed securities were valued based upon quoted market prices for similar securities and other observable market data. Investments in commingled funds were generally valued at the net asset value of units held at the end of the period based upon the value of the underlying investments as determined by quoted market prices or by a pricing service.
- *other investments* — Other investments include investments in commingled funds with diversified investment strategies. Investments in commingled funds were valued at the net asset value of units held at the end of the period based upon the value of the underlying investments as determined by quoted market prices or by a pricing service.

Cash flows

Contributions

Pension contributions to the Direct Plans totaled \$5.2 million and \$6.1 million in 2019 and 2018, respectively. The 2020 expected contributions will equal or exceed our minimum funding requirements of \$6.7 million.

Estimated future benefit payments

The following benefit payments, which reflect expected future service or payout from termination, as appropriate, are expected to be paid by the plans for the years ended December 31 as follows:

<i>In millions</i>	Pension plans	Post-retirement health plan
2020	\$ 4.6	\$ 1.2
2021	5.0	1.2
2022	7.4	1.2
2023	5.2	1.2
2024	6.9	1.2
Thereafter	37.2	5.3

Savings plan

Effective January 1, 2019, nVent established and is the plan sponsor of a 401(k) retirement plan (nVent Management Company Retirement Savings and Incentive Plan or "401(k) plan") and employee share ownership plan (nVent Electric plc Employee Stock Purchase and Bonus Plan). The 401(k) plan covers certain union and all non-union U.S. employees who met certain age requirements. Under the 401(k) plan, eligible U.S. employees could voluntarily contribute a percentage of their eligible compensation and we match contributions made by employees who met certain eligibility and service requirements. The eligibility criteria and benefits provided by the plans sponsored by nVent are consistent with the provisions of the plans sponsored by the former Parent. During 2019, the matching contribution was 100% of eligible employee contributions for the first 5% of eligible contributions contributed as pre-tax contribution. Expense for the 401(k) plan was \$10.9 million in 2019.

During 2018 and 2017, certain U.S. nVent employees were eligible to participate in a 401(k) plan with an employee share ownership ("ESOP") bonus component, sponsored by the former Parent. During 2017, the matching contribution was 100% of eligible employee contributions for the first 1% of eligible compensation and 50% of the next 5% of eligible compensation. In addition to the matching contribution, all employees who met certain service requirements received a discretionary ESOP contribution equal to 1.5% of annual eligible compensation. During 2018, the matching contribution was 100% of eligible employee contributions for the first 5% of eligible contributions contributed as pre-tax contribution. Expense was \$10.5 million in 2018, and the allocated expense for the Company was \$7.1 million in 2017.

13. Shareholders' Equity

Authorized shares

Our authorized share capital consists of 400.0 million ordinary shares with a par value of \$0.01 per share.

Share repurchases

On July 23, 2018, the Board of Directors authorized the repurchase of our ordinary shares up to a maximum dollar limit of \$500.0 million (the "2018 Authorization"). On February 19, 2019, the Board of Directors authorized the repurchase of our ordinary shares up to a maximum dollar limit of \$380.0 million (the "2019 Authorization"). The 2018 and 2019 Authorizations expire on July 23, 2021.

During the year ended December 31, 2018, we repurchased 2.4 million of our ordinary shares for \$59.0 million under the 2018 authorization. During the year ended December 31, 2019, we repurchased 9.0 million of our ordinary shares for \$232.7 million under the 2018 Authorization. As of December 31, 2019 and 2018, outstanding share repurchases recorded in *Accounts payable* were zero and \$3.0 million, respectively.

As of December 31, 2019, we had \$588.3 million available for repurchases under the 2018 and 2019 Authorizations, which totaled \$880.0 million.

Dividends

Dividends paid per ordinary share were \$0.70 and \$0.35 for the years ended December 31, 2019 and 2018, respectively.

On December 10, 2019, the Board of Directors declared a quarterly cash dividend of \$0.175 that was paid on February 7, 2020 to shareholders of record at the close of business on January 24, 2020. The balance of dividends payable included in *Other current liabilities* on our Consolidated Balance Sheets was \$29.7 million and \$31.0 million at December 31, 2019 and 2018, respectively.

On February 25, 2020, the Board of Directors declared a quarterly cash dividend of \$0.175 per ordinary share payable on May 8, 2020 to shareholders of record at the close of business on April 24, 2020.

14. Segment Information

We classify our operations into the following business segments based primarily on types of products offered and markets served:

- *Enclosures* — The Enclosures segment provides inventive solutions that protect, connect and manage heat in critical electronics, communication, control, and power equipment. From metallic and non-metallic enclosures to cabinets, subracks and backplanes, it offers the physical infrastructure to host, connect and protect server and network equipment, as well as indoor and outdoor protection for test and measurement, aerospace and defense applications in industrial, infrastructure, energy and commercial verticals.
- *Thermal Management* — The Thermal Management segment provides electric thermal solutions that connect and protect critical buildings, infrastructure, industrial processes and people. Its thermal management systems include heat tracing, floor heating, fire-rated and specialty wiring, sensing and snow melting and de-icing solutions for use in industrial, commercial & residential, energy and infrastructure verticals. It's highly reliable and easy to install solutions lower total cost of ownership to building owners, facility managers, operators and end users.
- *Electrical & Fastening Solutions* — The Electrical & Fastening Solutions segment provides fastening solutions that connect and protect electrical and mechanical systems and civil structures. Its engineered electrical and fastening products are innovative cost efficient and labor saving connections that are used across a wide range of verticals, including commercial, industrial, infrastructure and energy.

Other — Other is primarily composed of unallocated corporate expenses, our captive insurance subsidiary and intermediate finance companies.

The accounting policies of our reporting segments are the same as those described in the summary of significant accounting policies. We evaluate performance based on the net sales and segment income (loss) and use a variety of ratios to measure performance of our reporting segments. These results are not necessarily indicative of the results of operations that would have occurred had each segment been an independent, stand-alone entity during the periods presented. Segment income (loss) represents operating income exclusive of intangible amortization, separation costs, costs of restructuring activities, "mark-to-market" gain/loss for pension and other post-retirement plans, impairments and other unusual non-operating items.

Financial information by reportable segment is included in the following summary:

<i>In millions</i>	Net sales			Segment income (loss)		
	2019	2018	2017	2019	2018	2017
Enclosures	\$ 1,033.8	\$ 1,019.7	\$ 934.9	\$ 181.3	\$ 174.8	\$ 164.6
Thermal Management	590.6	623.2	622.2	145.3	154.2	147.3
Electrical & Fastening Solutions	579.6	570.7	540.8	149.7	144.5	140.7
Other	—	—	—	(52.0)	(49.1)	(29.6)
Consolidated	\$ 2,204.0	\$ 2,213.6	\$ 2,097.9	\$ 424.3	\$ 424.4	\$ 423.0

No customer accounted for more than 10% of net sales in 2019, 2018, or 2017.

<i>In millions</i>	Identifiable assets			Depreciation		
	2019	2018	2017	2019	2018	2017
Enclosures	\$ 787.0	\$ 665.9	\$ 672.3	\$ 16.1	\$ 15.9	\$ 16.0
Thermal Management	1,543.7	1,557.1	1,800.9	7.9	8.6	8.7
Electrical & Fastening Solutions	2,129.3	2,157.7	2,189.0	9.1	10.1	9.6
Other	180.3	172.0	62.8	2.3	1.6	2.2
Consolidated	\$ 4,640.3	\$ 4,552.7	\$ 4,725.0	\$ 35.4	\$ 36.2	\$ 36.5

<i>In millions</i>	Capital expenditures		
	2019	2018	2017
Enclosures	\$ 15.3	\$ 13.3	\$ 21.7
Thermal Management	6.8	5.1	4.9
Electrical & Fastening Solutions	13.3	7.9	5.2
Other	3.4	13.2	—
Consolidated	\$ 38.8	\$ 39.5	\$ 31.8

The following table presents a reconciliation of consolidated and combined segment income to consolidated and combined income before income taxes for the years ended December 31:

<i>In millions</i>	2019	2018	2017
Segment income	\$ 424.3	\$ 424.4	\$ 423.0
Restructuring and other	(24.2)	(7.7)	(13.0)
Intangible amortization	(61.4)	(60.9)	(61.4)
Pension and other post-retirement mark-to-market (loss) gain	(27.3)	(7.0)	3.0
Acquisition transaction and integration costs	(2.4)	—	—
Inventory step-up amortization	(3.2)	—	—
Trade name impairment	—	—	(16.4)
Separation costs	—	(45.0)	(16.1)
Interest expense, net	(44.7)	(31.2)	(0.2)
Other expense	(3.7)	(3.9)	(5.6)
Income before income taxes	\$ 257.4	\$ 268.7	\$ 313.3

15. Leases

We have operating leases for office space, production facilities, distribution centers, warehouses, sales offices, fleet vehicles and equipment. In accordance with our accounting policy, leases with an initial term of 12 months or less are not recognized on the balance sheet; we recognize lease expense for these leases on a straight-line basis over the lease term. We elected the practical expedient for all leases to include both lease and non-lease components within our lease assets and lease liabilities.

Our lease agreements do not contain any material residual value guarantees, any material bargain purchase options or material restrictive covenants. We have no material sublease arrangements with third parties or lease transactions with related parties.

During the years ended December 31, 2019, 2018 and 2017, rent expense was \$19.8 million, \$15.8 million and \$17.6 million, respectively, primarily related to operating lease costs. Costs associated with short-term leases, variable rent and subleases were immaterial.

Our leases have remaining lease terms of one to ten years, some of which include options to extend the leases for up to five years. Renewal options that are reasonably certain to be exercised are included in the lease term. The incremental borrowing rate is used in determining the present value of lease payments, unless an implicit rate is specified. Incremental borrowing rates on a collateralized basis are determined based on the economic environment in which leases are denominated and the lease term. The weighted average remaining lease term and weighted average discount rate as of December 31, 2019 were as follows:

	December 31, 2019
Weighted average remaining lease term	
Operating leases	5 years
Weighted average discount rate	
Operating leases	4.0%

Future lease payments under non-cancelable operating leases as of December 31, 2019 were as follows:

<i>In millions</i>		
2020	\$	16.7
2021		11.4
2022		7.5
2023		4.4
2024		3.5
Thereafter		10.9
Total lease payments		54.4
Less imputed interest		(6.0)
Total reported lease liability	\$	48.4

As of December 31, 2019, we have no material additional operating leases that have not yet commenced.

Future minimum lease commitments under non-cancelable operating leases based on accounting standards applicable as of December 31, 2018 were as follows:

<i>In millions</i>		
2019	\$	16.2
2020		12.6
2021		8.0
2022		5.6
2023		2.7
Thereafter		9.6
Total	\$	54.7

Supplemental cash flow information related to operating leases was as follows:

<i>In millions</i>	Year ended	
	December 31, 2019	
Cash paid for amounts included in the measurement of lease liabilities	\$	18.0
Lease right-of-use assets obtained in exchange for new lease liabilities		15.5

Supplemental balance sheet information related to operating leases was as follows:

<i>In millions</i>	Classification	December 31, 2019		January 1, 2019	
Assets					
Lease right-of-use assets	Other non-current assets	\$	44.2	\$	44.2
Liabilities					
Current lease liabilities	Other current liabilities	\$	14.7	\$	13.6
Non-current lease liabilities	Other non-current liabilities		33.7		34.8
Total lease liabilities		\$	48.4	\$	48.4

16. Commitments and Contingencies

Warranties and guarantees

In connection with the disposition of our businesses or product lines, we may agree to indemnify purchasers for various potential liabilities relating to the sold business, such as pre-closing tax, product liability, warranty, environmental, or other obligations. The subject matter, amounts and duration of any such indemnification obligations vary for each type of liability indemnified and may vary widely from transaction to transaction.

Generally, the maximum obligation under such indemnifications is not explicitly stated and as a result, the overall amount of these obligations cannot be reasonably estimated. Historically, we have not made significant payments for these indemnifications. We believe that if we were to incur a loss in any of these matters, the loss would not have a material effect on our financial position, results of operations or cash flows.

We recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee.

We provide service and warranty policies on our products. Liability under service and warranty policies is based upon a review of historical warranty and service claim experience. Adjustments are made to accruals as claim data and historical experience warrant. Our liability for service and product warranties as of December 31, 2019 and 2018 was not material.

Stand-by letters of credit, bank guarantees and bonds

In disposing of assets or businesses, we often provide representations, warranties and indemnities to cover various risks including unknown damage to the assets, environmental risks involved in the sale of real estate, liability to investigate and remediate environmental contamination at waste disposal sites and manufacturing facilities and unidentified tax liabilities and legal fees related to periods prior to disposition. We do not have the ability to reasonably estimate the potential liability due to the inchoate and unknown nature of these potential liabilities. However, we have no reason to believe that these uncertainties would have a material adverse effect on our financial position, results of operations or cash flows.

In the ordinary course of business, we are required to commit to bonds, letters of credit and bank guarantees that require payments to our customers for any non-performance. The outstanding face value of these instruments fluctuates with the value of our projects in process and in our backlog. In addition, we issue financial stand-by letters of credit primarily to secure our performance to third parties under self-insurance programs.

As of December 31, 2019 and 2018, the outstanding value of bonds, letters of credit and bank guarantees totaled \$70.0 million and \$75.8 million, respectively.

Other matters

We are subject to disputes, administrative proceedings and other claims arising out of the normal conduct of our business. These matters generally relate to disputes arising out of the use or installation of our products, product liability litigation, personal injury claims, commercial and contract disputes and employment related matters. On the basis of information currently available, management does not believe that existing proceedings and claims will have a material impact on our Consolidated and Combined Financial Statements. However, litigation is unpredictable, and we could incur judgments or enter into settlements for current or future claims that could adversely affect our financial statements.

17. Selected Quarterly Data (Unaudited)

The following tables present 2019 and 2018 quarterly financial information:

	2019					
<i>In millions, except per-share data</i>	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year	
Net sales	\$ 538.0	\$ 539.5	\$ 559.8	\$ 566.7	\$ 2,204.0	
Gross profit	209.9	212.2	224.1	219.6	865.8	
Operating income	77.5	87.0	86.1	82.5	333.1	
Net income	56.4	60.9	59.9	45.5	222.7	
Earnings per ordinary share ⁽¹⁾						
Basic	\$ 0.32	\$ 0.36	\$ 0.35	\$ 0.27	\$ 1.30	
Diluted	\$ 0.32	\$ 0.35	\$ 0.35	\$ 0.27	\$ 1.29	

<i>In millions, except per-share data</i>	2018					
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year	
Net sales	\$ 538.9	\$ 542.7	\$ 563.9	\$ 568.1	\$ 2,213.6	
Gross profit	208.9	219.4	229.1	218.7	876.1	
Operating income	65.6	65.3	93.7	86.2	310.8	
Net income	52.3	43.3	68.2	67.0	230.8	
Earnings per ordinary share ⁽¹⁾						
Basic	\$ 0.29	\$ 0.24	\$ 0.38	\$ 0.38	\$ 1.29	
Diluted	\$ 0.29	\$ 0.24	\$ 0.38	\$ 0.37	\$ 1.28	

⁽¹⁾ Amounts may not total to annual earnings because each quarter and year are calculated separately based on basic and diluted weighted-average ordinary shares outstanding during that period. The computations of basic and diluted earnings per share for periods prior to the separation were calculated using the shares that were distributed to Pentair shareholders upon the separation.

Fourth quarter 2019 includes a decrease in net income of \$27.3 million related to a "mark-to-market" actuarial loss on pension and other post-retirement plans. First quarter 2018 includes \$9.7 million of separation costs and \$2.8 million of restructuring and other costs. Second quarter 2018 includes \$24.8 million of separation costs and \$2.3 million of restructuring and other costs.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the year ended December 31, 2019, pursuant to Rule 13a-15(b) of the Securities Exchange Act of 1934 ("the Exchange Act"). Based upon their evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the year ended December 31, 2019 to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms and to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosures.

Management's Annual Report on Internal Control Over Financial Reporting

The report of management required under this ITEM 9A is contained in ITEM 8 of this Annual Report on Form 10-K under the caption "Management's Report on Internal Control Over Financial Reporting."

Attestation Report of Independent Registered Public Accounting Firm

The attestation report required under this ITEM 9A is contained in ITEM 8 of this Annual Report on Form 10-K under the caption "Report of Independent Registered Public Accounting Firm."

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the quarter ended December 31, 2019 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information required under this item with respect to directors is contained in our Proxy Statement for our 2020 annual general meeting of shareholders under the captions "Proposal 1 Re-elect Director Nominees" and "Corporate Governance Matters," and is incorporated herein by reference.

Information required under this item with respect to executive officers is contained in Part I of this Form 10-K under the caption "Information About Our Executive Officers."

Our Board of Directors has adopted nVent's Code of Business Conduct and Ethics and designated it as the code of ethics for the Company's Chief Executive Officer and senior financial officers. The Code of Business Conduct and Ethics also applies to all employees and directors in accordance with New York Stock Exchange Listing Standards. We have posted a copy of nVent's Code of Business Conduct and Ethics on our website at <https://investors.nvent.com/corporate-governance/>. We intend to satisfy the disclosure requirements under Item 5.05 of Form 8-K regarding amendments to or waivers from, nVent's Code of Business Conduct and Ethics by posting such information on our website at <https://investors.nvent.com/corporate-governance/>.

We are not including the information contained on our website as part of, or incorporating it by reference into, this report.

ITEM 11. EXECUTIVE COMPENSATION

Information required under this item is contained in our Proxy Statement for our 2020 annual general meeting of shareholders under the captions "Corporate Governance Matters - Director Compensation," "Compensation Committee Report," "Compensation Discussion and Analysis," and "Executive Compensation Tables" and is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required under this item with respect to security ownership is contained in our Proxy Statement for our 2020 annual general meeting of shareholders under the caption "Security Ownership" and is incorporated herein by reference.

The following table summarizes, as of December 31, 2019, information about compensation plans under which our equity securities are authorized for issuance:

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders:			
2018 Omnibus Incentive Plan	2,528,680 ⁽¹⁾	\$ 27.75 ⁽²⁾	3,346,054 ⁽³⁾
Total	2,528,680	\$ 27.75	3,346,054

⁽¹⁾ Consists of 1,766,295 shares subject to stock options, 387,929 shares subject to restricted stock units and 374,456 shares subject to performance share awards.

⁽²⁾ Represents the weighted average exercise price of outstanding stock options and does not take into account outstanding restricted stock units or performance share units.

⁽³⁾ Represents securities remaining available for issuance under the 2018 Omnibus Incentive Plan.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Information required under this item is contained in our Proxy Statement for our 2020 annual general meeting of shareholders under the captions "Proposal 1 Re-elect Director Nominees - Director Independence" and "Corporate Governance Matters - The Board's Role and Responsibilities - Policies and Procedures Regarding Related Person Transactions" and is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Information required under this item is contained in our Proxy Statement for our 2020 annual general meeting of shareholders under the caption "Proposal 4 Ratify, by Non-Binding Advisory Vote, the Appointment of Deloitte & Touche LLP as the Independent Auditor of nVent Electric plc and to Authorize, by Binding Vote, the Audit and Finance Committee of the Board of Directors to Set the Auditor's Remuneration" and is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS

The following information required under this item is filed as part of this report:

(1) Financial Statements

Consolidated Financial Statements filed as part of this report are listed under Part II, ITEM 8 of this Form 10-K.

Financial Statement Schedules

None.

All other schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission have been omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

(2) Exhibits

The exhibits of this Annual Report on Form 10-K included herein are set forth below.

Exhibit Number	Exhibit
<u>2.1</u>	Separation and Distribution Agreement, dated as of April 27, 2018, by and between Pentair plc and nVent Electric plc (incorporated by reference to Exhibit 2.1 in the Current Report on Form 8-K of nVent Electric plc filed with the Commission on April 30, 2018 (File No. 001-38265)).
<u>2.2</u>	Tax Matters Agreement, dated as of April 27, 2018, by and between Pentair plc and nVent Electric plc (incorporated by reference to Exhibit 2.2 in the Current Report on Form 8-K of nVent Electric plc filed with the Commission on April 30, 2018 (File No. 001-38265)).
<u>2.3</u>	Transition Services Agreement, dated as of April 27, 2018, by and between Pentair plc and nVent Electric plc (incorporated by reference to Exhibit 2.3 in the Current Report on Form 8-K of nVent Electric plc filed with the Commission on April 30, 2018 (File No. 001-38265)).
<u>2.4</u>	Employee Matters Agreement, dated as of April 27, 2018, by and between Pentair plc and nVent Electric plc (incorporated by reference to Exhibit 2.4 in the Current Report on Form 8-K of nVent Electric plc filed with the Commission on April 30, 2018 (File No. 001-38265)).
<u>3.1</u>	Amended and Restated Memorandum and Articles of Association of nVent Electric plc (incorporated by reference to Exhibit 4.1 to Post-Effective Amendment No. 1 to the Registration Statement on Form S-8 of nVent Electric plc filed with the Commission on December 31, 2018 (File No. 333-224555)).
<u>4.1</u>	Indenture, dated as of March 26, 2018, among nVent Finance S.à r.l, nVent Electric plc, Pentair plc, Pentair Investments Switzerland GmbH and U.S. Bank National Association (incorporated by reference to Exhibit 4.1 to Amendment No. 4 to the Registration Statement on Form 10 of nVent Electric plc filed with the Commission on March 26, 2018 (File No. 001-38265)).
<u>4.2</u>	First Supplemental Indenture, dated as of March 26, 2018, among nVent Finance S.à r.l, nVent Electric plc, Pentair plc, Pentair Investments Switzerland GmbH and U.S. Bank National Association (incorporated by reference to Exhibit 4.2 to Amendment No. 4 to the Registration Statement on Form 10 of nVent Electric plc filed with the Commission on March 26, 2018 (File No. 001-38265)).
<u>4.3</u>	Second Supplemental Indenture, dated as of March 26, 2018, among nVent Finance S.à r.l, nVent Electric plc, Pentair plc, Pentair Investments Switzerland GmbH and U.S. Bank National Association (incorporated by reference to Exhibit 4.3 to Amendment No. 4 to the Registration Statement on Form 10 of nVent Electric plc filed with the Commission on March 26, 2018 (File No. 001-38265)).
<u>4.4</u>	Third Supplemental Indenture, dated as of April 30, 2018, among nVent Finance S.à r.l, nVent Electric plc and U.S. Bank National Association (incorporated by reference to Exhibit 4.1 in the Current Report on Form 8-K of nVent Electric plc filed with the Commission on April 30, 2018 (File No. 001-38265)).
<u>4.5</u>	Credit Agreement, dated as of March 23, 2018, among nVent Electric plc, nVent Finance S.à r.l., Hoffman Schroff Holdings, Inc. (formerly known as Pentair Technical Products Holdings, Inc.) and the lenders and agents party thereto (incorporated by reference to Exhibit 4.4 to Amendment No. 4 to the Registration Statement on Form 10 of nVent Electric plc filed with the Commission on March 26, 2018 (File No. 001-38265)).

- [4.6](#) Amendment No. 1, dated as of December 20, 2019, to Credit Agreement, dated as of March 23, 2018, among nVent Electric plc, nVent Finance S.à r.l., Hoffman Schroff Holdings, Inc. (formerly known as Pentair Technical Products Holdings, Inc) and the lenders and agents party thereto.
- [4.7](#) Description of Securities.
- [10.1](#) nVent Electric plc 2018 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.2 in the Current Report on Form 8-K of nVent Electric plc filed with the Commission on April 30, 2018 (File No. 001-38265)).*
- [10.2](#) Form of Executive Officer Stock Option Award Agreement (incorporated by reference to Exhibit 10.2 in the Quarterly Report on Form 10-Q of nVent Electric plc filed with the Commission on May 8, 2018 (File No. 001-38265)).*
- [10.3](#) Form of Executive Officer Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.3 in the Quarterly Report on Form 10-Q of nVent Electric plc filed with the Commission on May 8, 2018 (File No. 001-38265)).*
- [10.4](#) Form of Executive Officer Performance Stock Unit Award Agreement (incorporated by reference to Exhibit 10.4 in the Quarterly Report on Form 10-Q of nVent Electric plc filed with the Commission on May 8, 2018 (File No. 001-38265)).*
- [10.5](#) nVent Electric plc Management Incentive Plan (incorporated by reference to Exhibit 10.5 in the Quarterly Report on Form 10-Q of nVent Electric plc filed with the Commission on May 8, 2018 (File No. 001-38265)).*
- [10.6](#) Form of Non-Employee Director Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.6 in the Quarterly Report on Form 10-Q of nVent Electric plc filed with the Commission on May 8, 2018 (File No. 001-38265)).*
- [10.7](#) Form of Key Executive Employment and Severance Agreement for Beth A. Wozniak, Michael B. Faulconer, Lynnette R. Heath, Jon D. Lammers, Elizabeth C. Noonan, Aravind Padmanabhan, Joseph A. Ruzynski, Randolph A. Wacker, and Sara E. Zawoyski (incorporated by reference to Exhibit 10.6 to Amendment No. 2 to the Registration Statement on Form 10 of nVent Electric plc filed with the Commission on January 31, 2018 (File No. 001-38265)).*
- [10.8](#) nVent Electric plc Employee Stock Purchase and Bonus Plan, as amended and restated January 1, 2019.* (incorporated by reference to Exhibit 10.8 in the Annual Report on Form 10-K of nVent Electric plc filed with the Commission on February 19, 2019 (File No. 001-38265)).*
- [10.9](#) nVent Management Company Non-Qualified Deferred Compensation Plan (incorporated by reference to Exhibit 10.4 in the Current Report on Form 8-K of nVent Electric plc filed with the Commission on April 30, 2018 (File No. 001-38265)).*
- [10.10](#) nVent Electric plc Compensation Plan for Non-Employee Directors (incorporated by reference to Exhibit 10.10 in the Quarterly Report on Form 10-Q of nVent Electric plc filed with the Commission on May 8, 2018 (File No. 001-38265)).*
- [10.11](#) nVent Management Company Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.5 in the Current Report on Form 8-K of nVent Electric plc filed with the Commission on April 30, 2018 (File No. 001-38265)).*
- [10.12](#) Flow Control Supplemental Savings and Retirement Plan (incorporated by reference to Exhibit 10.12 to Amendment No. 2 to the Registration Statement on Form 10 of nVent Electric plc filed with the Commission on January 31, 2018 (File No. 001-38265)).*
- [10.13](#) Form of Deed of Indemnification for directors and executive officers of nVent Electric plc (incorporated by reference to Exhibit 10.4 to Amendment No. 2 to the Registration Statement on Form 10 of nVent Electric plc filed with the Commission on January 31, 2018 (File No. 001-38265)).*
- [10.14](#) Form of Indemnification Agreement for directors and executive officers of nVent Electric plc (incorporated by reference to Exhibit 10.5 to Amendment No. 2 to the Registration Statement on Form 10 of nVent Electric plc filed with the Commission on January 31, 2018 (File No. 001-38265)).*
- [10.15](#) Form of Key Executive Employment and Severance Agreement for Robert J. van der Kolk (incorporated by reference to Exhibit 10.15 in the Quarterly Report on Form 10-Q of nVent Electric plc filed with the Commission on July 26, 2018 (File No. 001-38625)).*
- [10.16](#) Separation Agreement and Release, dated October 1, 2019, between Stacy P. McMahan and nVent Management Company (incorporated by reference to Exhibit 10.2 in the Quarterly Report on Form 10-Q of nVent Electric plc filed with the Commission on October 30, 2019 (File No. 001-38265)).*
- [10.17](#) Separation Agreement and Release, dated November 7, 2019, between Thomas F. Pettit and nVent Management Company.*

- [10.18](#) nVent Electric plc Non-Employee Director Compensation Policy (incorporated by reference to Exhibit 10.17 in the Annual Report on Form 10-K of nVent Electric plc filed with the Commission on February 19, 2019 (File No. 001-38265)).*
- [10.19](#) nVent Management Company Severance Plan for Executives effective March 1, 2019, as amended effective December 9, 2019.*
- [21](#) List of nVent Electric plc subsidiaries.
- [23](#) Consent of Independent Registered Public Accounting Firm — Deloitte & Touche LLP.
- [24](#) Power of attorney.
- [31.1](#) Certification of Chief Executive Officer.
- [31.2](#) Certification of Chief Financial Officer.
- [32.1](#) Certification of Chief Executive Officer, Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- [32.2](#) Certification of Chief Financial Officer, Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 101** The following materials from nVent Electric plc's Annual Report on Form 10-K for the year ended December 31, 2019 are filed herewith, formatted in iXBRL (Inline Extensible Business Reporting Language): (i) the Consolidated and Combined Statements of Operations and Comprehensive Income for the years ended December 31, 2019, 2018 and 2017, (ii) the Consolidated Balance Sheets as of December 31, 2019 and 2018, (iii) the Consolidated and Combined Statements of Cash Flows for the years ended December 31, 2019, 2018 and 2017, (iv) the Consolidated and Combined Statements of Changes in Equity for the years ended December 31, 2019, 2018 and 2017 and (v) the Notes to the Consolidated and Combined Financial Statements.
- 104** Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Denotes a management contract or compensatory plan or arrangement.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on February 25, 2020.

NVENT ELECTRIC PLC

By /s/ Sara E. Zawoyski
Sara E. Zawoyski
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated, on February 25, 2020.

<u>Signature</u>	<u>Title</u>
<u>/s/ Beth A. Wozniak</u> Beth A. Wozniak	Chief Executive Officer and Director
<u>/s/ Sara E. Zawoyski</u> Sara E. Zawoyski	Executive Vice President and Chief Financial Officer
<u>/s/ Randolph A. Wacker</u> Randolph A. Wacker	Senior Vice President, Chief Accounting Officer and Treasurer
<u>*</u> Brian M. Baldwin	Director
<u>*</u> Jerry W. Burris	Director
<u>*</u> Susan M. Cameron	Director
<u>*</u> Michael L. Ducker	Director
<u>*</u> David H. Y. Ho	Director
<u>*</u> Randall J. Hogan	Director
<u>*</u> Ronald L. Merriman	Director
<u>*</u> William T. Monahan	Director
<u>*</u> Herbert K. Parker	Director
<u>*By /s/ Jon D. Lammers</u> Jon D. Lammers Attorney-in-fact	

Exhibit 4.6
EXECUTION COPY

AMENDMENT NO. 1

Dated as of December 20, 2019

to

CREDIT AGREEMENT

Dated as of March 23, 2018

THIS AMENDMENT NO. 1 (this "Amendment") is made as of December 20, 2019 by and among nVent Finance S.à r.l., a Luxembourg private limited liability company (*Société à responsabilité limitée*) having its registered office at 26, Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register (*Registre de commerce et des sociétés*, Luxembourg) under number B219846 (the "Company"), nVent Electric plc, an Irish public limited company (the "Parent"), and Hoffman Schroff Holdings, Inc. (formerly known as Pentair Technical Products Holdings, Inc.), a Delaware corporation (the "Affiliate Borrower"), collectively with the Company and the Parent, the "Loan Parties"), the Lenders party hereto and JPMorgan Chase Bank, N.A., in its capacity as administrative agent for the Lenders (the "Administrative Agent"), under that certain Credit Agreement dated as of March 23, 2018, by and among the Loan Parties, the Lenders from time to time party thereto and the Administrative Agent (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the "Credit Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Credit Agreement.

WHEREAS, the Loan Parties have requested that the Required Lenders agree to make certain modifications to the Credit Agreement;

WHEREAS, the Loan Parties, the Lenders party hereto and the Administrative Agent have agreed to amend the Credit Agreement on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Loan Parties, the Lenders party hereto and the Administrative Agent hereby agree to enter into this Amendment.

1. Amendments to the Credit Agreement. Effective as of the date of satisfaction of the conditions precedent set forth in Section 2 below (such date, the "Amendment Effective Date"), the parties hereto agree that the Credit Agreement shall be amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Credit Agreement attached as Annex A hereto (the Credit Agreement as so amended, the "Amended Credit Agreement").

2. Conditions of Effectiveness. This Amendment shall become effective as of the first date on which each of the following conditions shall have been satisfied:

- (a) The Administrative Agent (or its counsel) shall have received either

(A) counterparts of this Amendment duly executed by each of the Loan Parties, the Required Lenders and the Administrative Agent or (B) written evidence satisfactory to the Administrative Agent (which may include facsimile or electronic transmission of an executed signature page of this Amendment) that such parties have executed counterparts of this Amendment.

(b) (i) The Administrative Agent shall have received, at least five (5) days prior to the Amendment Effective Date, all documentation and other information regarding any Borrower requested in connection with applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act, to the extent requested in writing of the Company at least ten (10) days prior to the Amendment Effective Date and (ii) to the extent any Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, at least five (5) days prior to the Amendment Effective Date, any Lender that has requested, in a written notice to the Company at least ten (10) days prior to the Amendment Effective Date, a Beneficial Ownership Certification in relation to such Borrower shall have received such Beneficial Ownership Certification (provided that, upon the execution and delivery by such Lender of its signature page to this Amendment, the condition set forth in this clause (b) shall be deemed to be satisfied).

(c) The Administrative Agent shall have received payment and/or reimbursement of the Administrative Agent’s and its affiliates’ fees and expenses (including the reasonable, documented and invoiced fees, disbursements and other charges of one primary counsel (and one additional local counsel in each applicable jurisdiction) for the Administrative Agent) in accordance with the Loan Documents.

The Administrative Agent shall notify the Company and the Lenders of the Amendment Effective Date, and such notice shall be conclusive and binding.

3. Representations and Warranties of the Loan Parties. Each Loan Party hereby represents and warrants as follows:

(a) Each of this Amendment and the Amended Credit Agreement constitutes a valid and binding agreement of each Loan Party enforceable against the applicable Loan Parties in accordance with its terms, except to the extent that the enforceability thereof may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws now or hereafter affecting creditors’ rights generally, any mandatory applicable provisions of Luxembourg law of general application and general principles of equity.

(b) As of the date hereof and immediately after giving effect to the terms of this Amendment, (i) no Default has occurred and is continuing and (ii) the representations and warranties of the Borrowers set forth in the Credit Agreement (other than the representations contained in Sections 3.04(b) and 3.05 of the Credit Agreement) are true and correct in all material respects (provided that any representation or warranty that is qualified by materiality or Material Adverse Effect is true and correct in all respects), or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date.

4. Confirmation of Guarantees. The Parent, by its execution of this Amendment, hereby consents to this Amendment and confirms and ratifies that all of its obligations as a Guarantor under the Amended Credit Agreement shall continue in full force and effect for the benefit of the Administrative Agent and the Lenders with respect to the Amended Credit Agreement and, for the avoidance of doubt, acknowledges and agrees and confirms that the Term Loans made by the Term Lenders to the Company on the Amendment Effective Date are part of the “Guaranteed Obligations” that are guaranteed by the Parent under the Amended Credit Agreement.

5. Reference to and Effect on the Credit Agreement.

(a) From and after the effectiveness of the amendment to the Credit Agreement evidenced hereby, the terms "Agreement", "this Agreement", "herein", "hereinafter", "hereto", "hereof" and words of similar import, as used in the Amended Credit Agreement, shall, unless the context otherwise requires, refer to the Amended Credit Agreement, and the term "Credit Agreement", as used in the other Loan Documents, shall mean the Amended Credit Agreement.

(b) Each Loan Document and all other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement, the Loan Documents or any other documents, instruments and agreements executed and/or delivered in connection therewith.

(d) This Amendment shall be a Loan Document.

6. Governing Law; Jurisdiction. This Amendment shall be construed in accordance with and governed by the law of the State of New York. Each Loan Party hereby irrevocably and unconditionally submits, for itself and its property, to only the jurisdiction of (i) the Supreme Court of the State of New York sitting in New York County, Borough of Manhattan, and of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan and (ii) any U.S. federal or Illinois state court sitting in Chicago, Illinois, and in each case any appellate court from any thereof, in any action or proceeding arising out of or relating to any Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Amendment or any other Loan Document shall affect any right that the Administrative Agent, any Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Amendment or any other Loan Document against any Loan Party or its properties in the courts of any jurisdiction.

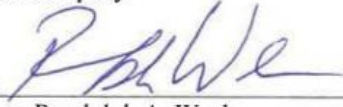
7. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

8. Counterparts. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Amendment by telecopy, e-mailed .pdf or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective authorized officers as of the day and year first above written.

NVENT FINANCE S.À R.L.,
as the Company

By: 

Name: Randolph A. Wacker

Title: Director

NVENT ELECTRIC plc,
as the Parent

By: 
Name: Beth Wozniak
Title: Director and Chief Executive Officer

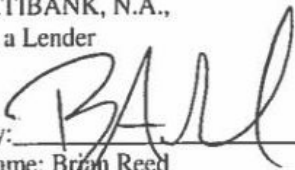
HOFFMAN SCHROFF HOLDINGS, INC. (formerly
known as Pentair Technical Products Holdings, Inc.),
as a Borrower

By: 
Name: Randolph A. Wacker
Title: Director, President and Treasurer

JPMORGAN CHASE BANK, N.A.,
individually as a Lender and as Administrative
Agent

By: Suzanne Ergastolo
Name: Suzanne Ergastolo
Title: Executive Director

CITIBANK, N.A.,
as a Lender

By:  _____

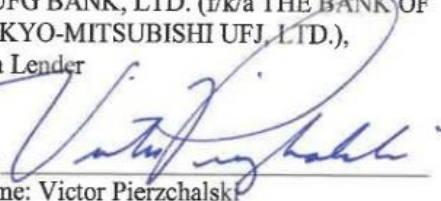
Name: Brian Reed

Title: Vice President

HSBC BANK USA, NATIONAL
ASSOCIATION,
as a Lender

By: 
Name: Fik Durmus
Title: Managing Director

MUFG BANK, LTD. (f/k/a THE BANK OF
TOKYO-MITSUBISHI UFJ, LTD.),
as a Lender

By: 

Name: Victor Pierzchalski

Title: Authorized Signatory

BANK OF AMERICA, N.A.,
as a Lender

By: 
Name: Stephen J. D'Elia
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: 
Name: Tyrone Parker
Title: Vice President

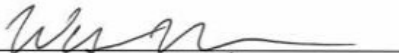
WELLS FARGO BANK, NATIONAL
ASSOCIATION,
as a Lender

By: 
Name: Jonathan Beck
Title: Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: 
Name: Edward Han
Title: Vice President

BANK OF MONTREAL, LONDON BRANCH,
as a Lender

By: 
Name: Wes McFarland
Title: Director

GOLDMAN SACHS BANK USA,
as a Lender

By: Jamie Minieri
Name: Jamie Minieri
Title: Authorized Signatory

BANK OF CHINA, LOS ANGELES BRANCH,
as a Lender

By: 
Name: Yong Ou
Title: SVP & Branch Manager

ANNEX A

Attached

J.P.Morgan

CREDIT AGREEMENT

dated as of

March 23, 2018

among

NVENT ELECTRIC plc
as Parent,

NVENT FINANCE S.À R.L.
as Company,

~~PENTAIR TECHNICAL PRODUCTS~~ HOFFMAN SCHROFF HOLDINGS, INC.
as an Affiliate Borrower

The Other Affiliate Borrowers From Time to Time Party Hereto,
The Lenders Party Hereto,

JPMORGAN CHASE BANK, N.A.
as Administrative Agent,

BANK OF AMERICA, N.A.
~~THE~~ MUFG BANK ~~OF TOKYO-MITSUBISHI UFJ~~, LTD.
CITIBANK, N.A. and
U.S. BANK NATIONAL ASSOCIATION
as Syndication Agents,

and

GOLDMAN SACHS BANK USA
WELLS FARGO BANK, NATIONAL ASSOCIATION
HSBC BANK USA, NATIONAL ASSOCIATION and
DEUTSCHE BANK SECURITIES INC.
as Documentation Agents

JPMORGAN CHASE BANK, N.A.
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
~~THE~~ MUFG BANK ~~OF TOKYO-MITSUBISHI UFJ~~, LTD.
CITIGROUP GLOBAL MARKETS INC. and
U.S. BANK NATIONAL ASSOCIATION

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CREDIT AGREEMENT (this "Agreement") dated as of March 23, 2018 among NVENT ELECTRIC plc, an Irish public limited company, NVENT FINANCE S.À R.L., a Luxembourg private limited liability company (*Société à responsabilité limitée*) having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register under number B219846, the other AFFILIATE BORROWERS from time to time party hereto, the LENDERS from time to time party hereto, JPMORGAN CHASE BANK, N.A., as Administrative Agent, BANK OF AMERICA, N.A., ~~THE MUFG BANK OF TOKYO-MITSUBISHI UFJ~~, LTD. (f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd.), CITIBANK, N.A. and U.S. BANK NATIONAL ASSOCIATION, as Syndication Agents and GOLDMAN SACHS BANK USA, WELLS FARGO BANK, NATIONAL ASSOCIATION, HSBC BANK USA, NATIONAL ASSOCIATION and DEUTSCHE BANK SECURITIES INC., as Documentation Agents.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto agree as follows:

ARTICLE I.

DEFINITIONS

SECTION 1.01 Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"ABR", when used in reference to any Loan or Borrowing, refers to such Loan, or the Loans comprising such Borrowing, bearing interest at a rate determined by reference to the Alternate Base Rate.

"Acquisition" means any transaction or series of related transactions (excluding any transaction solely among the Parent and/or one or more persons that are already Subsidiaries) that result, directly or indirectly, in (a) the acquisition by the Parent or any Subsidiary of all or substantially all of the assets of a Person, or of all or substantially all of any business or division of a Person, (b) the acquisition of in excess of 50% of the capital stock, partnership interests, membership interests or equity of any Person, or otherwise causing any Person to become a Subsidiary, or (c) a merger or consolidation or any other combination with another Person; provided that the Parent or a Subsidiary is the ultimate surviving entity.

"Additional Commitment Lender" has the meaning assigned to such term in Section 2.25(d).

"Adjusted LIBO Rate" means, with respect to any Eurocurrency Borrowing for any Interest Period, an interest rate per annum equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

"Administrative Agent" means JPMCB (including its branches and affiliates) in its capacity as administrative agent for the Lenders hereunder, and any successor administrative agent arising under Section 9.04.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affiliate" means, as to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. A Person shall be deemed to be "controlled by" any other Person if such other Person possesses, directly or indirectly, power to direct or cause the direction of the management and policies of such Person whether by contract or otherwise (but,

for the avoidance of doubt, no individual shall be deemed to be an Affiliate of a Person solely because such individual is a director (or the equivalent thereof) or senior officer of such Person).

"Affiliate Borrower Sublimit" means \$300,000,000.

"Affiliate Borrowers" means, collectively, the Initial Affiliate Borrower and any Eligible Subsidiary that becomes an Affiliate Borrower pursuant to Section 2.23 and, in each case, that has not ceased to be an Affiliate Borrower; and "Affiliate Borrower" means any of the Affiliate Borrowers.

"Affiliate Borrowing Agreement" means an Affiliate Borrowing Agreement substantially in the form of Exhibit F-1.

"Affiliate Borrowing Termination" means an Affiliate Borrowing Termination substantially in the form of Exhibit F-2.

"Agent Indemnitee" has the meaning assigned to it in Section 9.03(c).

"Agreed Currencies" means with respect to (a) Revolving Loans, Agreed Loan Currencies and (b) Letters of Credit, Agreed LC Currencies.

"Agreed LC Currencies" means (a) the Agreed Loan Currencies and (b) any other currency that is (i) readily available and freely transferable and convertible into Dollars and (ii) agreed to by the Company, the Administrative Agent and the relevant Issuing Bank.

"Agreed Loan Currencies" means (i) Dollars, (ii) euro, (iii) Pounds Sterling and (iv) any other currency (A) that is a lawful currency (other than Dollars) that is readily available and freely transferable and convertible into Dollars, (B) for which a LIBOR Screen Rate is available in the Administrative Agent's reasonable determination and (C) that is agreed to by the Administrative Agent and each of the Revolving Lenders.

"Agreement" means this Credit Agreement.

"Alternate Base Rate" means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c) the Adjusted LIBO Rate for a one month Interest Period in Dollars on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%, provided that for the purpose of this definition, the Adjusted LIBO Rate for any day shall be based on the LIBO Rate (or if the LIBO Rate is not available for such one month Interest Period, the Interpolated Rate) at approximately 11:00 a.m. London time on such day. Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Adjusted LIBO Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.14 hereof, then the Alternate Base Rate shall be the greater of clause (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Alternate Base Rate as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Alternative Rate" has the meaning assigned to such term in Section 2.14(a).

"Amendment No. 1 Effective Date" means **December 20, 2019**.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Parent and its affiliated companies concerning or relating to bribery or corruption.

“Applicable LC Sublimit” means (i) with respect to JPMCB in its capacity as an Issuing Bank under this Agreement, \$40,000,000, (ii) with respect to Bank of America, N.A. in its capacity as an Issuing Bank under this Agreement, \$40,000,000, (iii) with respect to ~~The MUFG Bank of Tokyo-Mitsubishi UFJ~~, Ltd. in its capacity as an Issuing Bank under this Agreement, \$40,000,000, (iv) with respect to Citibank, N.A. in its capacity as an Issuing Bank under this Agreement, \$40,000,000, (v) with respect to U.S. Bank National Association in its capacity as an Issuing Bank under this Agreement, \$40,000,000 and (vi) with respect to any other Person that becomes an Issuing Bank pursuant to the terms of this Agreement, such amount as agreed to in writing by the Company, the Administrative Agent and such Person at the time such Person becomes an Issuing Bank pursuant to the terms of the Agreement, as each of the foregoing amounts may be decreased or increased from time to time with the written consent of the Company, the Administrative Agent and the Issuing Banks (provided that any increase in the Applicable LC Sublimit with respect to any Issuing Bank shall only require the consent of the Company and such Issuing Bank).

“Applicable Maturity Date” has the meaning assigned to such term in Section 2.25(a).

“Applicable Percentage” means, with respect to any Lender, (a) with respect to Revolving Loans, Revolving Credit Exposure, LC Exposure or Swingline Loans, the percentage equal to a fraction the numerator of which is such Lender’s Revolving Commitment and the denominator of which is the aggregate Revolving Commitments of all Revolving Lenders (if the Revolving Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Revolving Commitments most recently in effect, giving effect to any assignments) and (b) with respect to the Term Loans, (i) at any time prior to advancing the Term Loans, a percentage equal to a fraction the numerator of which is such Lender’s Term Loan Commitment and the denominator of which is the aggregate Term Loan Commitments of all Term Lenders and (ii) at any time after advancing the Term Loans, a percentage equal to a fraction the numerator of which is such Lender’s outstanding principal amount of the Term Loans and the denominator of which is the aggregate outstanding principal amount of the Term Loans of all Term Lenders; provided that, in the case of each of the foregoing clauses (a) and (b), in the case of Section 2.24 when a Defaulting Lender shall exist, any such Defaulting Lender’s Revolving Commitment, Dollar and/or Term Loan Commitment, as applicable, shall be disregarded in the calculation.

“Applicable Rate” means, for any day, with respect to any Eurocurrency Revolving Loan, any Eurocurrency Term Loan, any ABR Revolving Loan, or any ABR Term Loan, or with respect to the facility fees payable hereunder, as the case may be, the applicable rate per annum set forth below under the caption “Eurocurrency Spread for Revolving Loans”, “Eurocurrency Spread for Term Loans”, “ABR Spread for Revolving Loans”, “ABR Spread for Term Loans” or “Facility Fee Rate”, as the case may be, based upon the Pricing Level applicable on such date.

Pricing Level	Facility Fee	Eurocurrency Spread for Revolving Loans	ABR Spread for Revolving Loans	Eurocurrency Spread for Term Loans	ABR Spread for Term Loans
Level I	0.10%	0.90%	0%	1.00%	0%
Level II	0.125%	1.00%	0%	1.125%	0.125%
Level III	0.15%	1.10%	0.10%	1.25%	0.25%

“Approved Jurisdictions” means Ireland, Switzerland, Luxembourg, the United States and England and Wales.

“Arrangers” means each of JPMCB, Merrill Lynch, Pierce, Fenner & Smith Incorporated, MUFG Bank, Ltd. (f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd.), Citigroup Global Markets Inc. and U.S. Bank National Association in its capacity as a joint bookrunner and joint lead arranger hereunder.

“Assignment and Assumption” means an assignment and assumption agreement entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form approved by the Administrative Agent.

“Augmenting Lender” is defined in Section 2.20.

“Availability Period” means the period from and including the Closing Date to but excluding the earlier of the Revolving Credit Maturity Date and the date of termination of the Revolving Commitments.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“Banking Services” means each and any of the following bank services provided to the Parent or any Subsidiary by any Lender or any of its Affiliates: (a) credit cards for commercial customers (including, without limitation, commercial credit cards and purchasing cards), (b) stored value cards, (c) merchant processing services and (d) treasury management services (including, without limitation, controlled disbursement services, automated clearinghouse transactions, return items services, any direct debit scheme or arrangement, overdraft services and interstate depository network services).

“Banking Services Agreement” means any agreement entered into by the Parent or any Subsidiary in connection with Banking Services.

“Bankruptcy Event” means, with respect to any Person, such Person becomes the subject of a voluntary or involuntary bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment or has had any order for relief in such proceeding entered in respect thereof, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, unless such ownership interest results in or provides such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permits such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership or control as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in Section 4975 of the Code to which Section 4975 of the Code applies, and (c) any Person whose assets include (for purposes of the Plan Asset Regulations or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Board” means the Board of Governors of the Federal Reserve System of the United States.

“Borrower” means the Company or any Affiliate Borrower.

“Borrowing” means (a) Revolving Loans of the same Type, made, converted or continued on the same date and, in the case of Eurocurrency Loans, as to which a single Interest Period is in effect, (b) a Term Loan of the same Type and Class, made, converted or continued on the same date and, in the case of Eurocurrency Loans, as to which a single Interest Period is in effect or (c) a Swingline Loan.

“Borrowing Request” means a request by any Borrower for a Borrowing in accordance with Section 2.03 in substantially the form attached hereto as Exhibit G-1 or such other form as the Administrative Agent may approve from time to time.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; provided that, when used in connection with a Eurocurrency Loan, the term “Business Day” shall also exclude any day on which banks are not open for dealings in the relevant Agreed Currency in the London interbank market or the principal financial center of such Agreed Currency (and, if the Borrowings or LC Disbursements which are the subject of a borrowing, drawing, payment, reimbursement or rate selection are denominated in euro, the term “Business Day” shall also exclude any day on which the TARGET2 payment system is not open for the settlement of payments in euro).

“Calendar Quarter” means each of the four calendar quarters of each calendar year ending each March 31, June 30, September 30 and December 31 of each calendar year.

“Cash Collateralize” means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the Administrative Agent, the applicable Issuing Bank and the Revolving Lenders, as collateral or support for the LC Exposure, cash or deposit account balances, or a standby letter of credit from a financial institution satisfactory to the Administrative Agent, in each case pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent and the applicable Issuing Bank (which documents are hereby consented to by the Lenders). Derivatives of such term shall have corresponding meanings.

“Change in Law” means the occurrence, after the Effective Date (or with respect to any Lender, if later, the date on which such Lender becomes a Lender), of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental

“Consolidated Subsidiary” means, as of any date, any Subsidiary or other entity the accounts of which would be consolidated with those of the Parent in its consolidated financial statements as of such date prepared in accordance with GAAP.

“Consolidated Total Assets” means the total consolidated assets of the Parent and its Subsidiaries, in each case determined in accordance with GAAP.

“Country Risk Event” means:

(a) any law, action or failure to act by any Governmental Authority in any Borrower’s or Letter of Credit beneficiary’s country which has the effect of:

(i) changing the obligations of any Issuing Bank or the Lenders under the relevant Letter of Credit, the Agreement or any of the other Loan Documents as originally agreed or otherwise creating any additional liability, cost or expense to any Issuing Bank, the Lenders or the Administrative Agent from that which exists on the Effective Date,

(ii) changing the ownership or control by such Borrower or Letter of Credit beneficiary of its business, or

(iii) preventing or restricting the conversion into or transfer of the applicable Agreed Currency;

(b) force majeure; or

(c) any similar event,

which, in relation to (a), (b) and (c), directly or indirectly, prevents or restricts the payment or transfer of any amounts owing under the relevant Letter of Credit in the applicable Agreed Currency into an account designated by the Administrative Agent or such Issuing Bank and freely available to the Administrative Agent or such Issuing Bank.

“Covered Entity” means any of the following:

(i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Covered Party” has the meaning assigned to it in Section 9.18.

“Credit Event” means a Borrowing, the issuance, renewal or extension of a Letter of Credit, the amendment of a Letter of Credit that increases the face amount thereof, an LC Disbursement or any of the foregoing.

“Credit Exposure” means, as to any Lender at any time, the sum of (a) such Lender’s Revolving Credit Exposure at such time, plus (b) an amount equal to the aggregate principal amount of its Term Loans outstanding at such time.

“Credit Party” means the Administrative Agent, the Issuing Banks, the Swingline Lenders or any other Lender.

“Debt” means, with respect to any Person at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable and accrued liabilities (including employee compensation and benefit obligations) arising in the ordinary course of business, (iv) the outstanding principal obligations of such Person as lessee under capital leases, (v) all Debt of others secured by a Lien on any asset of such Person, whether or not such Debt is assumed by such Person (it being understood that if such Debt has not been assumed by such Person, the amount of such Debt shall be deemed to be the lesser of the fair market value at such date of such asset and the amount of such Debt), (vi) the aggregate outstanding investment or claim held by purchasers, assignees or transferees of (or of interests in) receivables of such Person in connection with any Securitization Transaction, (vii) all non-contingent reimbursement obligations of such Person under letters of credit and bank guarantees, and (viii) all Debt (as defined above) of others Guaranteed by such Person. Notwithstanding the foregoing, Debt shall exclude (a) any “earnouts” or similar obligations accrued in respect of any Permitted Acquisition, (b) any obligations in respect of customer advances in the ordinary course of business consistent with past practices and (c) defeased and/or discharged indebtedness so long as (i) neither the Parent nor any Subsidiary has any liability (contingent or otherwise) with respect to such indebtedness and (ii) the cash, securities and/or other assets used to defease and/or discharge such indebtedness are not, directly or indirectly, an asset of the Parent or any Subsidiary. In the event any of the foregoing Debt is limited to recourse against a particular asset or assets of such Person, the amount of the corresponding Debt shall be equal to the lesser of the amount of such Debt and the fair market value of such asset or assets at the date for determination of the amount of such Debt. For the avoidance of doubt, the amount of Debt of any Person at any date will be calculated without duplication of any Guarantee in respect thereof.

“Default” means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“Defaulting Lender” means any Lender that (a) has failed, within three (3) Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in Letters of Credit or Swingline Loans or (iii) pay over to any Credit Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Company or any Credit Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender’s good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by the Company or the Administrative Agent, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations

combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Parent or the Subsidiaries shall be a Hedging Agreement.

“Impacted Interest Period” has the meaning assigned to such term in the definition of “LIBO Rate”.

“Increasing Lender” has the meaning assigned to such term in Section 2.20.

“Incremental Term Loan” has the meaning assigned to such term in Section 2.20.

“Incremental Term Loan Amendment” has the meaning assigned to such term in Section 2.20.

“Indemnified Taxes” means (a) Taxes other than Excluded Taxes imposed on or with respect to any payment made by any Loan Party under any Loan Document and (b) Other Taxes.

“Indemnitee” has the meaning assigned to such term in Section 9.03(b).

“Ineligible Institution” has the meaning assigned to such term in Section 9.04(b).

“Information” has the meaning assigned to such term in Section 9.12.

“Initial Affiliate Borrower” means **Hoffman Schroff Holdings, Inc. (formerly known as** Pentair Technical Products Holdings, Inc.), a Delaware corporation.

“Insolvency Regulation” shall mean the Regulation EU 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast).

“Interest Coverage Ratio” means, for any period, the ratio of (i) EBITDA for such period to (ii) Interest Expense for such period.

“Interest Expense” means, for any period, the sum, without duplication, of consolidated interest expense of the Parent and its Subsidiaries for such period (including, in each case to the extent included in interest expense on the Parent’s consolidated income statement, the interest component of capital leases, the interest component of Synthetic Lease Obligations, facility, commitment and usage fees, and fees for standby letters of credit), plus consolidated yield or discount accrued, during such period on the aggregate outstanding investment or claim held by purchasers, assignees or other transferees of (or of interests in) receivables of the Parent and its Subsidiaries in connection with any Securitization Transaction (regardless of the accounting treatment of such Securitization Transaction), plus net payments (if any) pursuant to Hedging Agreements, minus the sum (without duplication) of (a) annual administrative agent fees, (b) costs associated with obtaining swap agreements and any interest expense attributable to the movement of the mark-to-market valuation of obligations under swap agreements or other derivative instruments and any one-time costs associated with breakage in respect of swap agreements for interest rates, (c) costs associated with the issuance or incurrence of debt, including amortization and write-off of deferred and other financing fees, debt issuance costs, commissions, fees and expenses and original issue discount, (d) PIK interest, (e) any non-cash expense in respect of any interest component relating to accretion or accrual of discounted liabilities and (f) net receipts (if any) pursuant to Hedging Agreements.

(ii) in whose hands any interest payable in respect of money so advanced is taken into account in computing the trading income of that company; and

(iii) which has complied with the notification requirements set out in Section 246(5)(a) of the Irish TCA.

(d) a qualifying company within the meaning of Section 110 of the Irish TCA; or

(e) an investment undertaking within the meaning of Section 739B of the Irish TCA; or

(f) an Irish Treaty Lender; or

(g) an exempted approved scheme within the meaning of Section 774 of the Irish TCA.

“Irish TCA” means the Taxes Consolidation Act, 1997 of Ireland.

“Irish Treaty Lender” means a Lender which is on the date the relevant payment is made entitled under a double taxation agreement (an “Irish Treaty”) in force on that date between Ireland and another jurisdiction to that payment without any withholding for or on account of Irish Tax (subject to the completion of any procedural formalities) and which does not carry on a business in Ireland through a permanent establishment with which that Lender’s participation in the Loan is effectively connected.

“Issuing Bank” means each of JPMCB, Bank of America, N.A., MUFG Bank, Ltd. (f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd.), Citibank, N.A., U.S. Bank National Association and each other Lender designated by the Company as an “Issuing Bank” hereunder that has agreed to such designation (and is reasonably acceptable to the Administrative Agent), each in its capacity as the issuer of Letters of Credit hereunder, and its successors in such capacity as provided in Section 2.06(i). Each Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates or branches of such Issuing Bank, in which case the term “Issuing Bank” shall include any such Affiliate or branch, as applicable, with respect to Letters of Credit issued by such Affiliate.

“JPMCB” means JPMorgan Chase Bank, N.A.

“Knowledge” means the actual knowledge of a Responsible Officer, without giving effect to imputed or constructive knowledge or giving rise to any duty to investigate.

“LC Disbursement” means a payment made by an Issuing Bank pursuant to a Letter of Credit.

“LC Exposure” means, at any time, the sum of (a) the aggregate undrawn Dollar Amount of all outstanding Letters of Credit at such time which are then available plus (b) the aggregate Dollar Amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Company at such time. The LC Exposure of any Revolving Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time.

“Lender Notice Date” has the meaning assigned to such term in Section 2.25(b).

“Lender Parent” means, with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a subsidiary.

“Lenders” means the Persons listed on Schedule 2.01 and any other Person that shall have become a Lender hereunder pursuant to Section 2.20 or pursuant to an Assignment and Assumption or

“Permitted Acquisition” means any Acquisition by the Parent or a Subsidiary which satisfies each of the following requirements: (i) no Event of Default or Default has occurred and is continuing at the time of, or will result upon giving effect to, such Acquisition; and (ii) in the case of the Acquisition of any Person, the board of directors (or equivalent governing body) of the Person being acquired (or all of the equity holders thereof) shall have approved such Acquisition.

“Person” means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or Governmental Authority.

“Plan” means at any time an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and is either (i) maintained by the Parent or any ERISA Affiliate for employees of the Parent or such ERISA Affiliate or (ii) maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which the Parent or any ERISA Affiliate is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

“Plan Asset Regulations” means 29 CFR § 2510.3-101 *et seq.*, as modified by Section 3(42) of ERISA, as amended from time to time.

“Pounds Sterling” means the lawful currency of the United Kingdom.

“Prime Rate” means the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined in good faith by the Administrative Agent) or any similar release by the Board (as determined in good faith by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Public Debt Rating” the rating that has been most recently announced by S&P, Moody’s or Fitch, as the case may be, for any class of non-credit enhanced long-term senior unsecured debt issued by the Company (or if no such rating is then in effect with respect to such debt, then the corporate, issuer or similar rating with respect to the Parent, that has been most recently announced by S&P, Moody’s or Fitch, as the case may be), or, if any such rating agency shall have issued more than one such rating, the lowest such rating issued by such rating agency.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

“QFC Credit Support” has the meaning assigned to it in Section 9.18.

“Quotation Day” means, with respect to any Eurocurrency Borrowing for any Interest Period, (i) if the currency is Pounds Sterling, the first day of such Interest Period, (ii) if the currency is euro, the day that is two (2) TARGET2 Days before the first day of such Interest Period, and (iii) for any other currency, two (2) Business Days prior to the commencement of such Interest Period (unless, in each case, market practice differs in the relevant market where the LIBO Rate for such currency is to be determined, in which case the Quotation Day will be determined by the Administrative Agent in accordance with

one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of the Parent.

“Supported QFC” has the meaning assigned to it in Section 9.18.

“Surviving Commitment” has the meaning assigned to such term in Section 2.09(b).

“Surviving Lender” has the meaning assigned to such term in Section 2.09(b).

“Swingline Exposure” means, at any time, the aggregate principal Dollar Amount of all Swingline Loans outstanding at such time. The Swingline Exposure of any Lender at any time shall be the sum of (a) its Applicable Percentage of the total Swingline Exposure at such time other than with respect to any Swingline Loans made by such Lender in its capacity as a Swingline Lender and (b) the aggregate principal Dollar Amount of all Swingline Loans made by such Lender as a Swingline Lender outstanding at such time (less the Dollar Amount of participations funded by the other Revolving Lenders in such Swingline Loans).

“Swingline Foreign Currency Sublimit” means \$30,000,000.

“Swingline Lenders” means each of JPMCB, Bank of America, N.A., MUFG Bank, Ltd. (f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd.), Citibank, N.A., U.S. Bank National Association and each other Lender designated by the Company as a “Swingline Lender” hereunder that has agreed to such designation (and is reasonably acceptable to the Administrative Agent), each in its capacity as a lender of Swingline Loans hereunder.

“Swingline Loan” means a Loan made pursuant to Section 2.05.

“Swingline Sublimit” means as to any Lender (i) the amount set forth opposite such Lender’s name on Schedule 2.05 hereof or (ii) if such Lender has entered into an Assignment and Assumption, the amount set forth for such Lender as its Swingline Sublimit in the Register maintained by the Administrative Agent pursuant to Section 9.04(b)(iv) (provided that, in the case of each of the foregoing clauses (i) and (ii), any increase in the Swingline Sublimit with respect to any Lender shall only require the consent of the Company and such Lender).

“Swiss Borrower” means any Affiliate Borrower organized under the laws of Switzerland or, if different, is deemed resident in Switzerland for Swiss Withholding Tax purposes pursuant to Article 9 of the Swiss Withholding Tax Act.

“Swiss Guidelines” means, together, the guidelines S-02.122.1 in relation to bonds of April 1999 as issued by the Swiss Federal Tax Administration (*Merkblatt S-02.122.1 vom April 1999 betreffend “Obligationen”*), S-02.123 in relation to inter bank transactions of 22 September 1986 as issued by the Swiss Federal Tax Administration (*Merkblatt S-02.123 vom 22 September 1986 betreffend Zinsen von Bankguthaben, deren Gläubiger Banken sind (Interbankguthaben)*), S-02.128 in relation to syndicated credit facilities of January 2000 (*Merkblatt S-02.128 vom Januar 2000 “Steuerliche Behandlung von Konsortialdarlehen, Schuldscheindarlehen, Wechseln und Unterbeteiligungen”*), S-02.130.1 in relation to money market instruments and book claims of April 1999 (*Merkblatt S-02.130.1 vom April 1999 “Geldmarktpapiere und Buchforderungen inländischer Schuldner”*), the circular letter No. 15 (I-015-DVS-2007) of 7 February 2007 in relation to bonds and derivative financial instruments as subject matter of taxation of Swiss federal income tax, Swiss withholding tax and Swiss stamp taxes (*Kreisschreiben Nr. 15 “Obligationen und derivative Finanzinstrumente als Gegenstand der direkten Bundessteuer, der Verrechnungssteuer und der Stempelabgaben” vom 3. Oktober 2017*) and the circular letter No. 34 of 26

“Syndication Agent” means each of Bank of America, N.A., MUFG Bank, Ltd. (f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd.), Citibank, N.A. and U.S. Bank National Association in its capacity as syndication agent for the credit facilities evidenced by this Agreement.

“Synthetic Lease Obligations” means obligations under operating leases (as determined pursuant to Statement of Financial Accounting Standards No. 13) of properties which are reported for United States income tax purposes as owned by the Parent or a Consolidated Subsidiary. The amount of Synthetic Lease Obligations under any such lease shall be determined in accordance with GAAP as if such operating lease were a capital lease.

“TARGET2” means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system (or, if such payment system ceases to be operative, such other payment system (if any) reasonably determined by the Administrative Agent to be a suitable replacement) for the settlement of payments in euro.

“TARGET2 Day” means a day that TARGET2 is open for the settlement of payments in euro.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, fees, value added taxes, or any other goods and services, use or sales taxes, assessments, charges or withholdings imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Lender” means, as of any date of determination, each Lender having a Term Loan Commitment or that holds Term Loans.

“Term Loan Commitment” means (a) as to any Term Lender, the aggregate commitment of such Term Lender to make Term Loans as set forth on Schedule 2.01 or in the Assignment and Assumption or other documentation or record (as such term is defined in Section 9-102(a)(70) of the New York Uniform Commercial Code) as provided in Section 9.04(b)(ii)(C) or other documentation contemplated hereby pursuant to which such Lender shall have assumed its Term Loan Commitment, as applicable and (b) as to all Term Lenders, the aggregate commitment of all Term Lenders to make Term Loans, which aggregate commitment shall be \$200,000,000 on the date of this Agreement. After advancing the Term Loan, each reference to a Term Lender’s Term Loan Commitment shall refer to that Term Lender’s Applicable Percentage of the Term Loans.

“Term Loan Maturity Date” means the five year anniversary of the Closing Date, as extended (in the case of each Term Lender consenting thereto) pursuant to Section 2.25.

“Term Loans” means the term loans made by the Term Lenders to the Company pursuant to Section 2.01(b).

“Total Revolving Credit Exposure” means, at any time, the sum of the outstanding principal amount of all Revolving Lenders’ Revolving Loans, their LC Exposure and their Swingline Exposure at such time; provided, that clause (a) of the definition of Swingline Exposure shall only be applicable to the extent Revolving Lenders shall have funded their respective participations in the outstanding Swingline Loans.

“Trade Date” has the meaning specified in Section 9.04(e)(i) hereof.

“Transaction Expenses” has the meaning assigned to such term in the definition of “Spinoff Transactions”.

“Transactions” means the execution, delivery and performance by the Loan Parties of this Agreement and the other Loan Documents, the borrowing of Loans, the use of the proceeds thereof, the issuance of Letters of Credit hereunder, the Spinoff and the Spinoff Transactions.

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate or the Alternate Base Rate.

“Unfunded Vested Liabilities” means, with respect to any Plan at any time, the amount (if any) by which (i) the current liability as defined in Section 412(l)(7) of the Code under such Plan exceeds (ii) the fair market value of all Plan assets allocable to such benefits, all as determined as of the then most recent valuation date for such Plan, but only to the extent that such excess represents a potential liability of the Parent or any ERISA Affiliate to the PBGC or such Plan under Title IV of ERISA.

“United States” and “U.S.” each mean the United States of America.

“U.S. Lender” means a Lender that is not a Foreign Lender.

“U.S. Person” means a “United States person” within the meaning of Section 7701(a)(30) of the Code.

“U.S. Special Resolution Regime” has the meaning assigned to it in Section 9.18.

“UK Bankruptcy Event” means:

(a) a UK Relevant Entity is unable or admits inability to pay its debts (as defined in section 123(1)(a) of the Insolvency Act 1986) as they fall due or is deemed to or declared to be unable to pay its debts under applicable law, or suspends or threatens to suspend making payments on any of its debts or, by reason of actual or anticipated financial difficulties; or

(b) any corporate action, legal proceedings or other formal procedure or formal step for (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of any UK Relevant Entity; (ii) a composition, compromise, assignment or arrangement with any creditor of any UK Relevant Entity; or (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any UK Relevant Entity, or any of the assets of any UK Relevant Entity; save that this paragraph (b) shall not apply to any action, proceeding, procedure or formal step which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement.

“UK Borrower” means any Affiliate Borrower resident for tax purposes in England and Wales.

“UK Borrower DTTP Filing” means an HM Revenue & Customs’ Form DTTP2, duly completed and filed by the relevant UK Borrower, which:

(a) where it relates to a UK Treaty Lender that is a Lender on the day this Agreement is entered into (or any amendment hereto), contains the scheme reference number and jurisdiction of tax

financial statements delivered pursuant to Section 5.01(a) and 5.01(b) shall be prepared without giving effect to this sentence).

SECTION 1.05 Interest Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of “LIBO Rate” or with respect to any comparable or successor rate thereto, or replacement rate therefor (other than, for the avoidance of doubt, with respect to its obligation to apply the definition of such rate in accordance with its terms).

SECTION 1.06 Luxembourg Terms. Notwithstanding any other provision of this Agreement to the contrary, in this Agreement where it relates to any Affiliate Borrower which is organized under the laws of Luxembourg, a reference to: (a) a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors, compulsory manager or other similar officer includes a *juge délégué, commissaire, juge-commissaire, mandataire ad hoc, administrateur provisoire, liquidateur* or *curateur*; (b) liquidation, bankruptcy, insolvency, reorganization, moratorium or any similar proceeding shall include (i) insolvency/bankruptcy (*faillite*) within the meaning of Articles 437 ff. of the Luxembourg Commercial Code, (ii) controlled management (*gestion contrôlée*) within the meaning of the grand ducal regulation of 24 May 1935 on controlled management, (iii) voluntary arrangement with creditors (*concordat préventif de la faillite*) within the meaning of the law of 14 April 1886 on arrangements to prevent insolvency, as amended, (iv) suspension of payments (*sursis de paiement*) within the meaning of Articles 593 ff. of the Luxembourg Commercial Code or (v) voluntary or compulsory winding-up pursuant to the law of 10 August 1915 on commercial companies, as amended, (c) a lien or security interest includes any *hypothèque, nantissement, gage, privilège, sûreté réelle, droit de rétention*, and any type of security in rem (*sûreté réelle*) or agreement or arrangement having a similar effect and any transfer of title by way of security; (d) a person being unable to pay its debts includes that person being in a state of cessation of payments (*cessation de paiements*) or having lost or meeting the criteria to lose its commercial creditworthiness (*ébranlement de crédit*); (e) attachments or similar creditors process means an executory attachment (*saisie exécutoire*) or conservatory attachment (*saisie arrêt*); and (f) a “set-off” includes, for purposes of Luxembourg law, legal set-off.

SECTION 1.07 Certain Calculations. No Default or Event of Default shall arise as a result of any limitation or threshold set forth in Dollars in Articles VI and VII under this Agreement being exceeded solely as a result of changes in currency exchange rates from those rates applicable on the last day of the fiscal quarter of the Parent immediately preceding the fiscal quarter of the Parent in which such transaction requiring a determination occurs.

SECTION 1.08 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction’s laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its equity interests at such time.

ARTICLE II.

THE CREDITS

SECTION 2.01 Commitments. Subject to the terms and conditions set forth herein, (a) each Revolving Lender (severally and not jointly) agrees to make Revolving Loans to the Borrowers in Agreed Loan Currencies from time to time during the Availability Period in an aggregate principal amount that

expected to have a Material Adverse Effect. Under the laws of Luxembourg it is not necessary that the Loan Documents be filed, recorded or enrolled with any court or other authority in any jurisdiction or that any stamp, registration or similar Taxes be paid on or in relation to the Loan Documents or the transactions contemplated by the Loan Documents, except (i) where the Loan Documents are physically attached (*annexé(s)*) to a public deed or to any other document subject to mandatory registration, in which case either a nominal registration duty or an *ad valorem* duty (of, for instance, 0.24 per cent. of the amount of the payment obligation mentioned in the document so registered) will be payable depending on the nature of the document to be registered, and (ii) in the case of voluntary registration of the Loan Documents.

SECTION 3.08 Not an Investment Company. Neither the Parent nor any Subsidiary thereof is an “investment company” within the meaning of the Investment Company Act of 1940.

SECTION 3.09 Environmental Matters. The Parent conducts in the ordinary course of business a review of the effect of existing Environmental Laws and existing Environmental Claims on the business, operations and properties of the Parent and its Subsidiaries, and as a result thereof the Parent has reasonably concluded that such Environmental Laws and Environmental Claims could not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the business, consolidated financial position or consolidated results of operations of the Parent and its Subsidiaries taken as a whole.

SECTION 3.10 Use of Proceeds. The Borrowers will use the proceeds of the Credit Events solely for the purposes described in Section 5.02.

SECTION 3.11 Disclosure. No written report, financial statement, certificate or other written information furnished by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case, as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading when taken as a whole; provided that, with respect to projected financial information, such Loan Party represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being understood and agreed that projected financial information is simply an estimate, and there is no guarantee that projected results will in fact be achieved). As of the Amendment No. 1 Effective Date, to the best knowledge of the Company, the information included in the Beneficial Ownership Certification provided on or prior to the Amendment No. 1 Effective Date to any Lender in connection with this Agreement is true and correct in all material respects.

SECTION 3.12 Anti-Corruption Laws and Sanctions.

(a) Each of the Parent and its Subsidiaries and, to its Knowledge, its controlled affiliated companies and their respective directors, officers, employees, and agents are conducting their business in compliance in all material respects with Anti-Corruption Laws and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws in all material respects.

(b) None of the Parent or its Subsidiaries or, to its Knowledge, their respective directors, officers, employees or agents acting in any capacity in connection with, or directly benefiting from, the Credit Events:

(i) is a Designated Person;

members of a group of companies consisting of a holding company and its subsidiaries for the purposes of Section 243 of the Irish Companies Act.

SECTION 3.17 Tax Residence. Each Loan Party (other than the Parent) represents that it is resident for Tax purposes only in its jurisdiction of incorporation. The Parent represents that it is resident for Tax purposes only in Ireland or the United Kingdom.

ARTICLE IV.

CONDITIONS

SECTION 4.01 Effective Date. This Agreement and the other Loan Documents shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a) The Administrative Agent (or its counsel) shall have received from each party hereto either (i) a counterpart of this Agreement signed on behalf of such party or (ii) written evidence satisfactory to the Administrative Agent (which may include telecopy or electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

(b) The Administrative Agent shall have received a favorable written opinion (addressed to the Administrative Agent and the Lenders and dated the Effective Date) of (i) Foley & Lardner LLP, special counsel for the Loan Parties, (ii) Arthur Cox, special Irish counsel for the Loan Parties, and (iii) Allen & Overy, *Société en Commandite Simple, inscrite au barreau de Luxembourg*, special Luxembourg counsel for the Loan Parties, substantially in the form of Exhibits B-1, B-2 and B-3, respectively, and covering such other matters relating to the Parent, the Company, the Initial Affiliate Borrower, this Agreement or the Transactions as the Administrative Agent shall reasonably request. The Company hereby requests each such counsels to deliver such opinions.

(c) The Administrative Agent shall have received such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the organization, existence and good standing of the Loan Parties (which shall include, in the case of the Irish Loan Party, evidence that such Loan Party has complied with Section 82 of the Companies Act 2014 of Ireland), the authorization of the Transactions and any other legal matters relating to the Parent, the Company, the Initial Affiliate Borrower, the Loan Documents or the Transactions, all in form and substance satisfactory to the Administrative Agent and its counsel and as further described in Section I of the list of closing documents attached as Exhibit E.

The Administrative Agent shall notify the Company and the Lenders of the Effective Date, and such notice shall be conclusive and binding.

SECTION 4.02 Closing Date. The obligations of the Lenders to make Loans and of the Issuing Banks to issue Letters of Credit hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a) The Effective Date shall have occurred.

agreements shall have been waived, amended, supplemented or otherwise modified in a manner material and adverse to the rights or interests of the Lenders without the prior approval of the Administrative Agent, it being agreed that the Administrative Agent will act reasonably in making any such determination.

(i) The Administrative Agent shall have received evidence satisfactory to it that the "Commitments" under (and as defined in) the Pentair Credit Agreement have been (or contemporaneously with the Closing Date will be) ratably and permanently reduced to \$800,000,000 or less (it being understood that such reduction may be effectuated by a commitment reduction under, an amendment to, an amendment and restatement of or a replacement of the Pentair Credit Agreement).

(j) The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Closing Date, including, to the extent invoiced (in reasonable detail) at least one (1) Business Day prior to the Closing Date, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Company hereunder.

The Administrative Agent shall notify the Company and the Lenders of the Closing Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Lenders to make Loans and of the Issuing Banks to issue Letters of Credit hereunder shall not become effective unless each of the foregoing conditions set forth in this Section 4.02 shall have been satisfied (or waived in accordance with Section 9.02) at or prior to 5:00 p.m., New York City time, on May 31, 2018, and it is hereby understood and agreed that in the event each of such foregoing conditions shall not have been so satisfied or waived, the Commitments shall automatically and irrevocably terminate at 5:00 p.m., New York City time, on May 31, 2018.

SECTION 4.03 Each Credit Event. The obligation of each Lender to make a Loan, and of the Issuing Banks to issue, increase, renew or extend any Letter of Credit, is subject to the satisfaction of the following conditions:

(a) the representations and warranties of the Borrowers set forth in this Agreement (other than the representations contained in Sections 3.04(b) and 3.05) shall be true and correct in all material respects (provided that any representation or warranty that is qualified by materiality or Material Adverse Effect shall be true and correct in all respects) on and as of the date of such Loan (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date) or the date of issuance, amendment to increase, renewal or extension of such Letter of Credit, as applicable.

(b) At the time of and immediately after giving effect to such Loan or the issuance, amendment to increase, renewal or extension of such Letter of Credit, as applicable, no Default shall have occurred and be continuing.

Each Loan and each issuance, amendment to increase, renewal or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by the Borrowers on the date thereof as to the matters specified in paragraphs (a) and (b) of this Section.

SECTION 4.04 Designation of an Affiliate Borrower. The designation of an Affiliate Borrower pursuant to Section 2.23 is subject to the conditions precedent that:

(a) The Company or such proposed Affiliate Borrower shall have furnished or caused to be furnished to the Administrative Agent:

(i) subject to clauses (d) and (e) below, copies, certified by the Secretary or Assistant Secretary (or other appropriate officer, manager or director) of such Subsidiary, of its board of directors' (or other applicable governing body's) resolutions (and resolutions of other bodies, if any are deemed necessary by counsel for the Administrative Agent) approving the Affiliate Borrowing Agreement and any other Loan Documents to which such Subsidiary is becoming a party and such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the organization, existence and good standing of such Subsidiary;

(ii) an incumbency certificate, executed by the Secretary or Assistant Secretary (or other appropriate officer, manager or director) of such Subsidiary, which shall identify by name and title and bear the signature of the officers or other representatives of such Subsidiary authorized to request Borrowings hereunder and sign the Affiliate Borrowing Agreement and the other Loan Documents to which such Subsidiary is becoming a party, upon which certificate the Administrative Agent and the Lenders shall be entitled to rely until informed of any change in writing by the Company or such Subsidiary;

(iii) opinions of counsel to such Subsidiary (which may include inside counsel to such Subsidiary for certain matters), in form and substance reasonably satisfactory to the Administrative Agent and its counsel, with respect to the laws of its jurisdiction of organization and such other matters as are reasonably requested by counsel to the Administrative Agent and addressed to the Administrative Agent and the Lenders;

(iv) any promissory notes requested by any Lender, and any other instruments and documents reasonably requested by the Administrative Agent or any Lender (including in connection with the Patriot Act); and

(v) any documentation and other information related to such Subsidiary reasonably requested by the Administrative Agent or any Lender under applicable "know your customer" or similar rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation;

(b) The Administrative Agent shall have received evidence satisfactory to it that all of such Affiliate Borrower's then existing credit facilities shall have been cancelled and terminated and all indebtedness thereunder shall have been fully repaid (except to the extent being so repaid with the initial Revolving Loans to such Borrower or otherwise permitted to be outstanding pursuant to this Agreement);

(c) In the event an Affiliate Borrower is organized under the laws of Luxembourg, (i) an excerpt (*extrait*) issued by the Luxembourg Trade and Companies Register dated as of the date of its designation and (ii) a non-registration certificate (*certificat de non-inscription d'une décision judiciaire*) issued by the Luxembourg Trade and Companies Register regarding the absence of judicial proceedings dated as of the date of its designation;

(d) In the event an Affiliate Borrower is organized under the laws of Switzerland, (i) a copy of the constitutional documents of such Affiliate Borrower, being a certified excerpt of the competent commercial register, a certified copy of the articles of association (containing a

(c) Compliance Certificates. Simultaneously with the delivery of each set of financial statements referred to in clauses (a) and (b) above, a certificate of a Senior Financial Officer (i) setting forth in reasonable detail the calculations required to establish whether the Parent was in compliance with the requirements of Sections 6.01 and 6.02 on the date of such financial statements and (ii) stating whether there exists on the date of such certificate any Event of Default or Default and, if any such event then exists, setting forth the details thereof and the action which the Parent is taking or proposes to take with respect thereto.

(d) Notice of Default. Forthwith upon the occurrence of any Responsible Officer obtaining knowledge of any Event of Default or Default, a certificate of a Senior Financial Officer setting forth the details thereof and the action which the Parent is taking or proposes to take with respect thereto.

(e) Shareholder Information. Promptly upon the mailing thereof to the shareholders of the Parent generally, copies of all financial statements, reports and proxy statements so mailed.

(f) SEC Filings. Promptly upon the filing thereof, copies of all registration statements (other than the exhibits thereto and any registration statements on Form S-8 or its equivalent) and reports on Forms 10-K and 10-Q which the Parent shall have filed with the SEC.

(g) ERISA Notices. If and when the Parent or ERISA Affiliate or is required to give notice to the PBGC of any "reportable event" (as defined in Section 4043 of ERISA) with respect to any Plan which could reasonably be expected to constitute grounds for a distress or PBGC-initiated termination of such Plan under Title IV of ERISA, or knows that the plan administrator of any Plan has given or is required to give notice of any such reportable event, a copy of the notice of such reportable event given or required to be given to the PBGC.

(h) Notice of Other Material Events. Promptly upon obtaining knowledge thereof, notice of the commencement of any litigation or Governmental Authority proceeding affecting the Parent or any Subsidiary (including pursuant to any applicable Environmental Law) in which there is a reasonable possibility of an adverse decision which could reasonably be expected to have a Material Adverse Effect.

(i) Ratings. Promptly upon the public announcement thereof, notice of any downgrade in any credit rating (including the Public Debt Rating) with respect to the Company or the Parent by Moody's, S&P or Fitch.

(j) Beneficial Ownership Certification Changes. **Promptly after the occurrence thereof, notice to the applicable Lender of any change in the information provided in the Beneficial Ownership Certification delivered to such Lender that would result in a change to the list of beneficial owners identified in such certification.**

(k) KYC Information. **Promptly following any request therefor, information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation.**

(l) ~~(j)~~ Other Information. ~~From time to time~~ **Promptly following any request therefor, such additional information regarding the financial position or business of the Loan Parties as the Administrative Agent, at the request of any Lender, may reasonably request. (it being understood and agreed that no Loan Party nor any of its Subsidiaries shall be required to disclose or discuss, or permit the inspection, examination or making of extracts of, any records, books, information or account or other matter (i) in respect of which disclosure to the Administrative Agent, any Lender**

or their representatives is then prohibited by applicable law or any agreement binding on any Loan Party or any of its Subsidiaries, (ii) that is protected from disclosure by the attorney-client privilege or the attorney work product privilege or (iii) constitutes non-financial trade secrets or non-financial proprietary information).

Documents required to be delivered pursuant to Sections 3.04 or 5.01 (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date such documents are posted on the Parent's behalf on SyndTrak/IntraLinks/IntraAgency, on EDGAR (the Electronic Data Gathering, Analysis and Retrieval system of the SEC) or any successor thereto, or another relevant website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that, except in the case of any filing on EDGAR or any successor thereto, the Parent shall notify (which may be by facsimile or electronic mail) the Administrative Agent and each Lender of the posting of any such documents. The Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Parent with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

If any financial materials and related certificates required to be delivered pursuant to Sections 5.01(a), (b) and/or (c) shall be required to be delivered pursuant to the terms of such Section(s) on a day that is not a Business Day, the required date for such delivery shall be extended to the next succeeding Business Day.

SECTION 5.02 Use of Proceeds. The Parent shall, and shall cause each Subsidiary to, use the proceeds of the Term Loans on or prior to the Spinoff Date, to finance certain payments to Pentair in conjunction with the Spinoff Transactions and to pay Transaction Expenses (it being understood and agreed that the proceeds of the Term Loans may not be used for any purpose other than as set forth in this sentence). The Parent shall, and shall cause each Subsidiary to, use the proceeds of the Revolving Loans (a) on or prior to the Spinoff Date, to finance certain payments to Pentair in conjunction with the Spinoff Transactions and to pay Transaction Expenses and (b) thereafter, solely for working capital needs and for general corporate purposes (including Permitted Acquisitions, permitted share repurchases, capital expenditures and repayment of Debt) of the Parent, each Borrower and the Subsidiaries. Without limiting the foregoing, the Parent shall not, and shall not permit any Subsidiary to, use the proceeds of any Credit Events, directly or indirectly, for the purpose, whether immediate, incidental or ultimate, of purchasing or carrying any "margin stock" in violation of Regulation U of the Board. In no event shall the proceeds of the Loans be utilized for any purpose that would constitute unlawful financial assistance within the meaning of sections 678 or 679 of the UK Companies Act 2006 or section 82 of the Irish Companies Act.

SECTION 5.03 Compliance with Contractual Obligations and Laws. The Parent shall, and shall cause each Subsidiary to, comply with all applicable laws and regulations of any Governmental Authority having jurisdiction over it or its business the non-compliance with which would reasonably be expected to have a Material Adverse Effect. Without limiting the foregoing, each Borrower will maintain in effect and enforce policies and procedures designed to promote and achieve compliance by such Borrower, its Subsidiaries and their respective directors, officers, employees and agents with applicable Anti-Corruption Laws and applicable Sanctions in all material respects.

SECTION 5.04 Insurance. The Parent shall, and shall cause each Subsidiary to, maintain, with financially sound and reputable insurers (as determined at the time the relevant coverage is placed or renewed in the good faith judgment of the Parent or relevant Subsidiary) and/or pursuant to a self-insurance program, insurance with respect to its properties and business against loss or damage of the

kinds customarily insured against by Persons engaged in the same or similar businesses and covering similar properties in the same or similar localities, of such types, with such deductibles, covering such risks and in such amounts as are customarily carried under similar circumstances by such other Persons, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

SECTION 5.05 Ownership of Borrowers. The Parent shall at all times own and control, directly or indirectly, all of the equity interests (other than directors' qualifying shares and other than as may be required by law) of each Borrower (unless, in the case of any Borrower other than the Company, such Borrower has ceased to be a party hereto pursuant to Section 2.23).

SECTION 5.06 Payment of Taxes. The Parent shall, and shall cause each Subsidiary to, pay or make provision for the payment of all United States federal and material foreign, state and other taxes which have become due pursuant to such returns or pursuant to any assessment in respect thereof received by the Parent or any Subsidiary, except (a) taxes that are being contested in good faith and for which adequate reserves have been provided and/or (b) where the failure to so pay could not reasonably be expected to have a Material Adverse Effect.

SECTION 5.07 Swiss Non-Bank Rules. Each Swiss Loan Party shall at all times comply with the Swiss Twenty Non-Bank Rule, to the extent applicable; provided that a Swiss Loan Party shall not be in breach of this Section 5.07 if non-compliance arises solely as a consequence of (a) an inaccurate representation and warranty by a Lender pursuant to Section 9.17; (b) any assignment or participation by a Lender to a Person that is not a Swiss Qualifying Lender without the consent of the Company; or (c) any Lender ceasing to be a Swiss Qualifying Lender so long as commencing promptly after the Company obtains knowledge of such event, the Company and such Swiss Loan Party take all reasonable steps to cause the number of creditors of such Swiss Loan Party relevant under the Swiss Twenty Non-Bank Rule to be not more than 20.

SECTION 5.08 Loan Party Location. The Parent will cause (i) each Borrower and each Material Subsidiary incorporated or organized in an EU jurisdiction to cause its centre of main interest (as that term is used in Article 3(1) of the Insolvency Regulation) to be situated solely in its jurisdiction of incorporation and not to have an establishment (as that term is used in Article 2(10) of the Insolvency Regulation) situated outside its jurisdiction of incorporation or organization, as applicable and (ii) each Borrower and each Material Subsidiary incorporated in England and Wales to cause its centre of main interest (as that term is used in Article 3(1) of the Insolvency Regulation) to be situated solely in England and Wales and not to have an establishment (as that term is used in Article 2(10) of the Insolvency Regulation) situated outside its jurisdiction of incorporation. The Parent will cause its centre of main interest (as that term is used in Article 3(1) of the Insolvency Regulation) to be situated solely in its jurisdiction of incorporation and not to have an establishment (as that term is used in Article 2(10) of the Insolvency Regulation) situated outside its jurisdiction of incorporation.

SECTION 5.09 Tax Residence. No Loan Party may change its residence for Tax purposes; provided that the Parent may change its residence from time to time for Tax purposes from the United Kingdom to Ireland or from Ireland to the United Kingdom.

SECTION 5.10 Service of Process Agent. To the extent that the Company wishes to terminate the Initial Affiliate Borrower as a Borrower hereunder, the Company will provide to the Administrative Agent prior to, or substantially contemporaneously with, such termination a letter from the Service of Process Agent described in clause (ii) of the definition of "Service of Process Agent" (or any other Service of Process Agent acceptable to the Administrative Agent), and such letter will confirm such

Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement; or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has ~~not~~ provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Company or any other Loan Party, that:

(i) none of the Administrative Agent, or any Arranger or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto);

(ii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is independent (within the meaning of 29 CFR § 2510.3-21, as amended from time to time) and is a bank, an insurance carrier, an investment adviser, a broker-dealer or other person that holds, or has under management or control, total assets of at least \$50,000,000, in each case as described in 29 CFR § 2510.3-21(c)(1)(i)(A)-(E);

(iii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies (including in respect of the obligations);

(iv) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is a fiduciary under ERISA or the Code, or both, with respect to the Loans, the Letters of Credit, the Commitments and this Agreement and is responsible for exercising independent judgment in evaluating the transactions hereunder; and

(v) no fee or other compensation is being paid directly to the Administrative Agent, or any Arranger or any their respective Affiliates for investment advice (as opposed to other services) in connection with the Loans, the Letters of Credit, the Commitments or this Agreement.

(c) The Administrative Agent, and each Arranger hereby informs the Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Letters of Credit, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Loans, the Letters of Credit or the Commitments for an amount less than the amount being paid for an interest in the Loans, the Letters of Credit or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated

Party or any of its Subsidiaries may have conflicting interests regarding the transactions described herein and otherwise. No Credit Party will use confidential information obtained from the Loan Party by virtue of the transactions contemplated by the Loan Documents or its other relationships with the Loan Party in connection with the performance by such Credit Party of services for other companies, and no Credit Party will furnish any such information to other companies. Each Loan Party also acknowledges that no Credit Party has any obligation to use in connection with the transactions contemplated by the Loan Documents, or to furnish to such Loan Party or any of its Subsidiaries, confidential information obtained from other companies.

SECTION 9.16 Acknowledgement and Consent to Bail-In of EEA Financial Institutions.

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
 - (i) a reduction in full or in part or cancellation of any such liability;
 - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
 - (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

SECTION 9.17 Confirmation of Lender's Status as Swiss Qualifying Lender. Each Lender represents and warrants to the Loan Parties that, on the date of this Agreement (or, if later, the date such Lender becomes a party hereto), unless notified in writing to the Company and the Administrative Agent prior to the Effective Date (or such later date), it is a Swiss Qualifying Lender and has not entered into a participation arrangement with respect to this Agreement with any Person that is a Swiss Non-Qualifying Lender. Any Person that shall become a successor, assign or Participant with respect to any Lender pursuant to this Agreement shall be deemed to have represented and warranted that it is a Swiss Qualifying Lender and has not entered into a participation arrangement with respect to this Agreement with any Person that is a Swiss Non-Qualifying Lender or, if not, such Person accounts as one single creditor for purposes of the Swiss Non-Bank Rules. Each Lender shall promptly notify the Company and the Administrative Agent if for any reason it ceases to be a Swiss Qualifying Lender and/or it enters into a participation arrangement with respect to this Agreement with any Person that is a Swiss Non-Qualifying Lender.

SECTION 9.18 Acknowledgement Regarding Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution

power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

ARTICLE X.

PARENT GUARANTEE

In order to induce the Lenders to extend credit to the Borrowers hereunder or to any of the Parent's Subsidiaries under Hedging Agreements and Banking Services Agreements, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the Parent hereby irrevocably and unconditionally guarantees, as a primary obligor and not merely as a surety, the payment when and as due, subject to the notice provisions contained in this Article X, of the Obligations and the Specified Ancillary Obligations (collectively, the “Guaranteed Obligations”). The Parent further agrees that the due and punctual payment of such Guaranteed Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon its guarantee hereunder notwithstanding any such extension or renewal of any such Guaranteed Obligation. For the avoidance of doubt and notwithstanding any provision hereof to the contrary, (i) the Guaranteed Obligations shall in no event be broader than the performance of the related Obligations or Specified Ancillary Obligations in accordance with their terms and (ii) nothing contained in this Article X shall affect or otherwise impair any rights (including rights of setoff or counterclaim) that the applicable Borrower or Subsidiary may have against any holder of Guaranteed Obligation under the applicable Hedging Agreement and/or Banking Services Agreement, as applicable, by reason of any action or failure to act of such holder thereunder (including, without limitation, any breach or default of such holder under the related Hedging Agreement or Banking Services Agreement).

The Parent waives presentment to, demand of payment from and protest to any Subsidiary of any of the Guaranteed Obligations, and also waives, other than as set forth in this Article X, notice of acceptance of its obligations and notice of protest for nonpayment. The obligations of the Parent under this Article X shall not be affected by: (a) the failure of the Administrative Agent, any Issuing Bank or

SCHEDULE 2.01

COMMITMENTS

<u>LENDER</u>	<u>REVOLVING COMMITMENT</u>	<u>TERM LOAN COMMITMENT</u>
JPMORGAN CHASE BANK, N.A.	\$62,231,332.36	\$25,768,667.64
BANK OF AMERICA, N.A.	\$62,231,332.36	\$25,768,667.64
~~THE MUFG BANK OF TOKYO-MITSUBISHI UFJ,~~ LTD.	\$62,231,332.36	\$25,768,667.64
CITIBANK, N.A.	\$62,231,332.36	\$25,768,667.64
U.S. BANK NATIONAL ASSOCIATION	\$62,231,332.36	\$25,768,667.64
GOLDMAN SACHS BANK USA	\$58,500,000.00	\$0.00
WELLS FARGO BANK, NATIONAL ASSOCIATION	\$41,369,692.53	\$17,130,307.47
HSBC BANK USA, NATIONAL ASSOCIATION	\$41,369,692.53	\$17,130,307.47
DEUTSCHE BANK AG NEW YORK BRANCH	\$58,500,000.00	\$0.00
PNC BANK, NATIONAL ASSOCIATION	\$30,408,491.95	\$12,591,508.05
BANK OF MONTREAL, LONDON BRANCH	\$30,408,491.95	\$12,591,508.05
BANK OF CHINA, LOS ANGELES BRANCH	\$28,286,969.24	\$11,713,030.76
AGGREGATE COMMITMENTS	\$600,000,000	\$200,000,000

SCHEDULE 2.05

SWINGLINE SUBLIMITS

<u>LENDER</u>	<u>SWINGLINE SUBLIMIT</u>
JPMORGAN CHASE BANK, N.A.	\$15,000,000
BANK OF AMERICA, N.A.	\$15,000,000
~~THE~~ <u>MUFG</u> BANK ~~OF TOKYO MITSUBISHI UFJ~~ , LTD.	\$15,000,000
CITIBANK, N.A.	\$15,000,000
U.S. BANK NATIONAL ASSOCIATION	\$15,000,000

EXHIBIT A

FORM OF ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the “Assignment and Assumption”) is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the “Assignor”) and [*Insert name of Assignee*] (the “Assignee”). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor’s rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including any letters of credit, guarantees, and swingline loans included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the “Assigned Interest”). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____
2. Assignee: _____
[and is an Affiliate/Approved Fund of [identify Lender]¹]
3. Borrowers: nVent Finance S.à r.l. and ~~Pentair-Technical-Products~~Hoffman
Schroff Holdings, Inc.
4. Administrative Agent: JPMorgan Chase Bank, N.A., as the administrative agent under the Credit Agreement
5. Credit Agreement: The Credit Agreement dated as of March 23, 2018 among nVent Finance S.à r.l., nVent Electric plc, ~~Pentair-Technical-Products~~Hoffman
Schroff Holdings, Inc., the other Affiliate Borrowers from time to time parties thereto, the Lenders parties thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, and the other agents parties thereto
6. Assigned Interest: _____

¹ Select as applicable.

EXHIBIT C-1

FORM OF INCREASING LENDER SUPPLEMENT

INCREASING LENDER SUPPLEMENT, dated _____, 20__ (this "Supplement"), by and among each of the signatories hereto, to the Credit Agreement, dated as of March 23, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among nVent Finance S.à r.l., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846 (the "Company"), nVent Electric plc (the "Parent"), ~~Pentair Technical Products~~ **Hoffman Schroff** Holdings, Inc. (the "Initial Affiliate Borrower"), the other Affiliate Borrowers from time to time party thereto, the Lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent").

WITNESSETH

WHEREAS, pursuant to Section 2.20 of the Credit Agreement, the Company has the right, subject to the terms and conditions thereof, to effectuate from time to time an increase in the aggregate Revolving Commitments and/or one or more tranches of Incremental Term Loans under the Credit Agreement by requesting one or more Lenders to increase the amount of its Revolving Commitment and/or to participate in such a tranche;

WHEREAS, the Company has given notice to the Administrative Agent of its intention to [increase the aggregate Revolving Commitments] [and] [enter into a tranche of Incremental Term Loans] pursuant to such Section 2.20; and

WHEREAS, pursuant to Section 2.20 of the Credit Agreement, the undersigned Increasing Lender now desires to [increase the amount of its Revolving Commitment] [and] [participate in a tranche of Incremental Term Loans] under the Credit Agreement by executing and delivering to the Company and the Administrative Agent this Supplement;

NOW, THEREFORE, each of the parties hereto hereby agrees as follows:

1. The undersigned Increasing Lender agrees, subject to the terms and conditions of the Credit Agreement, that on the date of this Supplement it shall [have its Revolving Commitment increased by \$[_____], thereby making the aggregate amount of its total Revolving Commitments equal to \$[_____]] [and] [participate in a tranche of Incremental Term Loans with a commitment amount equal to \$[_____]] with respect thereto].

[☐]. The undersigned Increasing Lender confirms for the benefit of the Administrative Agent and the Loan Parties but without liability to any Loan Party, that it is [not a UK Qualifying Lender] [a UK Qualifying Lender (other than a UK Treaty Lender)] [(a UK Treaty Lender).]¹⁰

[☐]. The undersigned Increasing Lender confirms that the person beneficially entitled to interest payable to that Increasing Lender in respect of an advance under a Loan Document is either (a) a company resident in the United Kingdom for United Kingdom tax purposes or (b) a partnership each member of which is (i) a company so resident in the United Kingdom or (ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the

¹⁰ Delete as applicable – each Increasing Lender is required to confirm which of these three categories it falls within.

EXHIBIT C-2

FORM OF AUGMENTING LENDER SUPPLEMENT

AUGMENTING LENDER SUPPLEMENT, dated _____, 20__ (this "Supplement"), by and among each of the signatories hereto, to the Credit Agreement, dated as of March 23, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among nVent Finance S.à r.l., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846 (the "Company"), nVent Electric plc (the "Parent"), ~~Pentair Technical Products~~ Hoffman Schrott Holdings, Inc. (the "Initial Affiliate Borrower"), the other Affiliate Borrowers from time to time party thereto, the Lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent").

WITNESSETH

WHEREAS, the Credit Agreement provides in Section 2.20 thereof that any bank, financial institution or other entity may [extend Revolving Commitments] [and] [participate in tranches of Incremental Term Loans] under the Credit Agreement subject to the approval of the Company and the Administrative Agent, by executing and delivering to the Company and the Administrative Agent a supplement to the Credit Agreement in substantially the form of this Supplement; and

WHEREAS, the undersigned Augmenting Lender was not an original party to the Credit Agreement but now desires to become a party thereto;

NOW, THEREFORE, each of the parties hereto hereby agrees as follows:

1. The undersigned Augmenting Lender agrees to be bound by the provisions of the Credit Agreement and agrees that it shall, on the date of this Supplement, become a Lender for all purposes of the Credit Agreement to the same extent as if originally a party thereto, with a [Revolving Commitment of \$[_____]] [and] [a commitment with respect to Incremental Term Loans of \$[_____]].

[[☐]. The undersigned Augmenting Lender confirms for the benefit of the Administrative Agent and the Loan Parties but without liability to any Loan Party, that it is [not a UK Qualifying Lender] [a UK Qualifying Lender (other than a UK Treaty Lender)] [(a UK Treaty Lender).]¹⁴

[[☐]. The undersigned Augmenting Lender confirms that the person beneficially entitled to interest payable to that Augmenting Lender in respect of an advance under a Loan Document is either (a) a company resident in the United Kingdom for United Kingdom tax purposes or (b) a partnership each member of which is (i) a company so resident in the United Kingdom or (ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the UK CTA 2009) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the UK CTA 2009 or (c) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into

¹⁴ Delete as applicable – each Augmenting Lender is required to confirm which of these three categories it falls within.

EXHIBIT D-1

[FORM OF]
REVOLVING CREDIT NOTE

March 23, 2018

FOR VALUE RECEIVED, the undersigned, [NVENT FINANCE S.À R.L., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846][~~PENTAIR—TECHNICAL PRODUCTS~~HOFFMAN SCHROFF HOLDINGS, INC.] (the “Borrower”), HEREBY PROMISES TO PAY TO [LENDER] (the “Lender”) the outstanding principal balance of the Lender’s Revolving Loans made to the Borrower, together with interest thereon, at the rate or rates, in the amounts and at the time or times set forth in the Credit Agreement (as the same may be amended, supplemented or otherwise modified from time to time, the “Credit Agreement”), dated as of March 23, 2018, by and among nVent Finance S.à r.l., nVent Electric plc, ~~Pentair Technical Products~~Hoffman Schroff Holdings, Inc., the other Affiliate Borrowers from time to time party thereto, the Lenders party thereto, the Documentation Agents, the Syndication Agents and JPMorgan Chase Bank, N.A., as the Administrative Agent, in each case at such place as the Administrative Agent may specify from time to time, in lawful money of the United States in immediately available funds.

Capitalized terms used herein which are not otherwise defined herein shall have the respective meanings ascribed thereto in the Credit Agreement.

The Revolving Loans evidenced by this Note are prepayable in the amounts, and on the dates, set forth in the Credit Agreement. This Note is one of the Notes under, and as such term is defined in, the Credit Agreement, and is subject to, and should be construed in accordance with, the provisions thereof, and is entitled to the benefits set forth in the Loan Documents.

The Lender is hereby authorized to record on the schedule annexed hereto and any continuation sheets which the Lender may attach thereto (a) the date and amount of each Revolving Loan made by such Lender, (b) the character of each Revolving Loan as one or more ABR Borrowings, one or more Eurocurrency Borrowings, or a combination thereof, (c) the Interest Period and Adjusted LIBO Rate applicable to each Eurocurrency Borrowing, and (d) the date and amount of each conversion of, and each payment or prepayment of principal of, each Revolving Loan. No failure to so record nor any error in so recording shall affect the obligation of the Borrower to repay the Revolving Loans, together with interest thereon, as provided in the Credit Agreement, and the outstanding principal balance of the Revolving Loans as set forth in such schedule shall be prima facie evidence of the existence and amounts of the obligations recorded therein.

Except as specifically otherwise provided in the Credit Agreement, the Borrower hereby waives presentment, demand, notice of dishonor, protest, notice of protest and all other demands, protests and notices in connection with the execution, delivery, performance, collection and enforcement of this Note.

THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

[NVENT FINANCE S.À R.L.]
[~~PENTAIR—TECHNICAL PRODUCTS~~ HOLDINGS,
HOFFMAN SCHROFF HOLDINGS, INC.]

EXHIBIT D-2

[FORM OF]
TERM LOAN NOTE

March 23, 2018

FOR VALUE RECEIVED, the undersigned, NVENT FINANCE S.À R.L., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846 (the "Borrower"), HEREBY PROMISES TO PAY TO [LENDER] (the "Lender") the outstanding principal balance of the Lender's Term Loans made to the Borrower, together with interest thereon, at the rate or rates, in the amounts and at the time or times set forth in the Credit Agreement (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), dated as of March 23, 2018, by and among nVent Finance S.à r.l., nVent Electric plc, ~~Pentair Technical Products~~ Hoffman Schroff Holdings, Inc., the other Affiliate Borrowers from time to time party thereto, the Lenders party thereto, the Documentation Agents, the Syndication Agents and JPMorgan Chase Bank, N.A., as the Administrative Agent, in each case at such place as the Administrative Agent may specify from time to time, in lawful money of the United States in immediately available funds.

Capitalized terms used herein which are not otherwise defined herein shall have the respective meanings ascribed thereto in the Credit Agreement.

The Term Loans evidenced by this Note are prepayable in the amounts, and on the dates, set forth in the Credit Agreement. This Note is one of the Notes under, and as such term is defined in, the Credit Agreement, and is subject to, and should be construed in accordance with, the provisions thereof, and is entitled to the benefits set forth in the Loan Documents.

The Lender is hereby authorized to record on the schedule annexed hereto and any continuation sheets which the Lender may attach thereto (a) the date and amount of each Term Loan made by such Lender, (b) the character of each Term Loan as one or more ABR Borrowings, one or more Eurocurrency Borrowings, or a combination thereof, (c) the Interest Period and Adjusted LIBO Rate applicable to each Eurocurrency Borrowing, and (d) the date and amount of each conversion of, and each payment or prepayment of principal of, each Term Loan. No failure to so record nor any error in so recording shall affect the obligation of the Borrower to repay the Term Loans, together with interest thereon, as provided in the Credit Agreement, and the outstanding principal balance of the Term Loans as set forth in such schedule shall be prima facie evidence of the existence and amounts of the obligations recorded therein.

Except as specifically otherwise provided in the Credit Agreement, the Borrower hereby waives presentment, demand, notice of dishonor, protest, notice of protest and all other demands, protests and notices in connection with the execution, delivery, performance, collection and enforcement of this Note.

THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

NVENT FINANCE S.À R.L.

By: _____
Name:
Title:

EXHIBIT F-1

[FORM OF]
AFFILIATE BORROWING AGREEMENT

AFFILIATE BORROWING AGREEMENT dated as of [____], among nVent Finance S.à r.l., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846 (the “Company”), nVent Electric plc, an Irish public limited company (the “Parent”), [Name of Affiliate Borrower], a [_____] (the “New Affiliate Borrower”), and JPMorgan Chase Bank, N.A. as Administrative Agent (the “Administrative Agent”).

Reference is hereby made to the Credit Agreement dated as of March 23, 2018 (as amended, supplemented or otherwise modified from time to time, the “Credit Agreement”), among the Company, the Parent, ~~Pentair Technical Products~~ Hoffman Schroff Holdings, Inc. (the “Initial Affiliate Borrower”), the other Affiliate Borrowers from time to time party thereto, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A. as Administrative Agent. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement. Under the Credit Agreement, the Lenders have agreed, upon the terms and subject to the conditions therein set forth, to make Loans to certain Affiliate Borrowers (collectively with the Company, the “Borrowers”), and the Company and the New Affiliate Borrower desire that the New Affiliate Borrower become an Affiliate Borrower. In addition, the New Affiliate Borrower hereby authorizes the Company to act on its behalf as and to the extent provided for in Article II of the Credit Agreement. [Notwithstanding the preceding sentence, the New Affiliate Borrower hereby designates the following officers as being authorized to request Borrowings under the Credit Agreement on behalf of the New Affiliate Borrower and sign this Affiliate Borrowing Agreement and the other Loan Documents to which the New Affiliate Borrower is, or may from time to time become, a party: [_____]].

Each of the Company, the Parent and the New Affiliate Borrower represents and warrants that the representations and warranties in the Credit Agreement relating to the New Affiliate Borrower and this Agreement (other than the representations contained in Sections 3.04(b) and 3.05) are true and correct in all material respects (provided that any representation or warranty that is qualified by materiality or Material Adverse Effect shall be true and correct in all respects) on and as of the date hereof (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date). [INSERT OTHER PROVISIONS REASONABLY REQUESTED BY ADMINISTRATIVE AGENT OR ITS COUNSELS] The Parent agrees that the guarantee of the Parent contained in the Credit Agreement will apply to the Obligations of the New Affiliate Borrower. Upon execution of this Agreement by each of the Company, the Parent and the New Affiliate Borrower and the Administrative Agent, the New Borrowing Subsidiary shall be a party to the Credit Agreement and shall constitute an “Affiliate Borrower” for all purposes thereof, and the New Affiliate Borrower hereby agrees to be bound by all provisions of the Credit Agreement.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

EXHIBIT F-2

[FORM OF]
AFFILIATE BORROWER TERMINATION

JPMorgan Chase Bank, N.A.
as Administrative Agent
for the Lenders referred to below

[]

[]

Attention: []

[Date]

Ladies and Gentlemen:

The undersigned, nVent Finance S.à r.l., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846 (the “Company”), refers to the Credit Agreement dated as of March 23, 2018 (as amended, supplemented or otherwise modified from time to time, the “Credit Agreement”), among the Company, nVent Electric plc (the “Parent”), ~~Pentair-Technical-Products~~ Hoffman Schroff Holdings, Inc. (the “Initial Affiliate Borrower”), the other Affiliate Borrowers from time to time party thereto, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A. as Administrative Agent. Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

The Company hereby terminates the status of [] (the “Terminated Affiliate Borrower”) as an Affiliate Borrower under the Credit Agreement. [The Company represents and warrants that no Loans made to the Terminated Affiliate Borrower are outstanding as of the date hereof and that all amounts payable by the Terminated Affiliate Borrower in respect of interest and/or fees (and, to the extent notified by the Administrative Agent or any Lender, any other amounts payable under the Credit Agreement) pursuant to the Credit Agreement have been paid in full on or prior to the date hereof.] [The Company acknowledges that the Terminated Affiliate Borrower shall continue to be a Borrower until such time as all Loans made to the Terminated Affiliate Borrower shall have been prepaid and all amounts payable by the Terminated Affiliate Borrower in respect of interest and/or fees (and, to the extent notified by the Administrative Agent or any Lender, any other amounts payable by the Terminated Affiliate Borrower under the Credit Agreement) pursuant to the Credit Agreement shall have been paid in full, provided that the Terminated Affiliate Borrower shall not have the right to make further Borrowings under the Credit Agreement.]

[Signature Page Follows]

EXHIBIT G-1

FORM OF BORROWING REQUEST

JPMorgan Chase Bank, N.A.,
as Administrative Agent
for the Lenders referred to below

[10 South Dearborn
Chicago, Illinois 60603

Attention: []
Facsimile: []¹⁹

With a copy to:

[]
[]
Attention: []
Facsimile: []

Re: nVent Finance S.à r.l.

[Date]

Ladies and Gentlemen:

Reference is hereby made to the Credit Agreement dated as of March 23, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), among nVent Finance S.à r.l., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846 (the “Company”), nVent Electric plc (the “Parent”), ~~Pentair-Technical-Products~~ Hoffman Schrott Holdings, Inc. (the “Initial Affiliate Borrower”), the other Affiliate Borrowers from time to time party thereto, the institutions from time to time parties thereto as Lenders (the “Lenders”) and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and the other Lenders (the “Administrative Agent”). Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement. The [undersigned Borrower][Company, on behalf of [Affiliate Borrower],] hereby gives you notice pursuant to Section 2.03 of the Credit Agreement that it requests a Borrowing under the Credit Agreement, and in that connection the [undersigned Borrower][Company, on behalf of [Affiliate Borrower],] specifies the following information with respect to such Borrowing requested hereby:

1. Name of Borrower: _____
2. The requested Borrowing is a [Revolving][Term Loan] Borrowing
3. Aggregate principal amount of Borrowing:²⁰ _____

¹⁹ If request is in respect of Revolving Loans in a Foreign Currency or a Designated Loan, please replace this address with the London address from Section 9.01(a)(ii).

²⁰ Not less than applicable amounts specified in Section 2.02(c).

EXHIBIT G-2

FORM OF INTEREST ELECTION REQUEST

JPMorgan Chase Bank, N.A.,
as Administrative Agent
for the Lenders referred to below

[10 South Dearborn
Chicago, Illinois 60603

Attention: []
Facsimile: ([]) []-[]]²³

Re: nVent Finance S.à r.l.

[Date]

Ladies and Gentlemen:

Reference is hereby made to the Credit Agreement dated as of March 23, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among nVent Finance S.à r.l., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846 (the "Company"), nVent Electric plc (the "Parent"), ~~Pentair Technical Products~~ Hoffman Schrott Holdings, Inc. (the "Initial Affiliate Borrower"), the other Affiliate Borrowers from time to time party thereto, the institutions from time to time parties thereto as Lenders (the "Lenders") and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and the other Lenders (the "Administrative Agent"). Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement. The [undersigned Borrower][Company, on behalf of [Affiliate Borrower],] hereby gives you notice pursuant to Section 2.08 of the Credit Agreement that it requests to convert an existing Borrowing under the Credit Agreement, and in that connection the [undersigned Borrower][Company, on behalf of [Affiliate Borrower],] specifies the following information with respect to such conversion requested hereby:

1. List Borrower, date, Type, Class, principal amount, Agreed Currency and Interest Period (if applicable) of existing Borrowing: _____
2. Aggregate principal amount of resulting Borrowing: _____
3. Effective date of interest election (which shall be a Business Day): _____
4. Type of Borrowing (ABR or Eurocurrency): _____
5. Interest Period and the last day thereof (if a Eurocurrency Borrowing):²⁴ _____
6. Agreed Currency: _____

²³ If request is in respect of Revolving Loans in a Foreign Currency or a Designated Loan, please replace this address with the London address from Section 9.01(a)(ii).

²⁴ Which must comply with the definition of "Interest Period" and end not later than the applicable Maturity Date.

EXHIBIT H-1

[FORM OF]
U.S. TAX COMPLIANCE CERTIFICATE

(For A Foreign Lender That, For U.S. Federal Income Tax Purposes, Is Neither Treated As A Partnership
Nor Treated As A Disregarded Entity That Is Owned By A Partnership)

Reference is hereby made to the Credit Agreement dated as of March 23, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among nVent Finance S.à r.l., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846 (the "Company"), nVent Electric plc (the "Parent"), ~~Pentair Technical Products~~ **Hoffman Schrott** Holdings, Inc. (the "Initial Affiliate Borrower"), the other Affiliate Borrowers from time to time party thereto, the institutions from time to time parties thereto as Lenders and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and the other Lenders (the "Administrative Agent").

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it (or, in the event that it is a Disregarded Entity, the Person that is treated for U.S. federal income tax purposes as being the sole owner of the undersigned) is (a) not a bank within the meaning of Section 881(c)(3)(A) of the Code, (b) not a ten percent shareholder of any applicable Borrower within the meaning of Section 871(h)(3)(B) of the Code and (c) not a controlled foreign corporation related to any applicable Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and applicable Borrower with a certificate of the non-U.S. person status of the undersigned (or, in the event that the undersigned is a Disregarded Entity, the Person that is treated for U.S. federal income tax purposes as being the sole owner of the undersigned) on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrowers and the Administrative Agent and (2) the undersigned shall have at all times furnished the Borrowers and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[]

EXHIBIT H-2

[FORM OF]
U.S. TAX COMPLIANCE CERTIFICATE

(For A Foreign Participant That, For U.S. Federal Income Tax Purposes, Is Neither Treated As A Partnership Nor Treated As A Disregarded Entity That Is Owned By A Partnership)

Reference is hereby made to the Credit Agreement dated as of March 23, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among nVent Finance S.à r.l., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846 (the "Company"), nVent Electric plc (the "Parent"), ~~Pentair-Technical Products~~ **Hoffman Schrott** Holdings, Inc. (the "Initial Affiliate Borrower"), the other Affiliate Borrowers from time to time party thereto, the institutions from time to time parties thereto as Lenders and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and the other Lenders (the "Administrative Agent").

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it (or, in the event that it is a Disregarded Entity, the Person that is treated for U.S. federal income tax purposes as being the sole owner of the undersigned) is (a) not a bank within the meaning of Section 881(c)(3)(A) of the Code, (b) not a ten percent shareholder of any applicable Borrower within the meaning of Section 871(h)(3)(B) of the Code and (c) not a controlled foreign corporation related to any applicable Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of the non-U.S. person status of the undersigned (or, in the event that the undersigned is a Disregarded Entity, the Person that is treated for U.S. federal income tax purposes as being the sole owner of the undersigned) on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____

Name:

Title:

Date: _____, 20[]

EXHIBIT H-3

[FORM OF]
U.S. TAX COMPLIANCE CERTIFICATE

(For A Foreign Participant That, For U.S. Federal Income Tax Purposes, Is Either Treated As A Partnership Or Treated As A Disregarded Entity That Is Owned By A Partnership)

Reference is hereby made to the Credit Agreement dated as of March 23, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among nVent Finance S.à r.l., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846 (the "Company"), nVent Electric plc (the "Parent"), ~~Pentair-Technical Products~~ **Hoffman Schrott** Holdings, Inc. (the "Initial Affiliate Borrower"), the other Affiliate Borrowers from time to time party thereto, the institutions from time to time parties thereto as Lenders and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and the other Lenders (the "Administrative Agent").

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) it is the sole beneficial owner of such participation for purposes other than U.S. federal income tax purposes, (iii) it (or, in the event that it is a Disregarded Entity, the Person that is treated for U.S. federal income tax purposes as being the sole owner of the undersigned) is not a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, and (iv) none of the members of the undersigned (or, in the event that the undersigned is a Disregarded Entity, none of the members of the Person that is treated for U.S. federal income tax purposes as being the sole owner of the undersigned) is (a) a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (b) a ten percent shareholder of any applicable Borrower within the meaning of Section 871(h)(3)(B) of the Code, or (c) a controlled foreign corporation related to any applicable Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of the members of the undersigned (or, in the event that the undersigned is a Disregarded Entity, from each of the members of the Person that is treated for U.S. federal income tax purposes as being the sole owner of the undersigned) claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

EXHIBIT H-4

[FORM OF]
U.S. TAX COMPLIANCE CERTIFICATE

(For A Foreign Lender That, For U.S. Federal Income Tax Purposes, Is Either Treated As A Partnership
Or Treated As A Disregarded Entity That Is Owned By A Partnership)

Reference is hereby made to the Credit Agreement dated as of March 23, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among nVent Finance S.à r.l., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846 (the "Company"), nVent Electric plc (the "Parent"), ~~Pentair Technical Products~~ **Hoffman Schrott** Holdings, Inc. (the "Initial Affiliate Borrower"), the other Affiliate Borrowers from time to time party thereto, the institutions from time to time parties thereto as Lenders and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and the other Lenders (the "Administrative Agent").

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is the sole beneficial owner of such Loan(s) (as well as any Note(s) evidencing such Loan(s)) for purposes other than U.S. federal income tax purposes, (iii) it (or, in the event that the undersigned is a Disregarded Entity, the Person that is treated for U.S. federal income tax purposes as being the sole owner of the undersigned) is not a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, and (iv) none of the members of the undersigned (or, in the event that the undersigned is a Disregarded Entity, none of the members of the Person that is treated for U.S. federal income tax purposes as being the sole owner of the undersigned) is (a) a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (b) a ten percent shareholder of any such Borrower within the meaning of Section 871(h)(3)(B) of the Code, or (c) a controlled foreign corporation related to any applicable Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the applicable Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of the members of the undersigned (or, in the event that the undersigned is a Disregarded Entity, from each of the members of the Person that is treated for U.S. federal income tax purposes as being the sole owner of the undersigned) claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrowers and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrowers and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

EXHIBIT I

[FORM OF]
IRISH QUALIFYING LENDER CONFIRMATION

To: nVent Finance S.à r.l., a Luxembourg private limited liability company (*Société à responsabilité limitée*), having its registered office at 26, boulevard Royal, L-2449 Luxembourg and registered with the Luxembourg Trade and Companies Register (*R.C.S. Luxembourg*) under number B 219846, nVent Electric plc, ~~Pentair Technical Products~~ Hoffman Schrott Holdings, Inc., and JPMorgan Chase Bank, N.A., as the Administrative Agent under the Credit Agreement referenced below:

Name of Lender: _____

Address of Lender: _____

Date: _____

Reference is hereby made to that certain Credit Agreement, dated as of March 23, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), by and among nVent Finance S.à r.l., nVent Electric plc, ~~Pentair Technical Products~~ Hoffman Schrott Holdings, Inc., the other Affiliate Borrowers from time to time party thereto, the institutions from time to time parties thereto as Lenders and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and the other Lenders.

Pursuant to Section 2.17(j) of the Credit Agreement, the undersigned Lender hereby confirms, as at the date of this Confirmation, that it is:

- ☐ not an Irish Qualifying Lender; or
- ☐ an Irish Qualifying Lender (under paragraph (f) of the definition); or
- ☐ an Irish Qualifying Lender (under paragraphs (a), (b), (c), (d), (e), or (g) of the definition).

[NAME OF LENDER]

By: _____

Name:

Title:

DESCRIPTION OF SHARE CAPITAL

The following description of the share capital of nVent Electric plc (“nVent,” the “Company,” “we,” “our” or “us”) summarizes the material terms and provisions that apply to our share capital. The summary is subject to and qualified in its entirety by reference to our amended and restated memorandum and articles of association (the “articles of association”), which are filed as an exhibit to this Annual Report on Form 10-K. The summaries and descriptions below do not purport to be complete statements of the Companies Act 2014 of Ireland (as amended) (the “Irish Companies Act”).

Capital Structure

nVent’s authorized share capital consists of €25,000 and \$4,200,000, divided into 25,000 euro deferred shares with a nominal value of €1.00 per share, 400,000,000 ordinary shares with a nominal value of \$0.01 per share and 20,000,000 preferred shares with a nominal value of \$0.01 per share. The authorized share capital includes 25,000 euro deferred shares with a nominal value of €1.00 per share in order to satisfy minimum statutory requirements for Irish public limited companies. These euro deferred shares carry no voting or dividend rights.

nVent may issue shares subject to the maximum authorized share capital contained in the articles of association. The authorized share capital may be increased by a resolution approved by a two-thirds majority of the votes of nVent shareholders cast at a general meeting (referred to as a “variation resolution”) or reduced by a resolution approved by a simple majority of the votes of nVent shareholders cast at a general meeting (referred to under Irish law as an “ordinary resolution”). The shares comprising the authorized share capital of nVent may be divided into shares of such nominal value as the resolution shall prescribe.

As a matter of Irish law, the directors of a company (or a duly authorized committee thereof) may cause the company to issue new ordinary or preferred shares without shareholder approval once authorized to do so by the articles of association of the company or by an ordinary resolution adopted by the shareholders at a general meeting. An ordinary resolution requires over 50 percent of the votes of a company’s shareholders cast at a general meeting (in person or by proxy). The authority conferred can be granted for a maximum period of five years, at which point it must be renewed by the shareholders of the company by an ordinary resolution. The articles of association of nVent authorize our board of directors to issue new ordinary or preferred shares without shareholder approval until April 30, 2023 (subject to the limits provided for in the New York Stock Exchange (the “NYSE”) Listed Company Manual).

The rights and restrictions to which the ordinary shares are subject are prescribed in the articles of association. nVent’s articles of association entitle our board of directors, without shareholder approval, to determine the terms of preferred shares issued by nVent. Preferred shares may, among other things, be preferred as to dividends, rights on a winding up or voting in such manner as the directors of nVent may resolve. The preferred shares may also be redeemable at the option of the holder of the preferred shares or at the option of nVent, and may be convertible into or exchangeable for shares of any other class or classes of nVent, depending on the terms of such preferred shares. The issuance of preferred shares is subject to applicable law, including as appropriate the Irish Takeover Rules (as defined herein).

Preemption Rights

Under Irish law, certain statutory preemption rights apply automatically in favor of shareholders where shares are to be issued for cash. However, nVent has opted out of these preemption rights in the articles of association as permitted under Irish company law. Because Irish law requires this opt-out to be renewed every five years by a resolution approved by not less than 75 percent of the votes of the nVent shareholders cast at a general meeting (referred to under the Irish Companies Act as a “special resolution”), the articles of association provide that this opt-out must be so renewed. If the opt-out is not renewed, shares issued for cash must be offered to existing nVent shareholders on a pro rata basis to their existing shareholding before the shares can be issued to any new shareholders. The statutory preemption rights do not apply where shares are issued for non-cash consideration (such as in a stock-for-stock acquisition) and do not apply to the issue of non-equity shares (that is, shares that have the right to participate only up to a specified amount in any income or capital distribution) or where shares are issued pursuant to an employee option or similar equity plan.

Dividends

Under Irish law, dividends and distributions may only be made from distributable reserves. Distributable reserves generally means accumulated realized profits less accumulated realized losses and includes reserves created by way of capital reduction. In addition, no distribution or dividend may be made unless the net assets of nVent are equal to, or in excess of, the aggregate of nVent’s called-up share capital plus undistributable reserves and the distribution does not reduce nVent’s net assets below such aggregate. Undistributable reserves include the share premium account, the capital redemption reserve fund and the amount by which nVent’s accumulated unrealized profits, so far as not previously utilized by any capitalization, exceed nVent’s accumulated unrealized losses, so far as not previously written off in a reduction or reorganization of capital.

The determination as to whether or not nVent has sufficient distributable reserves to fund a dividend must be made by reference to the “relevant financial statements” of nVent. The “relevant financial statements” will be either the last set of unconsolidated annual audited financial statements or other financial statements properly prepared in accordance with the Irish Companies Act, that is initial financial statements or interim financial statements, which give a “true and fair view” of nVent’s unconsolidated financial position and accord with accepted accounting practice. The relevant financial statements must be filed in the Companies Registration Office (the official public registry for companies in Ireland).

The articles of association authorize the directors to declare dividends to the extent they appear justified by profits without shareholder approval. Our board of directors may also recommend a dividend to be approved and declared by the nVent shareholders at a general meeting. Our board of directors may direct that the payment be made by distribution of assets, shares or cash and no dividend issued may exceed the amount recommended by the directors. Dividends may be declared and paid in the form of cash or non-cash assets and may be paid in U.S. dollars or any other currency. All holders of nVent ordinary shares will participate pro rata in respect of any dividend which may be declared in respect of nVent ordinary shares.

The directors of nVent may deduct from any dividend payable to any shareholder any amounts payable by such shareholder to nVent in relation to the nVent ordinary shares.

The directors of nVent are also entitled to issue shares with preferred rights to participate in dividends declared by nVent. The holders of such preferred shares may, depending on their terms, be entitled to claim arrears of a declared dividend out of subsequently declared dividends in priority to shareholders.

Share Repurchases, Redemptions and Conversions

Overview

The articles of association provide that any ordinary shares which nVent has agreed to acquire shall be deemed to be a redeemable share, unless our board of directors resolves otherwise. Accordingly, for Irish company law purposes, the repurchase of ordinary shares by nVent will technically be effected as a redemption of those shares as described below under “Repurchases and Redemptions by nVent.” If the articles of association did not contain such provision, all repurchases by nVent would be subject to many of the same rules that apply to purchases of nVent ordinary shares by subsidiaries described below under “Purchases by Subsidiaries of nVent” including the shareholder approval requirements described below and the requirement that any on-market purchases be effected on a “recognized stock exchange.” Neither Irish law nor any constituent document of nVent places limitations on the right of nonresident or foreign owners to vote or hold nVent ordinary shares. Except where otherwise noted, references elsewhere in this document to repurchasing or buying back nVent ordinary shares refer to the redemption of ordinary shares by nVent or the purchase of nVent ordinary shares by a subsidiary of nVent, in each case in accordance with the articles of association and Irish company law as described below.

Repurchases and Redemptions by nVent

Under Irish law, a company may issue redeemable shares and redeem them out of distributable reserves or the proceeds of a new issue of shares for that purpose. nVent may only issue redeemable shares if the nominal value of the issued share capital that is not redeemable is not less than 10 percent of the nominal value of the total issued share capital of nVent. All redeemable shares must also be fully paid and the terms of redemption of the shares must provide for payment on redemption. Redeemable shares may, upon redemption, be canceled or held in treasury. Based on the provision of the articles of association described above, shareholder approval will not be required to redeem nVent ordinary shares.

nVent may also be given an additional general authority by its shareholders to purchase its own shares on-market which would take effect on the same terms and be subject to the same conditions as applicable to purchases by nVent’s subsidiaries as described below.

Our board of directors is also entitled to issue preferred shares, which may be redeemed at the option of either nVent or the shareholder, depending on the terms of such preferred shares. For additional information on redeemable shares, see “Capital Structure.”

Repurchased and redeemed shares may be canceled or held as treasury shares. The nominal value of treasury shares held by nVent at any time must not exceed 10 percent of the nominal value of the issued share capital of nVent. nVent may not exercise any voting rights in respect of any shares held as treasury shares. Treasury shares may be canceled by nVent or re-issued subject to certain conditions.

Purchases by Subsidiaries of nVent

Under Irish law, an Irish or non-Irish subsidiary may purchase nVent ordinary shares either as overseas market purchases or off-market purchases. For a subsidiary of nVent to make overseas market purchases of nVent ordinary shares, the nVent shareholders must provide general authorization for such purchase by way of ordinary resolution. However, as long as this general authority has been granted, no specific shareholder authority for a particular overseas market purchase by a subsidiary of nVent ordinary shares is required. For an off-market purchase by a subsidiary of nVent, the proposed purchase contract must be authorized by special resolution of the shareholders before the contract is entered into. The person whose nVent ordinary shares are to be bought back cannot vote in favor of the special resolution and, for at least 21 days prior to the special resolution being passed, the purchase contract must be on display or must be available for inspection by shareholders at the registered office of nVent.

In order for a subsidiary of nVent to make an overseas market purchase of nVent ordinary shares, such shares must be purchased on a “recognized stock exchange.” The NYSE, on which the nVent ordinary shares are listed, is specified as a recognized stock exchange for this purpose by Irish company law.

The number of nVent ordinary shares acquired and held by the subsidiaries of nVent at any time will count as treasury shares and will be included in any calculation of the permitted treasury share threshold of 10 percent of the nominal value of the issued share capital of nVent. While a subsidiary holds nVent ordinary shares, it cannot exercise any voting rights in respect of those shares. The acquisition of nVent ordinary shares by a subsidiary must be funded out of distributable reserves of the subsidiary.

Liens on Shares, Calls on Shares and Forfeiture of Shares

The articles of association provide that nVent will have a first and paramount lien on every share that is not a fully paid up share for all moneys payable, whether presently due or not in respect of such nVent ordinary shares. Subject to the terms of their allotment, directors may call for any unpaid amounts in respect of any nVent ordinary shares to be paid, and if payment is not made, the shares may be forfeited. These provisions are standard inclusions in the articles of association of an Irish company limited by shares such as nVent and are only be applicable to nVent ordinary shares that have not been fully paid up.

Consolidation and Division; Subdivision

The articles of association provide that nVent may, by ordinary resolution, consolidate and divide all or any of its share capital into shares of larger nominal value than its existing shares or subdivide its shares into smaller amounts than is fixed by the articles of association.

Reduction of Share Capital

nVent may, by ordinary resolution, reduce its authorized share capital in any way. nVent also may, by special resolution and subject to confirmation by the Irish High Court, reduce or cancel its issued share capital (which includes share premium) in any manner permitted by the Irish Companies Act.

Extraordinary General Meetings of Shareholders

Extraordinary general meetings of nVent may be convened (i) by our board of directors, (ii) on requisition of the shareholders holding not less than 10 percent of the paid-up share capital of nVent carrying voting rights or (iii) on requisition of nVent’s auditors. Extraordinary general meetings are generally held for the purposes of approving shareholder resolutions as may be required from time to time. At any extraordinary general meeting only such business shall be conducted as is set forth in the notice thereof.

Voting

Each ordinary share is entitled to one vote on each matter properly brought before the shareholders. At any meeting of nVent, all resolutions will be decided on a poll. Treasury shares of nVent ordinary shares that are held by subsidiaries of nVent will not be entitled to be voted at general meetings of shareholders.

Irish company law requires special resolutions of the shareholders at a general meeting to approve certain matters. Examples of matters requiring special resolutions include:

- amending the objects or memorandum of association of nVent;
- amending the articles of association;
- approving a change of name of nVent;

- authorizing the entering into of a guarantee or provision of security in connection with a loan, quasi-loan or credit transaction to a director or connected person;
- opting out of preemption rights on the issuance of new shares;
- re-registration of nVent from a public limited company to a private company;
- variation of class rights attaching to classes of shares (where the articles of association do not provide otherwise);
- purchase of nVent shares off-market;
- reduction of issued share capital;
- sanctioning a compromise/scheme of arrangement;
- resolving that nVent be wound up by the Irish courts;
- resolving in favor of a shareholders' voluntary winding-up;
- re-designation of shares into different share classes;
- setting the re-issue price of treasury shares; and
- a merger pursuant to the EU Cross-Border Merger Directives 2005/56/EC.

Variation of Rights Attaching to a Class or Series of Shares

Under the Irish Companies Act and as provided in the articles of association, any variation of class rights attaching to any issued class of nVent shares must be approved in writing by holders of three-quarters of the issued shares in that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class, provided that, if the relevant class of holders has only one holder, that person present in person or by proxy shall constitute the necessary quorum. nVent's articles of association expressly provide that any issue of preferred shares (whatever the rights attaching to them) will be deemed not to be a variation of the rights of shareholders.

Acquisitions

An Irish public limited company may be acquired in a number of ways, including:

- a court-approved scheme of arrangement under the Irish Companies Act. A scheme of arrangement with shareholders requires a court order from the Irish High Court and the approval of a majority in number representing 75 percent in value of the shareholders present and voting in person or by proxy at a meeting called to approve the scheme;
- through a tender or takeover offer by a third party for all of the nVent ordinary shares. Where the holders of 80 percent or more of nVent ordinary shares have accepted an offer for their shares in nVent, the remaining shareholders may also be statutorily required to transfer their shares. If the bidder does not exercise its "squeeze out" right, then the non-accepting shareholders also have a statutory right to require the bidder to acquire their shares on the same terms. If nVent ordinary shares were to be listed on the Irish Stock Exchange or another regulated stock exchange in the European Union, this threshold would be increased to 90 percent;
- it is also possible for nVent to be acquired by way of a transaction with an EU-incorporated company under the Directive (EU) 2017/1132. Such a transaction must be approved by a special resolution. If nVent is being merged with another EU company under Directive (EU) 2017/1132 and the consideration payable to nVent shareholders is not all in the form of cash, nVent shareholders may be entitled to require their shares to be acquired at fair value; and
- by way of merger with another Irish company under the Irish Companies Act, which must be approved by a special resolution and by the High Court of Ireland.

Disclosure of Interests in Shares

Under the Irish Companies Act, nVent shareholders must notify nVent (but not the public at large) if, as a result of a transaction, the shareholder will become interested in 3 percent or more of any class of nVent shares carrying voting rights; or if as a result of a transaction a shareholder who was interested in more than 3 percent of any class of nVent shares carrying voting rights ceases to be so interested. Where a shareholder is interested in more than 3 percent of any class of nVent shares carrying voting rights, the shareholder must notify nVent (but not the public at large) of any alteration of his or her interest that brings his or her total holding through the nearest whole percentage number, whether an increase or a reduction. The relevant percentage figure is calculated by reference to the aggregate nominal value of the shares in which the shareholder is interested as a proportion of the entire nominal value of the issued share capital of nVent (or any such class of share capital in issue). Where the percentage level of the shareholder's interest does not amount to a whole percentage this figure may be rounded down to the next whole number. nVent must be notified within five business days of the transaction or alteration of the shareholder's interests that gave rise to the notification requirement. If a shareholder fails to comply with these notification requirements, the shareholder's rights in respect of any nVent ordinary shares it holds will not be enforceable, either directly or indirectly, by action or legal proceeding. However, such person may apply to the court to have the rights attaching to such shares reinstated.

In addition to these disclosure requirements, nVent, under the Irish Companies Act, may, by notice in writing, require a person whom nVent knows or has reasonable cause to believe to be, or at any time during the three years immediately preceding the date on which such notice is issued to have been, interested in shares comprised in nVent's relevant share capital to: (i) indicate whether or not it is the case and (ii) where such person holds or has during that time held an interest in any class of nVent shares carrying voting rights, to provide additional information as may be required by nVent, including particulars of the person's own past or present interests in such class of nVent shares. If the recipient of the notice fails to respond within the reasonable time period specified in the notice, nVent may apply to court for an order directing that the affected shares be subject to certain restrictions, as prescribed by the Irish Companies Act, as follows:

- any transfer of those shares, or in the case of unissued shares any transfer of the right to be issued with shares and any issue of shares, shall be void;
- no voting rights shall be exercisable in respect of those shares;
- no further shares shall be issued in right of those shares or in pursuance of any offer made to the holder of those shares; and
- no payment shall be made of any sums due from nVent on those shares, whether in respect of capital or otherwise.

The court may also order that shares subject to any of these restrictions be sold with the restrictions terminating upon the completion of the sale.

In the event nVent is in an offer period pursuant to the Irish Takeover Panel Act 1997, Takeover Rules 2013 (as amended) (the "Irish Takeover Rules"), accelerated disclosure provisions apply for persons holding an interest in nVent securities of 1 percent or more.

Anti-Takeover Provisions

Irish Takeover Rules and Substantial Acquisition Rules

A transaction in which a third party seeks to acquire 30 percent or more of the voting rights of nVent is governed by the Irish Takeover Panel Act 1997 (the "Takeover Panel Act") and the Irish Takeover Rules made thereunder and is regulated by the Irish Takeover Panel (the "Panel"). The "General Principles" of the Irish Takeover Rules and certain important aspects of the Irish Takeover Rules are described below.

General Principles

The Irish Takeover Rules are built on the following "General Principles" which will apply to any transaction regulated by the Panel:

- in the event of an offer, all holders of security of the target company should be afforded equivalent treatment and, if a person acquires control of a company, the other holders of securities must be protected;
- the holders of the securities in the target company must have sufficient time and information to enable them to reach a properly informed decision on the offer; where it advises the holders of securities, the board of the target company

- must give its views on the effects of implementation of the offer on employment, conditions of employment and the locations of the target company's places of business;
- the board of the target company must act in the interests of the company as a whole and must not deny the holders of securities the opportunity to decide on the merits of the offer;
- false markets must not be created in the securities of the target company, the bidder or of any other company concerned by the offer in such a way that the rise or fall of the prices of the securities becomes artificial and the normal functioning of the markets is distorted;
- a bidder must announce an offer only after ensuring that he or she can fulfill in full, any cash consideration, if such is offered, and after taking all reasonable measures to secure the implementation of any other type of consideration;
- a target company must not be hindered in the conduct of its affairs for longer than is reasonable by an offer for its securities; and
- a "substantial acquisition" of securities (whether such acquisition is to be effected by one transaction or a series of transactions) shall take place only at an acceptable speed and shall be subject to adequate and timely disclosure.

Mandatory Bid

Under certain circumstances, a person who acquires shares or other voting rights in nVent may be required under the Irish Takeover Rules to make a mandatory cash offer for the remaining outstanding shares in nVent at a price not less than the highest price paid for the shares by the acquirer (or any parties acting in concert with the acquirer) during the previous 12 months. This mandatory bid requirement is triggered if an acquisition of shares would increase the aggregate holding of an acquirer (including the holdings of any parties acting in concert with the acquirer) to shares representing 30 percent or more of the voting rights in nVent, unless the Panel otherwise consents. An acquisition of shares by a person holding (together with its concert parties) shares representing between 30 percent and 50 percent of the voting rights in nVent would also trigger the mandatory bid requirement if, after giving effect to the acquisition, the percentage of the voting rights held by that person (together with its concert parties) would increase by 0.05 percent within a 12-month period. Any person (excluding any parties acting in concert with the holder) holding shares representing more than 50 percent of the voting rights of a company is not subject to these mandatory offer requirements in purchasing additional securities.

Voluntary Bid; Requirements to Make a Cash Offer and Minimum Price Requirements

If a person makes a voluntary offer to acquire outstanding nVent ordinary shares, the offer price must be no less than the highest price paid for nVent ordinary shares by the bidder or its concert parties during the three-month period prior to the commencement of the offer period. The Panel has the power to extend the "look back" period to 12 months if the Panel, taking into account the General Principles, believes it is appropriate to do so.

If the bidder or any of its concert parties has acquired nVent ordinary shares (i) during the period of 12 months prior to the commencement of the offer period which represent more than 10 percent of the total nVent ordinary shares or (ii) at any time after the commencement of the offer period, the offer must be in cash (or accompanied by a full cash alternative) and the price per nVent ordinary shares must not be less than the highest price paid by the bidder or its concert parties during, in the case of (i), the 12-month period prior to the commencement of the offer period and, in the case of (ii), the offer period. The Panel may apply this rule to a bidder who, together with its concert parties, has acquired less than 10 percent of the total nVent ordinary shares in the 12-month period prior to the commencement of the offer period if the Panel, taking into account the General Principles, considers it just and proper to do so.

An offer period will generally commence from the date of the first announcement of the offer or proposed offer.

Substantial Acquisition Rules

The Irish Takeover Rules also contain rules governing substantial acquisitions of shares which restrict the speed at which a person may increase his or her holding of shares and rights over shares to an aggregate of between 15 percent and 30 percent of the voting rights of nVent. Except in certain circumstances, an acquisition or series of acquisitions of shares or rights over shares representing 10 percent or more of the voting rights of nVent is prohibited, if such acquisition(s), when aggregated with shares or rights already held, would result in the acquirer holding 15 percent or more but less than 30 percent of the voting rights of nVent and such acquisitions are made within a period of seven days. These rules also require accelerated disclosure of acquisitions of shares or rights over shares relating to such holdings.

Frustrating Action

Under the Irish Takeover Rules, our board of directors is not permitted to take any action which might frustrate an offer for nVent ordinary shares once our board of directors has received an approach which may lead to an offer or has reason to believe an offer is imminent, subject to certain exceptions. Potentially frustrating actions such as (i) the issue of shares, options or convertible securities, (ii) material acquisitions or disposals, (iii) entering into contracts other than in the ordinary course of business or (iv) any action, other than seeking alternative offers, which may result in frustration of an offer, are prohibited during the course of an offer or at any time during which our board of directors has reason to believe an offer is imminent. Exceptions to this prohibition are available where:

- a) the action is approved by nVent shareholders at a general meeting; or
- b) the Panel has given its consent where:
 - i. it is satisfied the action would not constitute frustrating action;
 - ii. nVent shareholders that hold 50 percent of the voting rights state in writing that they approve the proposed action and would vote in favor of it at a general meeting;
 - iii. the action is taken in accordance with a contract entered into prior to the announcement of the offer; or
 - iv. the decision to take such action was made before the announcement of the offer and either has been at least partially implemented or is in the ordinary course of business.

Certain other provisions of Irish law or the articles of association may be considered to have anti-takeover effects, including those described under the following captions in this section: “—Capital Structure,” “—Preemption Rights” and “—Disclosure of Interests in Shares.”

Interested Shareholder Provision

nVent’s articles of association contain a provision that generally mirrors Section 203 of the Delaware General Corporation Law, an anti-takeover statute that prohibits a publicly held Delaware corporation from engaging in a “business combination” with an “interested” shareholder for a period of three years following the time the person became an interested shareholder, unless the business combination or the acquisition of shares that resulted in a shareholder becoming an interested shareholder is approved in a prescribed manner. Generally, a “business combination” includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested shareholder. An “interested” shareholder under this provision of nVent’s articles of association is defined to be a person or entity who, together with its affiliates and associates, owns (or within three years prior to the determination of interested shareholder status did own) fifteen percent (15 percent) or more of nVent’s voting shares, which is the same threshold contained in Section 203 of the Delaware General Corporation Law. The existence of this provision would be expected to have an anti-takeover effect with respect to transactions not approved in advance by the nVent board of directors, including discouraging attempts that might result in a premium over the market price for the ordinary shares held by nVent shareholders.

Shareholder Rights Plans and Share Issuances

Irish law does not expressly prohibit companies from issuing share purchase rights or adopting a shareholder rights plan (commonly known as a “poison pill”) as an anti-takeover measure. However, there is no directly relevant case law on the validity of such plans under Irish law. In addition, such a plan would be subject to the Irish Takeover Rules.

nVent’s articles of association allow the board to adopt a shareholder rights plan upon such terms and conditions as our board of directors deems expedient and in the best interests of nVent, subject to applicable law.

Subject to the Irish Takeover Rules, our board of directors also has the power to cause nVent to issue any of its authorized and unissued shares on such terms and conditions as our board of directors may determine (as described under “Capital Structure”) and any such action must be taken in the best interests of nVent. It is possible, however, that the terms and conditions of any issue of preferred shares could discourage a takeover or other transaction that holders of some or a majority of the ordinary shares believe to be in their best interests or in which holders might receive a premium for their shares over the then market price of the shares.

Amendment of Governing Documents

Under Irish law, Irish companies may only alter their memorandum and articles of association by a resolution of the shareholders approved by 75 percent of the votes cast at a general meeting. An Irish company is not permitted to opt out of this requirement.

Duration; Dissolution; Rights upon Liquidation

nVent's corporate existence is unlimited. nVent may be dissolved and wound up at any time by way of a shareholders' voluntary winding up or a creditors' winding up. In the case of a shareholders' voluntary winding-up, a special resolution of shareholders is required (i.e., 75 percent of the votes cast, in person or by proxy, at a general meeting of shareholders). nVent may also be dissolved by way of court order on the application of a creditor, or by the Companies Registration Office as an enforcement measure where nVent has failed to file certain returns.

The rights of the shareholders to a return of nVent's assets on dissolution or winding up, following the settlement of all claims of creditors, may be prescribed in the articles of association or the terms of any preferred shares issued by the directors of nVent from time to time. The holders of preferred shares in particular may have the right to priority in a dissolution or winding up of nVent. If the articles of association contain no specific provisions in respect of a dissolution or winding up, then, subject to the priorities of any creditors, the assets will be distributed to shareholders in proportion to the paid-up nominal value of the shares held. The articles of association provide that the nVent shareholders are entitled to participate pro rata in a winding up, but their right to do so may be subject to the rights of any preferred shareholder to participate under the terms of any series or class of preferred shares.

No Sinking Fund

The nVent ordinary shares have no sinking fund provisions.

No Liability for Further Calls or Assessments

All of our issued ordinary shares are duly and validly issued and fully paid.

Transfer and Registration of Shares

The transfer agent for nVent maintains the share register, registration in which will be determinative of membership in nVent. A shareholder of nVent who holds shares beneficially will not be the holder of record of such shares. Instead, the depository or other nominee is the holder of record of those shares. Accordingly, a transfer of shares from a person who holds such shares beneficially to a person who also holds such shares beneficially through a depository or other nominee will not be registered in our official share register, as the depository or other nominee will remain the record holder of any such shares.

A written instrument of transfer is required under Irish law to register on our official share register any transfer of shares (i) from a person who holds such shares directly to any other person, (ii) from a person who holds such shares beneficially to a person who holds such shares directly or (iii) from a person who holds such shares beneficially to another person who holds such shares beneficially where the transfer involves a change in the depository or other nominee that is the record owner of the transferred shares. An instrument of transfer is also required for a shareholder who directly holds shares to transfer those shares into his or her own broker account (or vice versa). Such instruments of transfer may give rise to Irish stamp duty, which must be paid prior to registration of the transfer on our official Irish share register. However, a shareholder who directly holds shares may transfer those shares into his or her own broker account (or vice versa) without giving rise to Irish stamp duty, provided that the shareholder has confirmed to our transfer agent that there is no change in the ultimate beneficial ownership of the shares as a result of the transfer and the transfer is not made in contemplation of a sale of the shares.

Any transfer of nVent ordinary shares that is subject to Irish stamp duty will not be registered in the name of the buyer unless an instrument of transfer is duly stamped and provided to the transfer agent. The articles of association allow nVent, in its absolute discretion, to create an instrument of transfer and pay (or procure the payment of) any stamp duty, which is the legal obligation of a buyer. In the event of any such payment, nVent is (on behalf of itself or its affiliates) entitled to (i) seek reimbursement from the buyer or seller (at its discretion), (ii) set-off the amount of the stamp duty against future dividends payable to the buyer or seller (at its discretion) and (iii) claim a lien against the nVent ordinary shares on which it has paid stamp duty. Parties to a share transfer may assume that any stamp duty arising in respect of a transaction in nVent ordinary shares has been paid unless one or both of such parties is otherwise notified by nVent.

The articles of association delegate to our secretary or assistant secretary (or their nominees) the authority to execute an instrument of transfer on behalf of a transferring party.

In order to help ensure that the official share register is regularly updated to reflect trading of nVent ordinary shares occurring through normal electronic systems, nVent intends to regularly produce any required instruments of transfer in connection with any transactions for which it pays stamp duty (subject to the reimbursement and set-off rights described above). In the event that nVent notifies one or both of the parties to a share transfer that it believes stamp duty is required to be paid in connection with the transfer and that it will not pay the stamp duty, the parties may either themselves arrange for the execution of the required instrument of transfer (and may request a form of instrument of transfer from nVent for this purpose) or request that nVent execute an instrument of transfer on behalf of the transferring party in a form determined by nVent. In either event, if the parties to the share transfer have the instrument of transfer duly stamped (to the extent required) and then provide it to our transfer agent, the buyer will be registered as the legal owner of the relevant shares on our official Irish share register (subject to the matters described below).

The directors may suspend registration of transfers from time to time, not exceeding 30 days in aggregate each year.

SEPARATION AGREEMENT AND RELEASE

This SEPARATION AGREEMENT AND RELEASE ("Agreement") is made this 7th day of November, 2019, by and between Thomas F. Pettit ("Employee") and nVent Management Company on behalf of itself, its predecessors, subsidiaries and affiliated entities (collectively, "Company").

WHEREAS, Employee was previously employed as Executive Vice President and Chief Integrated Supply Chain Officer; and

WHEREAS, Employee was a participant in the nVent Management Company Severance Plan for Executives (the "Severance Plan") which requires, as a condition to the receipt of benefits thereunder, that Employee executes (and does not revoke) a release agreement; and

WHEREAS, the parties also wish to confirm their mutual understanding regarding the separation of Employee's employment with the Company and memorialize their mutual agreement and understanding regarding the details of Employee's separation of employment.

WHEREFORE, for good and valuable consideration, the parties hereby agree as follows:

1. Effective Date of the Agreement. This Agreement shall be given effect only if Employee executes the Agreement and returns it to the Company within forty-five (45) days after the Separation Date as described in Section 2, and Employee does not exercise Employee's right of rescission pursuant to Section 10. If the foregoing requirements are met, the "Effective Date" of this Agreement shall be the day immediately following the expiration of the rescission period described in Section 10.

2. Separation Date. Employee's employment ended on October 11, 2019 (the "Separation Date"). Employee received Employee's base salary through the Separation Date. Effective on the Separation Date, Employee resigned from all officer, director and other positions of any nature that Employee held with the Company.

3. Benefits Automatically Provided Upon Separation Date. The parties acknowledge that Employee will receive or has received the following with or without this Agreement:

(a) The Company shall pay Employee's accrued but unpaid base salary, and accrued and unused vacation remaining (if any) as of the Separation Date.

(b) Employee shall be entitled to receive payments under the RSIP, Sidekick Plan, SSRP or other applicable retirement plan in which Employee participated (collectively, the "Retirement Plans"). Payment or distributions of Employee's Retirement Plans' benefits will be made in accordance with the terms of the applicable Retirement Plan documents, deferral elections, regulations under the Internal Revenue Code of 1986 ("Code"), and the Employee Retirement Income Security Act of 1974, including the requirement that if Employee is a "specified employee" within the meaning of Code Section 409A(a)(2)(B)(i)

and if payments under the Retirement Plans would be considered deferred compensation under Code Section 409A, then the value (reduced by applicable withholdings) will be paid or begin to be paid no sooner than six months following the Separation Date.

(c) Employee shall be entitled to elect continuation coverage under COBRA if Employee was covered by a Company group health plan immediately prior to the Separation Date. Employee shall also be entitled to any rights to convert or port insurance coverage as provided by the terms of any applicable insurance policy.

4. Conditions for Receipt of Benefits. Provided this Agreement has become effective, and provided Employee remains in compliance with all of the terms and conditions hereof, the Company will provide Employee the compensation and other benefits described in Section 5.

5. Payments and Benefits. Subject to the provisions of Section 4, the Company shall provide or cause to be provided to Employee the following:

(a) Separation Payment and COBRA Subsidy. The Company shall pay Employee the total sum of \$866,250, less applicable withholdings (the "Separation Payment"). The form and timing of the Separation Payment shall depend on whether Employee elects to waive the potential right (the "Lookback Right") under Section 2(b) of Employee's Key Executive Employment and Severance Agreement (the "KEESA"), as indicated below. The Lookback Right provides that Employee's termination of employment will be treated as a Covered Termination (as defined in the KEESA) that would entitle Employee to the benefits of the KEESA if a Change in Control of the Company (as defined in the KEESA) occurs within 180 days of the Separation Date and Employee reasonably demonstrates that such termination arose in connection with or in anticipation of the Change in Control of the Company. Employee shall check one of the following boxes or, if neither box is checked, then Employee shall be deemed to have waived the Lookback Right:

☐ *No Six-Month Delay.* Employee hereby elects to waive the Lookback Right. If the immediately preceding box is checked, or if neither box is checked, then the Separation Payment shall be paid in (1) a first installment of \$288,750, less applicable withholdings, to be paid on the first regular payroll date that occurs later than twenty (20) days following the Effective Date, provided that, if the forty-five (45) day period contemplated by Section 1 covers portions of two calendar years, then the payment shall occur in the second calendar year, and (2) a conditional second installment of \$577,500, less applicable withholdings, to be paid on the first regular payroll date that occurs more than twelve (12) months following the Separation Date, provided Employee has remained in strict compliance with Employee's obligations under this Agreement.

☒ *Six-Month Delay.* Employee hereby declines to waive the Lookback Right. If the immediately preceding box is checked, then the Separation Payment shall be paid in a lump sum, less applicable withholdings, on the first day of the seventh month following the month in which the Separation Date occurs.

The Company shall also provide a reduced COBRA premium to the Employee for the first 18 months following the Separation Date, provided Employee timely elects COBRA. During such period, the Company shall continue to contribute its current cost-share (in the amount of \$1,430 per month) towards Employee's COBRA premiums, and Employee shall be responsible for the remainder of the COBRA premium payment, if any.

Payment(s) of cash will be made in the form of a check mailed to the Employee's home address, by direct deposit to Employee's bank account or other such reasonable method, as determined by the Company. Employee shall be responsible for notifying the Company of any changes to Employee's address or financial institution and account number, as applicable. In the event of Employee's death prior to the issuance of any unpaid installment of the Severance Payment that is due and owing, any such amount shall be paid in accordance with the requirements of the Severance Plan.

The parties acknowledge and agree that the Separation Payment and the COBRA Subsidy are in full satisfaction of any amounts to which Employee may be entitled under the Severance Plan.

(b) MIP Payment. As a participant in the nVent Management Incentive Plan (the "MIP"), Employee will receive a prorated MIP bonus award for the 2019 year, based upon the Separation Date, subject to the terms and conditions of the MIP, with any payment earned under the MIP for the 2019 year, payable in March 2020 at the same time other eligible participants in the MIP receive earned payments attributable to the 2019 year. Such MIP bonus amount will be calculated using Employee's base salary in effect as of the Separation Date.

(c) Outplacement. The Company shall pay for outplacement services provided for Employee's benefit by a vendor selected by the Company to the extent such services are actually utilized by Employee within one (1) year following the Separation Date and to the extent the cost does not exceed \$10,000, which shall be paid directly to the vendor.

(d) Restricted Stock Units, Performance Units and Stock Options under nVent and Pentair Equity Plans. If Employee has unvested equity awards, then the Company agrees to treat Employee's unearned and outstanding restricted stock units, performance share units and stock options under the nVent Electric plc 2018 Omnibus Incentive Plan (the "nVent Equity Plan") and the Pentair plc 2012 Stock and Incentive Plan, the Pentair plc 2008 Omnibus Stock Incentive Plan and the Pentair plc Omnibus Stock Incentive Plan (together, the "Pentair Equity Plans"), as noted below and otherwise in accordance with the Terms & Conditions of the applicable award agreement:

i. Restricted Stock Units. All outstanding Restricted Stock Units ("RSUs"), whether settled in ordinary shares of Pentair plc or nVent Electric plc, shall be treated by the Company as fully and immediately vested, effective as of the Separation Date. Shares with respect to the vested RSUs will be deposited into

Employee's brokerage account reduced by applicable tax withholdings) within thirty (30) days following the Effective Date.

Notwithstanding the foregoing, if Employee is a "specified employee" within the meaning of Code Section 409A(a)(2)(B)(i) and if the RSUs would be considered deferred compensation under Code Section 409A, then the shares (reduced by applicable withholdings) with respect to the vested RSUs will be deposited into Employee's brokerage account within six months following the Separation Date.

ii. Performance Share Units. All unvested Performance Share Units ("PSUs") issued with respect to nVent Electric plc ordinary shares shall remain eligible for vesting following the end of the applicable performance period based upon the Company's actual performance and actual achievement of the performance goals for the PSUs. Shares with respect to any PSUs that vest will be deposited into Employee's brokerage account (reduced by applicable tax withholdings) (A) as soon as practicable following the date the Compensation Committee of nVent Electric plc certifies the achievement of the performance goal(s) described in the grant notice (or other communication) for the PSUs, if applicable, but in no event more than seventy-five (75) days after the end of the performance period, or (B) within 30 days after the vesting date if such certification is not necessary (or, if later, within fourteen (14) days of the Effective Date. Any PSUs that do not vest based on actual performance at the end of the original performance period shall be forfeited and cancelled as of the end of the original performance period. Any PSUs previously issued to Employee with respect to ordinary shares of Pentair plc were converted to RSUs in connection with the Company's spin-off from Pentair plc and will be treated according to subsection (i) above.

iii. Options. All outstanding options to purchase ordinary shares of nVent Electric plc and Pentair plc (including all Non-Qualified Stock Options ("NSOs") and incentive stock options ("ISOs")) shall remain outstanding (the "Outstanding Options") and shall continue to vest (and become exercisable) in accordance with the terms of the particular award under the nVent Equity Plan, Pentair Equity Plan or applicable Terms & Conditions as if Employee had continued in employment or service until the earlier of the original expiration date of the award or the fifth (5th) anniversary of the Separation Date. As of the earlier of their original expiration dates or five (5) years after the Separation Date, all Outstanding Options unexercised by Employee shall be forfeited.

Employee's ISOs, if any, are eligible for preferential tax treatment only if exercised within a period of ninety (90) days following the Separation Date. If the ISOs are exercised more than ninety (90) days following the Separation Date, then the ISOs will be taxed as ordinary income. Employee should consult with the Employee's personal tax advisor regarding the tax treatment of Employee's ISOs. Employee's exercise of stock options (other than ISOs) will result in a tax withholding obligation.

Employee acknowledges that it is Employee's responsibility to review Employee's personal brokerage account and take action prior to the expiration dates of each option.

(e) No Other Amounts Owed. Employee understands and agrees that, except as provided above, Employee has no rights to or claims to any other compensation or benefits, including but not limited to under any other bonus or incentive compensation plans of any type, including, but not limited to, the MIP, the nVent Equity Plan, the Pentair Equity Plans or any other plan with respect to options, restricted stock units or performance units.

(f) Death. In the event of Employee's death, the terms of the nVent Equity Plan and the Pentair Equity Plans, respectively, shall govern as to treatment and disposition of Employee's rights thereunder.

6. Discharge of Claims. In exchange for the benefits provided in this Agreement, Employee, on behalf of Employee, Employee's agents, representatives, attorneys, assignees, heirs, executors, and administrators, hereby covenants not to sue and hereby releases and forever discharges the Company, and its past and present employees, agents, insurers, officials, officers, directors, divisions, parents (including nVent Electric plc), subsidiaries, predecessors and successors, and all affiliated entities and persons, and all of their respective past and present employees, agents, insurers, officials, officers, and directors from any and all claims and causes of action of any type arising, or which may have arisen, out of or in connection with Employee's employment or the separation of Employee's employment with the Company, including but not limited to claims, demands or actions arising under the Severance Plan, the nVent Equity Plan, the Pentair Equity Plans, the National Labor Relations Act, Title VII of the Civil Rights Act of 1964, the Employee Retirement Income Security Act of 1974, the Age Discrimination in Employment Act of 1967 as amended by the Older Workers Benefit Protection Act, the Equal Pay Act, 42 U.S.C. § 1981, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Fair Credit Reporting Act, the Vocational Rehabilitation Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the Fair Labor Standards Act, the Lily Ledbetter Fair Pay Act of 2009, the Americans with Disabilities Act, the Rehabilitation Act of 1973, the Genetic Information Nondiscrimination Act, the Immigration Reform and Control Act of 1986, the Civil Rights Act of 1991, the Occupational Safety and Health Act, the Consumer Credit Protection Act, the American Recovery and Reinvestment Act of 2009, the Asbestos Hazard Emergency Response Act, Employee Polygraph Protection Act, the Uniformed Services Employment and Reemployment Rights Act, the Minnesota Human Rights Act, the Minnesota Equal Pay for Equal Work Law, the Minnesota Fair Labor Standards Act, the Minnesota Labor Relations Act, the Minnesota Occupational Safety and Health Act, the Minnesota Criminal Background Check Act, the Minnesota Lawful Consumable Products Law, the Minnesota Smokers' Rights Law, the Minnesota Parental Leave Act, the Minnesota Adoptive Parent Leave Law, the Minnesota Whistleblower Act, the Minnesota Drug and Alcohol Testing in the Workplace Act, the Minnesota Consumer Reports Law, the Minnesota Victim of Violent Crime Leave Law, the Minnesota Domestic Abuse Leave Law, the Minnesota Bone Marrow Donation Leave Law, the Minnesota Military and Service Leave Law, the Minnesota Minimum Wage Law, the Minnesota

Drug and Alcohol Testing in the Workplace Act, Minnesota Statutes Chapter 181, Minn. Stat. §176.82, the Minnesota Constitution, Minnesota common law, and all other applicable state, county and local ordinances, statutes and regulations. Employee further understands that this discharge of claims extends to, but is not limited to, all claims which Employee may have as of the date of this Agreement based upon statutory or common law claims for defamation, libel, slander, assault, battery, negligent or intentional infliction of emotional distress, negligent hiring or retention, breach of contract, retaliation, whistleblowing, promissory estoppel, fraud, wrongful discharge, or any other theory, whether legal or equitable, and any and all claims for wages, salary, bonuses, commissions, damages, attorney's fees or costs, other than the amounts described in this Agreement. Employee acknowledges that this release includes all claims that Employee is legally permitted to release, and as such, does not apply to any vested rights under the Company's retirement plans, nor does it preclude Employee from filing an administrative charge with a government agency, though Employee may not recover any damages or receive any relief from the Company if Employee does file such a charge. Notwithstanding the foregoing, this release shall not apply to, and Employee shall retain, all rights to (i) indemnification that the Employee may have under the Company's certificate of incorporation, articles of association, by-laws or other similar organizational documents, and (ii) coverage that the Employee may have under any directors and officers insurance policy of the Company.

7. Confidentiality. If and until such time as nVent Electric plc is required to file this Agreement with the Securities and Exchange Commission, Employee represents and agrees that Employee will keep the terms and facts of this Agreement completely confidential, and that Employee will not disclose any information concerning this Agreement to anyone, except for Employee's counsel, tax accountant, spouse or except as may be required by law or agreed to in writing by the Company or as otherwise required for Employee to enforce Employee's rights hereunder.

8. Cooperation and Certification. Employee agrees that upon request, Employee will provide reasonable cooperation to the Company, with nVent Electric plc, and with any affiliate of nVent Electric plc and its attorneys in the prosecution or defense of any investigation, litigation, arbitration, quasi-judicial, or administrative proceeding, including participating in interviews with the Company's attorneys, preparing written statements, appearing for depositions, providing truthful testimony in administrative, judicial or arbitration proceedings, or any other reasonable participation necessary for the prosecution or defense of any such investigation, litigation, arbitration, quasi-judicial, or administrative proceeding. Nothing in this Agreement prevents Employee from testifying at an administrative hearing, arbitration, deposition or in court in response to a lawful and properly served subpoena (provided Employee provides written notice of the service of the subpoena to the Company within twenty-four (24) hours of receipt), nor does it preclude Employee from filing an administrative charge with a government agency or cooperating with a government agency in connection with an administrative charge (though Employee may not recover damages or receive any relief from the Company if Employee does file such a charge as noted in Section 6 above). Employee certifies, warrants and represents that Employee is unaware of any actual or potential violations of law by the Company, nVent Electric plc or any affiliate of nVent Electric plc.

9. No Wrongdoing. Employee and the Company agree and acknowledge that the consideration exchanged herein does not constitute, and shall not be construed as, an admission of liability or wrongdoing on the part of Employee, the Company or any entity or person, and shall not be admissible in any proceeding as evidence of liability or wrongdoing by anyone.

10. Notification of Release and Right to Rescind. This Agreement contains a release of certain legal rights which Employee may have, including rights under the Age Discrimination in Employment Act and the Minnesota Human Rights Act. Employee is advised that Employee should consult with an attorney regarding such release and other aspects of this Agreement before signing this Agreement. Employee understands that Employee may nullify and rescind this entire Agreement at any time within the next fifteen (15) days of the date of Employee's signature below by indicating Employee's desire to do so in writing and delivering that writing to the Company c/o Lynnette Heath, Executive Vice President & Chief Human Resources Officer, nVent, 1665 Utica Avenue, Suite 700, St. Louis Park, MN 55416, by hand or by certified mail. Employee further understands that if Employee rescinds this Agreement on a timely basis, the Company will not be bound by the terms of this Agreement, and, in such event, Employee will have no right to receive or right to retain the financial benefits conferred under Section 5 of this Agreement.

11. Narrow Post-Employment Restrictions. For the purpose of this Agreement, "nVent Entities" includes the Company, nVent Electric plc and any subsidiary or affiliate of nVent Electric plc. In consideration of the benefits and compensation contained in this Agreement, and as agreed to by Employee pursuant to the Severance Plan, Employee agrees to the following narrow post-employment restrictions.

(a) Confidentiality. During the Restricted Period (defined in subsection (e) below) and anytime thereafter, Employee will treat as private and privileged, any information deemed by the nVent Entities to be confidential and proprietary, including, without limitation, trade secrets, data, figures, projections, estimates, marketing plans, customer lists, lists of contract workers, tax records, personnel records, accounting procedures, formulas, contracts, business partners, alliances, ventures and all other confidential information that Employee acquires while working for the nVent Entities (collectively, "Confidential Information"). Employee may not use for Employee's personal benefit or release any Confidential Information to any person, firm, corporation or other entity at any time, except as may be required by law, or as agreed to in writing by the Company. Any violation of this non-disclosure provision shall entitle the Company to appropriate injunctive relief and to any damages which it may sustain due to the improper disclosure.

Immunity from Liability: Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and is made solely for the purpose of reporting or investigating a suspected violation of law. The same immunity will be provided for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use

the trade secret information in the court proceeding if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

(b) Non-Solicitation. During the Restricted Period following Employee's separation for any reason, Employee shall not, for Employee or any third party, directly or indirectly, (i) solicit or accept competitive business from any customer or identified prospective customer of the nVent Entities, or (ii) solicit any employee of the nVent Entities for the purpose of hiring such person or otherwise entice, induce or encourage, directly or indirectly, any such employee to leave their employment.

Engaging in any of the following activities will be a violation of paragraph (b)(ii) above: (1) soliciting for hire or soliciting for retainer as an independent consultant or as contingent worker any employee of the nVent Entities; (2) participating in the recruitment of any employee of the nVent Entities; (3) serving as a reference for an employee of the nVent Entities without first obtaining written consent from the CEO and General Counsel of the Company; (4) offering an opinion regarding the candidacy as a potential employee, independent consultant or contingent worker of an individual employed by the nVent Entities without first obtaining written consent from the CEO and General Counsel of the Company; (5) assisting or encouraging any third party to pursue an employee of the nVent Entities for potential employment, independent consulting or contingent worker opportunities; or (6) assisting or encouraging any employee of the nVent Entities to leave their current position in order to be an employee, independent consultant or contingent worker for a third party.

(c) Non-Competition. During the Restricted Period following Employee's Separation, Employee will not, for Employee or for any third party, directly or indirectly, in whole or in part, provide services, whether as an employee, employer, owner, operator, manager, advisor, consultant, agent, partner, director, shareholder, officer, volunteer, intern, or any other similar capacity, to any entity anywhere in the world engaged in a business that is competitive with the nVent Entities. Notwithstanding the prior sentence, Employee is not prohibited from providing services to a competing business or venture provided: (i) the duties and services that Employee will provide to the competitor are not, in whole or in part, substantially similar to the duties and services Employee provided to the nVent Entities, and are not reasonably likely to cause Employee to reveal trade secrets, know-how, customer lists, customer contracts, customer needs, business strategies, marketing strategies, product development, or other Confidential Information concerning the business of the nVent Entities; and (ii) before providing such services, Employee has given written notice to the Company's CEO and General Counsel describing the nature of the new position and the reason(s) Employee believes that accepting such new position will not result in a violation of Employee's restrictions under this paragraph.

(d) Non-Disparagement. Employee shall not make disparaging remarks of any sort or otherwise communicate any disparaging comments to any other person or entity, about the nVent Entities and any of its divisions, subsidiaries, predecessors and successors, and any affiliated entities and persons, and all of their respective past and present employees,

agents, insurers, officials, officers and directors. However, Employee shall not be held in breach of this provision if Employee discloses Confidential Information to a federal, state or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law.

(e) Restricted Period. For purposes of this Section 11, "Restricted Period" shall be defined as a period of twenty-four (24) months.

(f) Restrictions Reasonable. Employee acknowledges that the restrictions contained in this Section 11 are reasonable and necessary to protect the legitimate interests of the nVent Entities and that any violation of any provision of this Section 11 will result in irreparable injury to the Company. Employee represents that Employee's experience and capabilities are such that the restrictions contained in this Section 11 will not prevent Employee from obtaining employment or otherwise earning a living at the same general level of economic benefit as is currently the case. Employee further represents and acknowledges that (i) Employee has been advised by the Company to consult Employee's own legal counsel in respect of this Section 11, and (ii) that Employee has had full opportunity, prior to agreeing to Section 11, to review thoroughly this with Employee's counsel.

(g) Reformation. In the event the provisions of this Section 11 shall ever be deemed to exceed the time, scope or geographic limitations permitted by applicable laws, then such provisions shall be reformed to the maximum time, scope or geographic limitations, as the case may be, permitted by applicable laws.

(h) Injunctive Relief. Employee acknowledges and agrees that Employee's breach of this Section 11 would cause irreparable harm to the Company, nVent Electric plc and the other nVent Entities, and that such harm may not be compensable entirely with monetary damages. If Employee were to violate Employee's obligations under this section, the Company, nVent Electric plc and the other nVent Entities may, but shall not be required to, seek injunctive relief and/or any other remedy allowed at law, in equity, or under this Agreement. Any injunctive relief sought shall be in addition to and not in limitation of any monetary relief or other remedies or rights at law, in equity, or under this Agreement. In connection with any suit at law or in equity under this Agreement, the Company, nVent Electric plc and the other nVent Entities shall be entitled to an accounting, and to the repayment of all profits, compensation, commissions, fees, or other remuneration which Employee or any other entity or person has either directly or indirectly realized on its behalf or on behalf of another and/or may realize, as a result of, growing out of, or in connection with the violation which is the subject of the suit. Further, in the event of Employee's breach of this section, Employee shall disgorge the value of all payments and benefits conferred to Employee by virtue of this Agreement, including all installments of the Separation Payment, whether paid or unpaid. In addition to the foregoing, the Company, nVent Electric plc and the other nVent Entities shall be entitled to collect from Employee any reasonable attorney's fees and costs incurred in bringing any action against Employee or otherwise to enforce the terms of this Agreement. The parties agree that it is their intent that (i) each of the nVent

Entities is intended to be a third party beneficiary hereof, and will be afforded the right to enforce the provisions of this Section 11 to the same extent as the Company, and (ii) the restriction in this Section 11 be enforced to the maximum allowable extent or modified to permit enforcement to the maximum allowable extent under the laws of Minnesota as determined by a court of appropriate jurisdiction in Minnesota, and the parties further agree to and acknowledge the sufficiency of the parties' contacts with the State of Minnesota in order to confer exclusive jurisdiction of Minnesota courts applying Minnesota law.

12. Invention Assignment. Employee acknowledges that during Employee's employment with the Company, Employee promptly disclosed to the Company, in writing, all ideas, inventions or discoveries (collectively, "Inventions") related to the nVent Entities' business. Employee agrees that these Inventions shall belong to the nVent Entities; Employee hereby assigns such Inventions to the nVent Entities subject to the limitations set forth in this Section 12 below and further agrees that for a period of six (6) months after the Separation Date, any Inventions that Employee either alone or with others makes, discovers, devises, conceives, reduces to practice or otherwise possesses shall be a work for hire as that term is defined in Section 101 of the Copyright Act (17 U.S.C. § 101) and the sole property of the nVent Entities. Further, Employee warrants and represents that Employee will execute any documents necessary to effectuate the assignment of all of Employee's right, title and interest in such Inventions to the nVent Entities either during or after the employment relationship, and Employee will cooperate in the nVent Entities' efforts to protect the nVent Entities' rights to the Inventions.

Employee understands that the commitments under this Section 12 above do not apply to any Invention for which none of the nVent Entities' equipment, supplies, facilities or trade secret information were used and which was developed entirely on Employee's own time, and (i) which does not relate (1) directly to the nVent Entities' business or (2) to the nVent Entities' actual or demonstrably anticipated research or development, or (ii) which does not result from any work that Employee performed for the nVent Entities.

13. Return of Company Property. Employee covenants, warrants and represents that Employee has returned any and all Company property that was ever in Employee's possession or under Employee's control to the Company prior to Employee's signature of this Agreement, and this covenant, warranty and representation expressly extends to (but is not limited to) security card, keys, codes, materials, books, files, laptop computer and cell phone.

14. Minnesota Law, Effect of Breach, Forum and Merger. The terms of this Agreement shall be governed by the laws of the State of Minnesota, the location of nVent Electric's main U.S. office, and shall be construed and enforced thereunder. In the event of a breach of this Agreement by Employee, in addition to all other rights and remedies that the Company or any of the other nVent Entities may have under this Agreement or under the law, notwithstanding anything herein to the contrary, Employee shall forfeit the right to receive any benefits under Section 5 that have not yet been paid or provided, and shall be required to repay to the Company the amounts or value of any benefits described in Section 5 that Employee has received. Any dispute arising under this Agreement shall be determined exclusively by a Minnesota court of appropriate jurisdiction, and the parties acknowledge the existence of sufficient contacts to the State of Minnesota to confer

exclusive jurisdiction upon courts in that state. This Agreement supersedes and replaces all prior oral and written agreements, understandings, and representations between Employee and the Company. Further, Employee understands and agrees that, except as provided in this Agreement, all claims which Employee has or may have against the Company and the other released parties are fully released and discharged by this Agreement. The only claim which Employee may hereafter assert against the Company or any of the other released parties is limited to an alleged breach of this Agreement.

15. Administrative Charges, Investigations, and Proceedings. Nothing in this Agreement prohibits Employee from reporting possible violations of federal or state law or regulation to the government, including but not limited to the EEOC, Department of Justice, Securities and Exchange Commission, Congress and any agency inspector general, or filing a charge with or participating in an investigation or proceeding conducted by the EEOC or a comparable state or local agency (collectively, any such activity shall be referred to as a "Government Report"). Employee does not need prior authorization of the Company to make a Government Report and is not required to notify the Company that Employee has made a Government Report. The restrictions in Section 11 above regarding confidentiality, non-disparagement and cooperation do not apply in connection with a Government Report. Notwithstanding the provisions of this Section 15, Employee's release of claims in Section 6 above waives any alleged right to recover any monetary damages, receive payment for attorneys' fees, costs or disbursements or receive any relief from the Company in connection with any matter, including a Government Report, but this Agreement does not limit any right of Employee to receive a reward from the government for providing it information in connection with a Government Report.

16. Section 409A Compliance. This Agreement and the payments provided for hereunder are intended to be exempt from Code Section 409A as a "short-term deferral" within the meaning of Treasury Regulation Section 1.409A-1(b)(4)(i) and as separation pay due to an involuntary separation from service pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii), each to the extent applicable. Notwithstanding any provision to the contrary in this Agreement, no payment or distribution under this Agreement that constitutes an item of deferred compensation under Code Section 409A, and becomes payable by reason of Employee's separation of employment with the Company will be made to Employee unless Employee's separation of employment constitutes a "separation from service" (as the term is defined in Treasury Regulations issued under Code Section 409A). The Parties acknowledge that Employee's separation of employment pursuant to Section 2 of this Agreement constitutes a "separation from service" for purposes of Code Section 409A. For purposes of this Agreement, each amount to be paid or benefit to be provided (including any installment payment) shall be construed as a separate identified payment for purposes of Code Section 409A. It is intended that this Agreement shall comply with the provisions of Code Section 409A and the Treasury Regulations relating thereto so as not to subject Employee to the payment of additional taxes and interest under Code Section 409A. In furtherance of this intent, the Agreement shall be interpreted, operated, and administered, and payments hereunder reported, in a manner consistent with these intentions.

17. Construction of this Agreement and Severability. Should this Agreement require judicial interpretation, the court shall not construe the Agreement more strictly against any party,

including the party who prepared it. Any portions of this Agreement found by a court of competent jurisdiction to be invalid, illegal, overly broad or unenforceable in any respect shall be revised to the minimum amount necessary in order to be valid and enforceable.

18. Employee Understands the Terms of this Agreement. Other than stated herein, Employee warrants that (i) no promise or inducement has been offered for this Agreement; (ii) this Agreement is executed without reliance upon any statement or representation of the Company or its representatives concerning the nature and extent of any claims or liability therefor, if any; (iii) Employee is legally competent to execute this Agreement and accepts full responsibility therefor; (iv) the Company advises Employee to consult with an attorney, and Employee has had a sufficient opportunity to consult with an attorney; (v) the Company has allowed forty-five (45) days within which to consider whether to enter into this Agreement; and (vi) Employee fully understands this Agreement and has been advised by counsel (or has consciously chosen not to seek counsel) of the consequences of signing this Agreement. Finally, if Employee has not signed this proposed Agreement within forty-five (45) days after the Separation Date, then the offer of this Agreement shall expire by its own terms and be of no further force or effect without any further action required on the part of the Company.

19. Signatures. This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or similar) format and sent by e-mail shall be deemed original signatures.

Thomas F. Pettit

Dated: 11/7/2019 /s/ Thomas F. Pettit

Dated: 11/15/2019 **nVent Management Company**

By /s/ Lynnette Heath

Its EVP and Chief Human Resource Officer

**nVent Management Company
Severance Plan for Executives
Effective March 1, 2019
As Amended Effective December 9, 2019**

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ARTICLE I BACKGROUND, PURPOSE AND TERM OF PLAN

Section 1.01 Purpose of the Plan. The purpose of the Plan is to provide Eligible Employees with certain compensation and benefits as set forth in the Plan in the event the Eligible Employee's employment with the Company or an Affiliated Company is terminated due to an Involuntary Termination. The Plan is not intended to be an "employee pension benefit plan" or "pension plan" within the meaning of Section 3(2) of ERISA. Rather, this Plan is intended to be a "welfare benefit plan" within the meaning of Section 3(1) of ERISA and to meet the descriptive requirements of a plan constituting a "severance pay plan" within the meaning of regulations published by the Secretary of Labor at Title 29, Code of Federal Regulations, section 2510.3-2(b). Accordingly, the benefits paid by the Plan are not deferred compensation and no employee shall have a vested right to such benefits.

Section 1.02 Term of the Plan. The Plan shall generally be effective as of the Effective Date, *provided that* it shall only become effective with respect to an Affiliated Company as of the date such Affiliated Company first has an Employee who is a Participant in the Plan. The Plan shall continue until terminated pursuant to Article VIII of the Plan.

Section 1.03 Status under Code Section 409A. It is intended that the benefits payable hereunder shall, to the maximum extent possible, be exempt from Code Section 409A pursuant to the "short-term deferral" exception and the "separation pay" exception thereunder, and that any amounts that do not qualify for such exemptions be compliant with Code Section 409A. The Plan shall be interpreted, to the maximum extent possible, consistent with such intent.

ARTICLE II DEFINITIONS

Section 2.01 “Affiliated Company” is (a) any corporation or business located in and organized under the laws of one of the United States which is a member of a controlled group of corporations or businesses (within the meaning of Code section 414(b) or (c)) that includes the Company, but only during the periods such affiliation exists, or (b) any other entity in which the Company may have a significant ownership interest, and which the Plan Administrator determines shall be an Affiliated Company for purposes of the Plan.

Section 2.02 “Alternative Position” shall mean a position with the Company or any Affiliated Company that:

- (a) is not more than 50 miles each way from the location of the Employee's current position (for positions that are of a telecommuting nature or are essentially mobile, the mileage does not apply); and
- (b) offers the Employee pay and benefits (not including long term incentive compensation) that are comparable in the aggregate to the Employee's current position.

The Plan Administrator has the exclusive discretionary authority to determine whether a position is an Alternative Position.

Section 2.03 “Base Salary” shall mean the Participant's annual base salary rate in effect as of the Participant's Separation from Service Date.

Section 2.01 “Benefit Continuation Period” shall mean:

- (a) Eighteen (18) months with respect to a Participant whose Severance Multiplier is one and one half (1.5)
- (b) Twenty-four (24) months with respect to a Participant whose Severance Multiplier is two (2.0).

Section 2.02 “Board” shall mean the Board of Directors of the Parent or any successor thereto.

Section 2.03 “Cash Severance” shall equal the amount described in Section 4.01 hereof.

Section 2.04 “Cause” shall mean an Employee's (i) material violation of any Company policy, including any policy contained in the Company Code of Business Conduct; (ii) embezzlement from, or theft of property belonging to, the Company or any Affiliate; (iii) willful failure to perform, or gross negligence in the performance of, or failure to perform, assigned duties; or (iv) other intentional misconduct, whether related to employment or otherwise, which has, or has the potential to have, a material adverse effect on the business conducted by the Company or its Affiliated Companies.

Section 2.05 “COBRA” shall mean the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

Section 2.06 “Code” shall mean the Internal Revenue Code of 1986, as amended. Any reference to a specified provision of the Code shall include any successor provision thereto and the regulations promulgated thereunder.

Section 2.07 “Committee” shall mean the Compensation Committee of the Board, or such other committee appointed by the Board to assist the Company in making determinations required under the

Plan in accordance with its terms. The “Committee” may delegate all or any portion of its authority under the Plan to an individual or another committee.

Section 2.08 “Company” shall mean nVent Management Company, Inc. Unless it is otherwise clear from the context, references to the Company shall generally include all Affiliated Companies.

Section 2.09 “Effective Date” shall mean March 1, 2019, or, with respect to an Affiliated Company that does have an Employee who is a Participant in the Plan on such date, the date the Affiliated Company first has an Employee who is a Participant.

Section 2.10 “Eligible Employee” shall mean an Employee of the Company or an Affiliated Company who is either (a) an officer of the Parent appointed by the Board or (b) in salary grade 44 or 45 and to whom the Company has extended a Participation Agreement, but in both cases excluding Employees who are specifically excluded from participating in the Plan by the terms of a written document, such as the Eligible Employee’s offer letter or similar agreement.

Section 2.11 “Employee” shall mean an individual employed by the Company or an Affiliated Company as a common law employee as reported on such entity’s United States payroll, and shall not include any person working for the Company or an Affiliated Company through a temporary service or on a leased basis or who is hired by the Company or an Affiliated Company as an independent contractor, consultant, or otherwise as a person who is not an employee for purposes of withholding federal employment taxes, as evidenced by payroll records or a written agreement with the individual, regardless of any contrary governmental or judicial determination or holding relating to such status or tax withholding.

Section 2.12 “Employer” shall mean the entity that employs the Participant, which may be the Company or an Affiliated Company.

Section 2.13 “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended. Any reference to a specified provision of ERISA shall include any successor provision thereto and the regulations promulgated thereunder.

Section 2.14 “Involuntary Termination” shall mean an Employer-initiated Separation from Service for any reason other than Cause, the Participant’s Permanent Disability, or death.

Section 2.15 “KEESA” shall mean the Key Executive Employment and Severance Agreement, if any, in effect between an Eligible Employee and either the Company, the Parent, and/or the Employer.

Section 2.16 “Key Employee” shall mean an Employee who, at any time during the 12-month period ending on the identification date, is a “specified employee” under Code Section 409A, as determined by the Committee or its delegate. The determination of Key Employees, including the number and identity of persons considered specified employees and the identification date, shall be made by the Committee or its delegate in accordance with the provisions of Code Section 409A and the regulations promulgated thereunder.

Section 2.17 “Non-Exempt Severance” shall mean the portion of the Cash Severance described in Section 5.01(b).

Section 2.18 “Parent” shall mean nVent Electric plc, an Irish company, or any successor thereto.

Section 2.19 “Participant” shall mean any Eligible Employee who meets the requirements of Article III and thereby becomes eligible for Severance Benefits under the Plan.

Section 2.20 “Participation Agreement” means the agreement described in Section 3.01(d).

Section 2.21 “Permanent Disability” shall mean a physical or mental incapacity which qualifies an individual to collect a benefit under a long term disability plan maintained by the Company or an Affiliated Company or for disability benefits from the Social Security Administration. The Plan Administrator may request such evidence of disability as it reasonably determines necessary.

Section 2.22 “Plan” means this nVent Management Company Severance Plan for Executives, as may from time to time be amended.

Section 2.23 “Plan Administrator” shall mean the individual(s) appointed by the Committee to administer the terms of the Plan as set forth herein and if no individual is appointed by the Committee to serve as the Plan Administrator for the Plan, the Plan Administrator shall be the Chief Human Resources Officer of nVent Electric plc (or the equivalent). Notwithstanding the preceding sentence, in the event the Plan Administrator is entitled to Severance Benefits under the Plan, the Committee shall act as the Plan Administrator for purposes of administering the terms of the Plan with respect to the Plan Administrator. The Plan Administrator may delegate all or any portion of its authority under the Plan to any other person(s).

Section 2.24 “Postponement Period” shall mean the period of six months after a Participant’s Separation from Service Date.

Section 2.25 “Release” shall mean the Separation of Employment Agreement and General Release, as provided by the Company.

Section 2.26 “Separation from Service” shall have the meaning given in Code Section 409A(a)(2)(A)(i). A Separation from Service occurs when the facts and circumstances indicate that the Company and the Participant reasonably anticipate that no further services will be performed for the Company or any Affiliated Company after a certain date or that the level of services the Participant would perform after such date would permanently decrease to no more than 20% of the average level of services performed over the immediately preceding 36-month period. For clarity, a transfer of employment from the Company to an Affiliated Company, or from one Affiliated Company to another, shall not be considered a Separation from Service.

Section 2.27 “Separation from Service Date” shall mean, with respect to a Participant, the date on which such Participant experiences a Separation from Service.

Section 2.28 “Service” shall mean the total number of full years the Participant was an Employee of the Company or any Affiliated Company. Service with any predecessor employer or with an Affiliated Company prior to the date such entity became an Affiliated Company shall be recognized only to the extent specified in the merger, acquisition or other documentation pursuant to which the entity became an Affiliated Company. Periods of authorized leave of absence, such as military leave, will be included in Service only to the extent required by applicable law.

Section 2.29 “Severance Benefits” shall mean the Cash Severance and other benefits that a Participant is eligible to receive pursuant to Sections 4.01 and 4.02.

Section 2.30 “Severance Multiplier” shall equal:

- a. Two (2.0) for the CEO;
- b. One and One Half (1.5) for other officers; or
- c. One (1.0) for Eligible Employees in salary grade 44 or 45.

Section 2.31 “Target Annual Bonus” shall mean 100% of the Participant’s target annual bonus under the Management Incentive Plan, or any successor plan, with respect to the fiscal year in which the Participant’s Separation from Service Date occurs; *provided* that if the Participant’s target annual bonus for the year in which the Separation from Service occurs has not yet been established as of such date, then the target annual bonus in effect for the immediately preceding fiscal year shall apply.

Section 2.32 “Voluntary Resignation” shall mean any retirement, resignation or other Separation from Service that is not initiated by the Employer.

ARTICLE III ELIGIBILITY FOR BENEFITS

Section 3.01 Eligibility to Receive Benefits. Subject to Section 3.02, each Eligible Employee who satisfies all of the following conditions shall be considered a Participant and shall eligible to receive the Severance Benefits described in the Plan:

- a. The Eligible Employee incurs an Involuntary Termination after the Effective Date that does not entitle the Eligible Employee to receive benefits under a KEESA;
- b. If required by the Employer, which requirement shall be set forth in the notice of termination provided by the Employer to the Eligible Employee, the Eligible Employee remains employed and continues to adequately perform his or her job responsibilities through the job-end date specified in such notice of termination (or, if earlier, through the date that the Employer no longer desires the Eligible Employee’s services);
- c. Within sixty (60) days after the Eligible Employee’s Separation from Service Date, the Eligible Employee executes (and does not revoke) a Release in the form provided by the Company and complies with all the terms and conditions of such Release; and
- d. The Eligible Employee has executed a “Participation Agreement” in the form provided by the Company, acknowledging the Eligible Employee’s agreement to abide by the terms and conditions of the Plan, including compliance with the confidentiality, non-competition, non-solicitation, and non-disparagement provisions in Article VI during and after the Participant’s employment with the Company and its Affiliated Companies, and authorizing the deduction of amounts owed to the Company from the amount of any Severance Benefits otherwise due hereunder.

If the Plan Administrator determines, in its sole discretion, that the Participant has not fully complied with any of the terms of the Plan and/or Release, the Committee may deny Severance Benefits not yet in pay status or discontinue the payment of the Participant’s Severance Benefit and may require the Participant, by providing written notice of such repayment obligation to the Participant, to repay any portion of the Severance Benefits already received under the Plan. If the Plan Administrator notifies a Participant that repayment of all or any portion of the Severance Benefits received under the Plan is required, such amounts shall be repaid within thirty (30) calendar days after the date the written notice is sent. Any remedy under this Section 3.01 shall be in addition to, and not in place of, any other remedy, including injunctive relief, that the Company or any Affiliated Company may have.

Section 3.02 Ineligibility for Benefits An Eligible Employee will not be eligible to receive Severance Benefits under any of the following circumstances:

- a. The Eligible Employee does not satisfy one or more of the conditions set forth in Section 3.01;
- b. The Eligible Employee does not return to work within six (6) months of the onset of an approved leave of absence, other than a personal, educational or military leave and/or as otherwise required by applicable statute;
- c. The Eligible Employee does not return to work within three (3) months of the onset of a personal or educational leave of absence;
- d. The Eligible Employee continues in employment with the Company or an Affiliated Company or has the opportunity to continue in employment in the same or in an Alternative Position with the Company or an Affiliated Company, including continued employment with a former Affiliated Company immediately following the spin-off, split-off sale or other divestiture of such former Affiliated Company from the Company.
- e. The Eligible Employee's employment terminates as a result of a sale of stock or assets of the Employer or the Company, a merger, a consolidation, the creation of a joint venture or a sale or outsourcing of a business unit or function, or other transaction, and the Eligible Employee accepts employment, or has the opportunity to continue employment in an Alternative Position, with the purchaser, joint venture, or other acquiring or outsourcing entity, or a related entity of either the Company or the acquiring entity; or
- f. The Eligible Employee was hired for a specific term or for a specific project, and such Eligible Employee's employment terminates at the end of such term or at the end of such project.

Section 3.03 Voluntary Resignations The Employer may, in its sole and absolute discretion, provide all or a portion of the Severance Benefits described herein to an Eligible Employee whose employment terminates on account of a Voluntary Resignation that is for the convenience of the Employer, provided that the Eligible Employee meets all other requirements for participation in the Plan set forth in Section 3.01.

Section 3.04 Military Leave An Eligible Employee returning from approved military leave will be eligible for Severance Benefits if: (i) he/she is eligible for reemployment under the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA); (ii) his/her pre-military leave job is eliminated; and (iii) the Employer's circumstances are changed so as to make reemployment in another position impossible or unreasonable, or re-employment would create an undue hardship for the Employer. If the Eligible Employee returning from military leave qualifies for Severance Benefits, his/her severance benefits will be calculated as if he/she had remained continuously employed from the date he/she began his/her military leave. The Eligible Employee must also satisfy any other relevant conditions for payment, including execution of a Release.

ARTICLE IV SEVERANCE BENEFITS

Section 4.01 Cash Severance

(a) CEO and Other Officers. Upon an Involuntary Termination of a Participant other than a Participant who is an Employee in salary grade 44 or 45, the Participant shall receive a cash payment

equal to product of (i) the Severance Multiplier and (ii) the sum of (A) the Participant's Base Salary and (B) the Participant's Annual Bonus Target Amount. Payment will be made in accordance with Article VI.

(b) Employees in Salary Grade 44 or 45. Upon an Involuntary Termination of a Participant who is an Employee in salary grade 44 or 45, the Participant shall receive a cash payment equal to product of (i) the Severance Multiplier and (ii) the Participant's Base Salary. Payment will be made in accordance with Article VI.

Section 4.02 Welfare Benefits.

(a) Continued Health Coverage. The Participant shall continue to be eligible to participate in the health benefits plan coverage in effect as of the Separation from Service Date (or generally comparable coverage) for himself or herself and, where applicable, his or her spouse or domestic partner and dependents, as the same may be changed from time to time for employees of the Company generally, as if Participant had continued in employment for the Benefits Continuation Period. The monthly premium for such continued coverage shall be the premium cost (including the 2% administrative fee) calculated in accordance with COBRA. During the Benefits Continuation Period, such monthly premium shall be paid as follows: (i) the Company shall pay the same dollar amount per month that the Company had been contributing for the Participant's health benefits plan coverage as in effect immediately prior to the Participant's Separation from Service Date, and (ii) the Participant shall be responsible for payment of the remainder of the premium, if any. The Participant's failure to pay the applicable premium shall result in the cessation of the applicable coverage for the Participant and his or her spouse or domestic partner and dependents. Notwithstanding any other provision of this Policy to the contrary, in the event that a Participant commences employment with another company at any time during the Benefits Continuation Period and becomes eligible for coverage under the plan(s) of such other company, the benefits provided under the Company's plans will become secondary to those provided under the other employer's plans through the end of the Benefits Continuation Period. Within thirty (30) days following the Participant's commencement of employment with another company, the Participant shall provide the Company written notice of such employment and provide information to the Company regarding the welfare benefits provided to the Participant by his or her new employer. The COBRA continuation coverage period under Code Section 4980B shall run concurrently with the continuation period described herein.

(b) Payment in Lieu of Continued Coverage. Notwithstanding the foregoing, the Company may, in its sole discretion, make a cash payment to the Participant in lieu of providing the Company contributions towards the premium payments as described in subsection (a), to the extent permitted by Code Section 409A. Such cash payment shall equal the monthly contribution that the Company was making towards the Participant's health benefits plan coverage immediately prior to the Participant's Separation from Service Date multiplied by the number of months in the Benefits Continuation Period. Such cash payment shall be added to the Cash Severance and paid in accordance with Section 5.01(a).

Section 4.03 Outplacement Services

. The Company may, in its sole and absolute discretion, pay the cost of outplacement services for the Participant at the outplacement agency that the Company regularly uses for such purpose; *provided, however*, that the period of outplacement shall not exceed twelve (12) months from Participant's Separation from Service Date.

Section 4.04 Limitation on Benefits. If any portion of any payment under this Plan, when combined with the benefits payable under any other agreement or arrangement with a Participant or any other plan of the Company or an Affiliated Company (in the aggregate, "Total Payments"), would constitute an "excess parachute payment" and would, but for this Section 4.04, result in the imposition on the Participant of an excise tax under Section 4999 of the Code (the "Excise Tax"), then the Total Payments to be made to the Participant shall be delivered in a reduced amount that is One Dollar (\$1.00) less than the amount that would cause any portion of such Total Payments to be subject to the Excise

Tax. To the extent the foregoing reduction applies, then any such payment or benefit shall be reduced or eliminated by applying the following principles, in order: (1) the payment or benefit with the higher ratio of the parachute payment value to present economic value (determined using reasonable actuarial assumptions) shall be reduced or eliminated before a payment or benefit with a lower ratio; (2) the payment or benefit with the later possible payment date shall be reduced or eliminated before a payment or benefit with an earlier payment date; and (3) cash payments shall be reduced prior to non-cash benefits; provided that if the foregoing order of reduction or elimination would violate Section 409A, then the reduction shall be made pro rata among the payment or benefits (on the basis of the relative present value of the parachute payments). The determination of whether the foregoing reduction will apply will be made by independent tax counsel selected and paid by the Company (which may be regular counsel of the Company).

ARTICLE V PAYMENT TERMS

Section 5.01 Time and Form of Payment.

a. General Rule. Subject to Section 5.01(b), the Cash Severance shall be paid either in (i) a lump sum within ninety (90) days following the Participant's Separation from Service Date, (ii) installment payments (without interest) over a period selected by the Plan Administrator (which may not exceed the period ending two calendar years after the year in which the Separation from Service Date occurs), or (iii) a combination of (i) and (ii), as determined by the Plan Administrator in its sole and absolute discretion. The Plan Administrator shall establish the time and form of payment for a Participant no later than the day immediately prior to the Participant's Separation from Service Date.

b. Non-Exempt Severance. Notwithstanding subsection (a), no discretion as to the time and form of payment is allowed for the amount of Cash Severance that (i) as of the Participant's Separation from Service Date, will not, in all events, be paid prior to March 15 of the year following the Participant's Separation from Service Date and (ii) exceeds the lesser of (A) two times the Participant's annualized compensation (as determined pursuant to Code Section 409A) for the calendar year preceding the year in which the Separation from Service Date occurs, or (B) two times the compensation limit in effect under Code Section 401(a)(17) for the year in which the Separation from Service Date occurs (such amount, the "Non-Exempt Severance"). The Non-Exempt Severance shall be required to be paid in a lump sum within ninety (90) days following the Participant's Separation from Service Date.

c. 6 month Delay. Notwithstanding any provision of the Plan to the contrary:

i. If the Participant is a Key Employee and is party to a KEESA, then no Cash Severance may be paid to the Participant during the Postponement Period and payment of such Cash Severance must be made in a lump sum within thirty (30) days after the end of the Postponement Period and no interest or other adjustment shall be made for the delayed payment.

ii. If the Participant is a Key Employee (but not party to a KEESA), then the Non-Exempt Severance shall be delayed for the Postponement Period to the extent required under Code Section 409A. The Non-Exempt Severance shall be paid in a lump sum within thirty (30) days after the end of the Postponement Period and no interest or other adjustment shall be made for the delayed payment. If the Participant dies during the Postponement Period prior to the payment of the Non-Exempt Severance, then the amounts withheld on account of Code Section 409A shall be paid to the Participant's estate within thirty (30) days after the Participant's death.

No interest or other adjustments shall be made for payments that are postponed.

Section 5.02 Method of Payment. All payments shall be made in the form of a check mailed to the Participant's home address, direct deposit to the Participant's bank account or such other reasonable method, as determined by the Plan Administrator. The Participant shall be responsible for notifying the Company of any changes to his or her address or financial institution and account number, as applicable.

Section 5.03 Responsibility for Payment. Each Employer shall be solely responsible for making payments under this Plan to the Participants that it employs. The Company shall not be responsible for making or guaranteeing payments to any Participant that is employed by one of its subsidiaries.

Section 5.04 Withholding of Taxes and Other Amounts. The Employer shall deduct and withhold from any Severance Benefits due to a Participant any required Federal, state, and local income and employment tax withholding. In addition, the Employer reserves the right to make deductions in accordance with applicable law for any monies owed to the Employer or the Company by the Participant or the value of any Employer or Company property that the Participant has retained in his/her possession after his or her Separation from Service; *provided, however*, that the amount deducted from any Non-Exempt Severance shall not exceed \$5,000 in the aggregate to the extent it would be considered an acceleration of benefit payments under Code Section 409A.

Section 5.05 Determination of Cause After Termination. Notwithstanding any other provision of the Plan to the contrary, if the Committee or the Plan Administrator determines at any time, including after the Participant's Separation from Service Date, that a Participant had engaged in conduct that constituted Cause at any time prior to the Participant's Separation from Service Date or (ii) breached the restrictive covenants contained in Article VI at any time whether before or after the Participant's Separation from Service Date, then any Severance Benefit payable to the Participant under Article IV of the Plan shall immediately cease, and the Participant shall be required to return any Severance Benefits paid to the Participant prior to such determination, to the extent permitted by applicable law. The Committee or the Plan Administrator may require that the payment of the Severance Benefits be withheld pending resolution of an inquiry that could lead to a finding of Cause or a violation of the restrictive covenants.

Section 5.06 Death of Participant. In the event of the Participant's death prior to the completion of all Cash Severance installment payments being made, the remaining payments shall be paid to the beneficiary or beneficiaries designated by the Participant in accordance with procedures established by the Plan Administrator or if none, to the Participant's estate in a lump sum within thirty (30) days following the date of the Participant's death.

Section 5.07 Payments to Incompetent Persons. Any benefit payable to or for the benefit of an incompetent person, a minor, or other person incapable of receipt therefor shall be deemed paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Employer, the Committee, the Plan Administrator and all other parties with respect thereto.

Section 5.08 Lost Payees. A benefit shall be deemed forfeited if the Plan Administrator is unable to locate a Participant to whom a Severance Benefit is due. Such Severance Benefit shall be reinstated if application is made by the Participant for the forfeited Severance Benefit while this Plan is in operation.

ARTICLE VI RESTRICTIVE COVENANTS

Section 6.01 Restrictive Covenants. In consideration for and as a condition of an Eligible Employee's ability to potentially receive or to continue benefits under this Plan, such Eligible Employee agrees, by signing and completing a Participation Agreement, to comply with the following restrictive covenants, whether or not such Eligible Employee's employment actually terminates under circumstances that would permit him or her to receive Severance Benefits hereunder:

- a. **Confidentiality.** The Eligible Employee will treat during the Eligible Employee's employment and thereafter, as private and privileged, any information deemed by the Company to be confidential and proprietary, including, without limitation, trade secrets, data, figures, projections, estimates, marketing plans, customer lists, lists of contract workers, tax records, personnel records, accounting procedures, formulas, contracts, business partners, alliances, ventures and all other confidential information that he or she acquires while working for the Company or any of its Affiliated Companies (collectively, "Confidential Information"). The Eligible Employee may not use for his/her personal benefit or release any Confidential Information to any person, firm, corporation or other entity at any time, except as may be required by law, or as agreed to in writing by the Company. Any violation of this non-disclosure provision shall entitle the Company to appropriate injunctive relief and to any damages which it may sustain due to the improper disclosure. However, it shall not be a breach of this provision if an Eligible Employee discloses Confidential Information to a federal, state or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law.
- b. **Non-Solicitation.** During the Restricted Period following the Eligible Employee's Separation from Service for any reason (voluntary or involuntary), the Eligible Employee shall not, for himself or herself or any third party, directly or indirectly, (i) solicit or accept competitive business from any customer or identified prospective customer of the Company or its Affiliated Companies, or (ii) solicit any employee of the Company or its Affiliated Companies for the purpose of hiring such person or otherwise entice, induce or encourage, directly or indirectly, any such employee to leave their employment.

Engaging in any of the following activities will be a violation of paragraph (b)(ii) above: (1) soliciting for hire or soliciting for retainer as an independent consultant or as contingent worker any employee of the Company or its Affiliated Companies; (2) participating in the recruitment of any employee of the Company or its Affiliated Companies; (3) serving as a reference for an employee of the Company or its Affiliated Companies without first obtaining written consent from the CEO and General Counsel of the Company; (4) offering an opinion regarding the candidacy as a potential employee, independent consultant or contingent worker of an individual employed by the Company or its Affiliated Companies without first obtaining written consent from the CEO and General Counsel of the Company; (5) assisting or encouraging any third party to pursue an employee of the Company or its Affiliated Companies for potential employment, independent consulting or contingent worker opportunities; or (6) assisting or encouraging any employee of the Company or its Affiliated Companies to leave their current position in order to be an employee, independent consultant or contingent worker for a third party.

- c. **Non-Competition.** During the Restricted Period following his or her Separation from Service (voluntary or involuntary), an Eligible Employee will not, for himself or herself or for any third party, directly or indirectly, in whole or in part, provide services, whether as an employee, employer, owner, operator, manager, advisor, consultant, agent, partner, director, shareholder, officer, volunteer, intern, or any other similar capacity, to any entity anywhere in the world engaged in a business that is competitive with the Company or its Affiliated Companies. Notwithstanding the prior sentence, an Eligible Employee is not prohibited from providing services to a competing business or venture provided: (i) the duties and services that the Eligible Employee will provide to the competitor are not, in whole or in part, substantially similar to the
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duties and services he or she provided to the Company or its Affiliated Companies, and are not reasonably likely to cause the Eligible Employee to reveal trade secrets, know-how, customer lists, customer contracts, customer needs, business strategies, marketing strategies, product development, or other Confidential Information concerning the business of the Company or its Affiliated Companies; and (ii) before providing such services, the Eligible Employee has given written notice to the Company's CEO and General Counsel describing the nature of the new position and the reason(s) the Eligible Employee believes that accepting such new position will not result in a violation of his/her restrictions under this paragraph.

d. **Non-Disparagement.** An Eligible Employee shall not make disparaging remarks of any sort or otherwise communicate any disparaging comments to any other person or entity, about the Company or any Affiliated Company and any of its divisions, subsidiaries, predecessors and successors, and any affiliated entities and persons, and all of their respective past and present employees, agents, insurers, officials, officers and directors. However, an Eligible Employee shall not be held in breach of this provision if he or she discloses Confidential Information to a federal, state or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law.

(e) **Restricted Period.** For purposes of this Section 6.01, the duration of the Restricted Period shall be determined as follows:

Position	Length of Restricted Period
Section 16 Officer	24 months
Salary Grade 44 or 45 Employee	12 months

Section 6.02 Reasonableness.

a. **Restrictions Reasonable.** By executing a Participation Agreement, an Eligible Employee acknowledges that the restrictions contained in this Article VI are reasonable and necessary to protect the legitimate interests of the Company and its Affiliated Companies, that the Company would not have established this Plan in the absence of such restrictions, and that any violation of any provision of this Article VI will result in irreparable injury to the Company. By agreeing to participate in the Plan, the Eligible Employee represents that his or her experience and capabilities are such that the restrictions contained in this Article VI will not prevent the Eligible Employee from obtaining employment or otherwise earning a living at the same general level of economic benefit as is currently the case. The Eligible Employee further represents and acknowledges that (i) he or she has been advised by the Company to consult his or her own legal counsel in respect of this Plan, and (ii) that he or she has had full opportunity, prior to agreeing to participate in this Plan, to review thoroughly this Plan with his or her counsel.

b. **Reformation.** In the event the provisions of this Article VI shall ever be deemed to exceed the time, scope or geographic limitations permitted by applicable laws, then such provisions shall be reformed to the maximum time, scope or geographic limitations, as the case may be, permitted by applicable laws.

Section 6.03 Injunctive Relief. The Eligible Employee agrees that the Company shall be entitled to preliminary and permanent injunctive relief, without the necessity of proving actual damages, as well as an equitable accounting of all earnings, profits and other benefits arising from any violation of this Article VI, which rights shall be cumulative and in addition to any other rights or remedies to which the Company may be entitled.

Section 6.04 Survival of Provisions. The obligations contained in this Article VI shall survive the termination of the Eligible Employee's employment with the Company or an Affiliated Company and shall be fully enforceable thereafter.

Section 6.05 Whistleblower Rights. None of the restrictions in this Article VI prohibits an Eligible Employee from reporting possible violations of local, state, foreign or federal law or regulation, or related facts, to any governmental agency or entity or making other reports or disclosures that, in each case, are protected under the whistleblower provisions of local, state, foreign or federal law or regulation. An Eligible Employee does not need the Company's prior authorization to make any such reports or disclosures and does not need to notify the Company that the Eligible Employee has made such reports or disclosures.

ARTICLE VII THE PLAN ADMINISTRATOR

Section 7.01 Authority. The Plan Administrator shall administer the Plan on the basis of information supplied to it by the Company, the Employers and the Committee. The Plan Administrator shall have the full power, authority and discretion to:

- a. construe, interpret and administer the Plan;
 - b. make factual determinations and correct deficiencies herein (and in any other document used to implement the Plan)
-

- c. supply omissions herein (and in any other document used to implement the Plan); and
- d. adopt such rules and regulations and may make such decisions as it deems necessary or desirable for the proper administration of the Plan.

Section 7.02 Records, Reporting and Disclosure. The Plan Administrator shall keep a copy of all records relating to the payment of Severance Benefits to Participants and former Participants and all other records necessary for the proper operation of the Plan. All Plan records shall be made available to the Committee, the Company and to each Participant for examination during business hours, except that a Participant shall examine only such records as pertain exclusively to the examining Participant or to which the Participant has rights to review under ERISA. The Plan Administrator shall prepare and shall file as required by law or regulation all reports, forms, documents and other items required by ERISA, the Code, and every other relevant statute, each as amended, and all regulations thereunder (except that the Employer, as payor of the Severance Benefits, shall prepare and distribute to the proper recipients all forms relating to withholding of income or wage taxes, Social Security taxes, and other amounts that may be similarly reportable).

Section 7.03 Discretion; Decisions Binding. Any decisions, actions or interpretations to be made under the Plan by the Board, the Committee, the Plan Administrator, or their delegates shall be made in each of their respective sole discretion, not in any fiduciary capacity (unless otherwise required by law) and need not be uniformly applied to similarly situated individuals and such decisions, actions or interpretations shall be final, binding and conclusive upon all parties. As a condition of participating in the Plan, the Participant acknowledges that all decisions and determinations of the Board, the Committee and the Plan Administrator shall be final and binding on the Participant, his or her beneficiaries and any other person having or claiming an interest under the Plan on his or her behalf.

ARTICLE VIII AMENDMENT, TERMINATION AND DURATION

Section 8.01 Amendment, Suspension and Termination. The Committee shall have the right, at any time and from time to time, to amend, suspend or terminate the Plan in whole or in part, for any reason or without reason, and without either the consent of or the prior notification to any Participant.

Section 8.02 Impact on Benefits. Notwithstanding Section 8.01, no such amendment, suspension or termination may cause the cessation or the reduction of Severance Benefits already approved for a Participant who has executed a Release and met all the other requirements to receive Severance Benefits under the Plan as of the date of such amendment, suspension, or termination. In addition, no such amendment, suspension or termination shall give the Company the right to recover any amount paid to a Participant prior to the date of such amendment.

ARTICLE IX CLAIMS PROCEDURES

Section 9.01 Initial Claim. A Participant or his or her beneficiary (or a person who in good faith believes he or she is a Participant or beneficiary, i.e., a "claimant") who believes he or she has been wrongly denied Severance Benefits under the Plan may file a written claim for benefits with the Plan Administrator. Although no particular form of written claim is required, no such claim shall be considered unless it provides a reasonably coherent explanation of the claimant's position.

Section 9.02 Decision on Initial Claim. The Plan Administrator shall approve or deny the claim in writing within sixty (60) days of receipt, provided that such sixty (60) day period may be extended an additional sixty (60) days if the Plan Administrator determines such extension is necessary and the Plan

Administrator provides notice of extension to the claimant prior to the end of the initial sixty (60) day period. The notice advising of the denial shall specify the following:

- a. the reason or reasons for denial;
- b. the specific Plan provisions on which the determination was based;
- c. any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is needed; and
- d. the Plan's review procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on review.

Section 9.03 Appeal of Denied Claim. If a claimant wishes to submit a request for a review of the denied claim, then the claimant shall make such appeal by filing a notice of appeal of the denial with the Plan Administrator within sixty (60) calendar days of the receipt of the denied claim. Such notice shall be made in writing, and shall set forth all of the facts upon which the appeal is based. Appeals not timely filed shall be barred.

Section 9.04 Decision on Appeal. The Plan Administrator shall consider the merits of the claimant's written presentations, the merits of any facts or evidence in support of the denial or approval of benefits, and such other facts and circumstances as the Plan Administrator shall deem relevant. The Plan Administrator shall render a determination upon the appealed claim which determination shall be accompanied by a written statement as to the reasons therefor. The determination shall be made and provided to the claimant within sixty (60) days of the claimant's request for review, unless the Plan Administrator determines that special circumstances requires an extension of time for processing the claim. In such case, the Plan Administrator shall notify the claimant of the need for an extension of time to render its decision prior to the end of the initial sixty (60) day period, and the Plan Administrator shall have an additional sixty (60) day period to make its determination. The determination so rendered shall be binding upon all parties. If the determination is adverse to the claimant, the notice shall provide:

- a. the reason or reasons for denial;
 - b. the specific Plan provisions on which the determination was based;
 - c. a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits; and
 - d. a statement that the claimant has the right to bring an action under section 502(a) of ERISA.
-

Section 9.05 Legal Proceedings. This Plan shall be construed and enforced according to the laws of the State of Minnesota to the extent not superseded by Federal law. Any suit, action or other legal proceeding arising out of this Plan including without limitation, any action commenced by the Company for preliminary and permanent injunctive relief or other equitable relief for a violation of any of the covenants in Article VI hereof, may only be brought in the United States District Court for the District of Minnesota, or if such court does not have jurisdiction or will not accept jurisdiction, in any court of general jurisdiction in Minnesota. Any legal action or proceeding may only be heard in a “bench trial,” and any part to such action or proceeding shall agree to waive its right to a jury trial. By completing a Participation Agreement and in consideration for the eligibility receive benefits hereunder, each Eligible Employee:

- a. consents to the non-exclusive jurisdiction of any such court in any such suit, action or proceeding;
 - b. waives his or her right to a jury trial in any such suit, action or proceeding;
 - c. waives any objection which he or she may have to the laying of venue of any such suit, action or proceeding in any such court;
 - d. consents to the service of any process, pleadings, notices or other papers in a manner permitted by the notice provisions Section 10.02;
- and
- e. agrees that a legal proceeding may only be brought after the administrative claim and appeals procedures in this Article X have been exhausted, and then only within 365 days after notice of an adverse determination under Section 10.04.

ARTICLE X MISCELLANEOUS

Section 10.01 Nonalienation of Benefits. None of the payments, benefits or rights of any Participant shall be subject to any claim of any creditor of any Participant, and, in particular, to the fullest extent permitted by law, all such payments, benefits and rights shall be free from attachment, garnishment (if permitted under applicable law), trustee's process, or any other legal or equitable process available to any creditor of such Participant. No Participant shall have the right to alienate, anticipate, commute, plead, encumber or assign any of the benefits or payments that he may expect to receive, contingently or otherwise, under this Plan.

Section 10.02 Notices. All notices and other communications required hereunder shall be in writing and shall be delivered personally or mailed by registered or certified mail, return receipt requested, or by nationally recognized overnight express courier service. In the case of the Participant, mailed notices shall be addressed to him or her at the home address which he or she most recently communicated to the Company in writing. In the case of the Company, mailed notices shall be addressed to the Plan Administrator.

Section 10.03 Successors. Any successor to the Company shall assume the obligations under this Plan and expressly agree to perform the obligations under this Plan.

Section 10.04 Non-Duplication of Benefits. If, as of the Participant's Separation from Service Date, the Participant is eligible to receive Severance Benefits under this Plan and cash severance benefits under any agreement with the Company, or other plan or policy of the Company (an “alternative arrangement”), then the Participant shall receive either the Severance Benefits under this Plan or the severance benefits under the alternative arrangement, whichever would result in the provision of greater benefits to the Participant, as determined by the Plan Administrator in its sole and absolute discretion, but

in no event shall a Participant be entitled to receive both the Severance Benefits under this Plan and cash severance benefits under an alternative arrangement.

Section 10.05 No Mitigation. Except as otherwise provided herein, Participants shall not be required to mitigate the amount of any Severance Benefit provided for in this Plan by seeking other employment or otherwise, nor shall the amount of any Severance Benefit provided for herein be reduced by any compensation earned by other employment or otherwise, except if the Participant is re-employed by Company or any Affiliated Company, in which case any otherwise payable Severance Benefits shall cease and be forfeited.

Section 10.06 No Contract of Employment. Nothing in the Plan shall be construed as giving any Employee the right to be retained in the service of the Company, and all Employees shall remain subject to discharge to the same extent as if the Plan had never been adopted.

Section 10.07 Severability of Provisions. If any provision of this Plan shall be held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect any other provisions hereof, and such provision shall be amended to the minimum extent needed to be valid and enforceable, or if such amendment is not permitted by applicable law, then this Plan shall be construed and enforced as if such provisions had not been included.

Section 10.08 Heirs, Assigns, and Personal Representatives. This Plan shall be binding upon the heirs, executors, administrators, successors and assigns of the parties, including each Participant, present and future.

Section 10.09 Headings and Captions. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

Section 10.10 Gender and Number. Where the context admits: words in any gender shall include any other gender, and, except where otherwise clearly indicated by context, the singular shall include the plural, and vice-versa.

Section 10.11 Unfunded Plan. No Participant shall have any interest in any fund or in any specific asset or assets of the Employer by reason of participation in the Plan. It is intended that the Employer has merely a contractual obligation to make payments when due hereunder and it is not intended that the Employer hold any funds in reserve or trust to secure payments hereunder.

nVent Electric plc subsidiaries as of December 31, 2019

Name of Company	Jurisdiction of Incorporation
Alberta Electronic Company Limited	Hong Kong
Eldon AB	Sweden
Eldon AS	Norway
Eldon Austria GmbH	Austria
Eldon CS Enclosures Pvt Limited	India
Eldon Electric Limited	United Kingdom
Eldon Espana, S.A.U.	Spain
Eldon GmbH	Germany
Eldon Holding AB	Sweden
Eldon Holding Espana, S.L.U.	Spain
Eldon International NV	Belgium
Eldon NV	Netherlands
Eldon SRL	Romania
Electronic Enclosures, LLC	United States
Enclosures, Inc.	United States
ERICO B.V.	Netherlands
ERICO Canada Inc.	Canada
ERICO Chile Comercial e Industrial Ltda.	Chile
ERICO del Pacifico Comercial e Industrial Ltda.	Chile
ERICO do Brasil Comercio e Industria Ltda.	Brazil
ERICO Europe B.V.	Netherlands
ERICO Europe Holding B.V.	Netherlands
ERICO France Sarl	France
ERICO GLOBAL COMPANY	United States
ERICO GmbH	Germany
ERICO International Corporation	United States
ERICO Italia S.r.l.	Italy
ERICO Lightning Technologies Pty. Limited	Australia
ERICO Limited	Hong Kong
ERICO Ltd.	China
ERICO Mexico, S.A. de C.V.	Mexico
ERICO Poland SP. Z.o.o.	Poland
ERICO Products Australia Pty. Ltd	Australia
ERICO US Holding LLC	United States
Greenspan Singapore Private Limited	Singapore
Hoffman Enclosures (Mex.), LLC	United States
Hoffman Enclosures Mexico, S. de R.L. de C.V.	Mexico
Hoffman Enclosures Inc.	United States
Hoffman Schroff Asia Pte Ltd	Singapore
Hoffman Schroff de Mexico	Luxembourg
Hoffman Schroff Holdings, Inc.	United States
Hoffman Schroff Luxembourg S.a.r.l.	Luxembourg
Hoffman Schroff Manufacturing S. de R.L. de C.V.	Mexico
Hoffman Schroff Poland Sp.z.o.o.	Poland
Hoffman Schroff PTE Ltd	Singapore
Hoffman Schroff Sales S. de R.L. de C.V.	Mexico
Limited Liability Company nVent Rus	Russian Federation
Lionel Acquisition Co.	United States
nVent Armaturen Holding GmbH	Germany

nVent do Brasil Eletrometalurgica Ltda.	Brazil
nVent Electrical Products (Shanghai) Co., Ltd.	China
nVent Electrical Products China Co., Ltd.	China
nVent Electrical Products India Private Limited	India
nVent Finance Group GmbH	Switzerland
nVent Finance Holding GmbH	Switzerland
nVent Finance NL B.V.	Netherlands
nVent Finance S.a.r.l.	Luxembourg
nVent Finland Oy	Finland
nVent Global S.a.r.l.	Luxembourg
nVent Holding NL B.V.	Netherlands
nVent Holdings C.V.	Netherlands
nVent Holdings S.A.	France
nVent Holdings, Inc.	United States
nVent International (UK) Ltd.	United Kingdom
nVent International Holding S.a.r.l.	Luxembourg
nVent International Holdings, Inc.	United States
nVent International Sales Corporation	United States
nVent Italy S.r.l.	Italy
nVent Japan Co., Ltd.	Japan
nVent Luxembourg S.a.r.l.	Luxembourg
nVent Management Company	United States
nVent Middle East FZE	United Arab Emirates
nVent Nordic AP	Sweden
nVent Project Services Canada, Inc.	Canada
nVent Services Canada Limited	Canada
nVent Services GmbH	Switzerland
nVent Services Holding GmbH	Switzerland
nVent Solutions (UK) Limited	United Kingdom
nVent Teknoloji Sistemleri Ticaret Limited Sirketi	Turkey
nVent Thermal (Shanghai) Co., Ltd.	China
nVent Thermal (Shanghai) Engineering Co., Ltd.	China
nVent Thermal Belgium NV	Belgium
nVent Thermal Canada Ltd.	Canada
nVent Thermal Czech s.r.o., v likvidaci	Czech Republic
nVent Thermal Europe GmbH	Switzerland
nVent Thermal France SAS	France
nVent Thermal Germany GmbH	Germany
nVent Thermal India Private Limited	India
nVent Thermal Korea Ltd.	Korea, Republic of
nVent Thermal KZ LLP	Kazakhstan
nVent Thermal LLC	United States
nVent Thermal Netherlands B.V.	Netherlands
nVent Thermal Norway AS	Norway
nVent Thermal Polska Sp. z o.o.	Poland
nVent Thermal Romania S.R.L.	Romania
nVent UK Holdings Limited	United Kingdom
Optima Enclosures Limited	United Kingdom
Productos ERICO S.A.	Spain
Schroff Co. Ltd. Taiwan	Taiwan
Schroff GmbH	Germany
Schroff Holdings Germany	Germany
Schroff SAS	France

Schroff, Inc.	United States
Steinhauer GmbH	Germany
Tonka Bay Insurance Company	United States
Torgoterm AD*	Bulgaria
Tracer Construction LLC	United States
Tracer Industries Canada Limited	Canada
Tracer Industries Management LLC	United States
Tracer Industries, Inc.	United States
Yabaida Electronics (Shenzhen) Company Limited	China

All entities are 100% owned subsidiaries, unless otherwise indicated.

* 19% owned

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-224555 and 333-224556 on Form S-8 of our reports dated February 25, 2020, relating to the financial statements of nVent Electric plc (which report expresses an unqualified opinion and included an emphasis of matter paragraph regarding the allocation of expenses from Pentair plc for the periods prior to April 30, 2018) and the effectiveness of nVent Electric plc's internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2019.

/s/ Deloitte & Touche LLP

Minneapolis, Minnesota
February 25, 2020

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that the undersigned directors of nVent Electric plc, an entity organized under the laws of Ireland, hereby constitute and appoint Beth A. Wozniak and Jon D. Lammers, or either of them, his/her attorney-in-fact and agent, with full power of substitution, for the purpose of signing on his/her behalf as a director of nVent Electric plc the Annual Report on Form 10-K, to be filed with the Securities and Exchange Commission within the next sixty days, and to file the same, with all exhibits thereto and other supporting documents, with the Securities and Exchange Commission, granting unto such attorney-in-fact, full power and authority to do and perform any and all acts necessary or incidental to the performance and execution of the powers herein expressly granted.

Date: February 25, 2020

<u>Signature</u>	<u>Title</u>
/s/ Brian M. Baldwin _____ Brian M. Baldwin	Director
/s/ Jerry W. Burris _____ Jerry W. Burris	Director
/s/ Susan M. Cameron _____ Susan M. Cameron	Director
/s/ Michael L. Ducker _____ Michael L. Ducker	Director
/s/ David H. Y. Ho _____ David H. Y. Ho	Director
/s/ Randall J. Hogan _____ Randall J. Hogan	Director
/s/ Ronald L. Merriman _____ Ronald L. Merriman	Director
/s/ William T. Monahan _____ William T. Monahan	Director
/s/ Herbert K. Parker _____ Herbert K. Parker	Director

Certification

I, Beth A. Wozniak, certify that:

1. I have reviewed this annual report on Form 10-K of nVent Electric plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2020

/s/ Beth A. Wozniak

Beth A. Wozniak

Chief Executive Officer

Certification

I, Sara E. Zawoyski, certify that:

1. I have reviewed this annual report on Form 10-K of nVent Electric plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2020

/s/ Sara E. Zawoyski

Sara E. Zawoyski

Executive Vice President and Chief Financial Officer

**Certification of CEO Pursuant To
18 U.S.C. Section 1350,
As Adopted Pursuant To
Section 906 Of The Sarbanes-Oxley Act Of 2002**

In connection with the Annual Report of nVent Electric plc (the "Company") on Form 10-K for the period ended December 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Beth A. Wozniak, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: February 25, 2020

/s/ Beth A. Wozniak

Beth A. Wozniak

Chief Executive Officer

**Certification of CFO Pursuant To
18 U.S.C. Section 1350,
As Adopted Pursuant To
Section 906 Of The Sarbanes-Oxley Act Of 2002**

In connection with the Annual Report of nVent Electric plc (the "Company") on Form 10-K for the period ended December 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sara E. Zawoyski, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: February 25, 2020

/s/ Sara E. Zawoyski

Sara E. Zawoyski

Executive Vice President and Chief Financial Officer