UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended April 2, 2022

or

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

For the transition period from to

Commission File Number: 001-05672

ITT INC.

State of Indiana	**81-1197930**
(State or Other Jurisdiction of Incorporation or Organization)	*(I.R.S. Employer Identification Number)*

1133 Westchester Avenue, White Plains, NY 10604
(Principal Executive Office)

Telephone Number: (914) 641-2000

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $1.00 per share	ITT	New York Stock Exchange

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 (§232.405 of this chapter) 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. (Check one):

☑ 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 Exchange Act). Yes ☐ No ☑

As of May 2, 2022, there were 83.5 million shares of Common Stock (par value $1.00 per share) of the issuer outstanding.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the U.S. Securities and Exchange Commission (the SEC). The SEC maintains a website at www.sec.gov on which you may access our SEC filings. In addition, we make available free of charge at www.investors.itt.com copies of materials we file with, or furnish to, the SEC as soon as reasonably practical after we electronically file or furnish these reports, as well as other important information that we disclose from time to time. Information contained on our website, or that can be accessed through our website, does not constitute a part of this Quarterly Report on Form 10-Q (this Report). We have included our website address only as an inactive textual reference and do not intend it to be an active link to our website.

Our corporate headquarters are located at 1133 Westchester Avenue, White Plains, New York 10604 and the telephone number of this location is (914) 641-2000.

FORWARD-LOOKING AND CAUTIONARY STATEMENTS

Some of the information included herein includes forward-looking statements intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not historical facts, but rather represent only a belief regarding future events based on current expectations, estimates, assumptions and projections about our business, future financial results and the industry in which we operate, and other legal, regulatory and economic developments. These forward-looking statements include, but are not limited to, future strategic plans and other statements that describe the company’s business strategy, outlook, objectives, plans, intentions or goals, and any discussion of future events and future operating or financial performance.

We use words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “target,” “future,” “may,” “will,” “could,” “should,” “potential,” “continue,” “guidance” and other similar expressions to identify such forward-looking statements. Forward-looking statements are uncertain and, by their nature, many are inherently unpredictable and outside of ITT’s control, and involve known and unknown risks, uncertainties and other important factors that could cause actual results to differ materially from those expressed or implied in, or reasonably inferred from, such forward-looking statements.

Where in any forward-looking statement we express an expectation or belief as to future results or events, such expectation or belief is based on current plans and expectations of our management, expressed in good faith and believed to have a reasonable basis. However, we cannot provide any assurance that the expectation or belief will occur or that anticipated results will be achieved or accomplished.

Among the factors that could cause our results to differ materially from those indicated by forward-looking statements are risks and uncertainties inherent in our business including, without limitation:

- impacts on our business due to the COVID-19 pandemic, including:
  - variant strains of the virus, as well as the timing, effectiveness and availability of, and people’s receptivity to, vaccines or other medical remedies;
  - disruptions to our operations and demand for our products, increased costs, disruption of supply chain and other constraints in the availability of key commodities and other necessary services;
  - government-mandated site closures, employee illness, skilled labor shortages, the impact of potential travel restrictions, stay-in-place restrictions, and vaccination requirements on our business and workforce; and
  - customer and supplier bankruptcies, impacts to the global economy and financial markets, and liquidity challenges in accessing capital markets;
- uncertain global economic and capital markets conditions, including those due to COVID-19, trade disputes between the U.S. and its trading partners, political and social unrest, and the availability and fluctuations in prices of steel, oil, copper, tin, and other commodities;
- volatility in raw material prices and our suppliers’ ability to meet quality and delivery requirements;
- failure to manage the distribution of products and services effectively;
- failure to compete successfully and innovate in our markets;
- failure to protect our intellectual property rights or violations of the intellectual property rights of others;
- the extent to which there are quality problems with respect to manufacturing processes or finished goods;
- the risk of cybersecurity breaches;

- loss of or decrease in sales from our most significant customers;
- risks due to our operations and sales outside the U.S. and in emerging markets;
- the impacts on our business from Russia's invasion of Ukraine, and the global response to it;
- fluctuations in foreign currency exchange rates and the impact of such fluctuations on our hedging arrangements;
- fluctuations in interest rates and the impact of such fluctuations on our cost of debt;
- fluctuations in demand or customers' levels of capital investment and maintenance expenditures, especially in the oil and gas, chemical, and mining markets, or changes in our customers' anticipated production schedules, especially in the commercial aerospace market;
- the risk of material business interruptions, particularly at our manufacturing facilities;
- risk of liabilities from past divestitures and spin-offs;
- failure of portfolio management strategies, including cost-saving initiatives, to meet expectations;
- risks related to government contracting, including changes in levels of government spending and regulatory and contractual requirements applicable to sales to the U.S. government;
- fluctuations in our effective tax rate, including as a result of possible tax reform legislation in the U.S. and other jurisdictions;
- changes in environmental laws or regulations, discovery of previously unknown or more extensive contamination, or the failure of a potentially responsible party to perform;
- failure to comply with the U.S. Foreign Corrupt Practices Act (or other applicable anti-corruption legislation), export controls and trade sanctions, including tariffs;
- risk of product liability claims and litigation; and
- changes in laws relating to the use and transfer of personal and other information.

More information on factors that could cause actual results or events to differ materially from those anticipated is included in Part II, Item 1A, "Risk Factors" herein, as well as in our reports filed with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2021 (particularly under the caption "Risk Factors"), our Quarterly Reports on Form 10-Q and in other documents we file from time to time with the SEC.

The forward-looking statements included in this Report speak only as of the date of this Report. We undertake no obligation (and expressly disclaim any obligation) to update any forward-looking statements, whether written or oral or as a result of new information, future events or otherwise.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS (UNAUDITED)

(IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

For the Three Months Ended	**April 2, 2022**	April 3, 2021
Revenue	**$ 726.2**	$ 698.4
Cost of revenue	**507.8**	469.4
Gross profit	**218.4**	229.0
General and administrative expenses	**60.4**	58.1
Sales and marketing expenses	**38.4**	36.7
Research and development expenses	**25.0**	24.3
Operating income	**94.6**	109.9
Interest and non-operating income, net	**(0.2)**	(1.3)
Income from continuing operations before income tax expense	**94.8**	111.2
Income tax expense	**19.5**	24.7
Net income	**75.3**	86.5
Less: Income attributable to noncontrolling interests	**0.5**	0.3
Net income attributable to ITT Inc.	**$ 74.8**	$ 86.2
Earnings per share attributable to ITT Inc.:		
Basic	**$ 0.88**	$ 1.00
Diluted	**$ 0.88**	$ 0.99
Weighted average common shares – basic	**84.8**	86.3
Weighted average common shares – diluted	**85.2**	86.9

The accompanying Notes to the Consolidated Condensed Financial Statements are an integral part of the Statements of Operations.

CONSOLIDATED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(IN MILLIONS)

For the Three Months Ended		**April 2, 2022**		April 3, 2021
Net income	**$**	**75.3**	$	86.5
Other comprehensive (loss):				
Net foreign currency translation adjustment		**(11.7)**		(30.0)
Net change in postretirement benefit plans, net of tax expense of $(0.2) and $(0.1), respectively		**(0.3)**		—
Other comprehensive (loss)		**(12.0)**		(30.0)
Comprehensive income		**63.3**		56.5
Less: Comprehensive income attributable to noncontrolling interests		**0.5**		0.3
Comprehensive income attributable to ITT Inc.	**$**	**62.8**	$	56.2
Disclosure of reclassification adjustments to postretirement benefit plans:				
Amortization of prior service benefit, net of tax expense of $(0.3) and $(0.3), respectively	**$**	**(1.0)**	$	(1.0)
Amortization of net actuarial loss, net of tax benefit of $0.1 and $0.2, respectively		**0.7**		1.0
Net change in postretirement benefit plans, net of tax	**$**	**(0.3)**	$	—

The accompanying Notes to the Consolidated Condensed Financial Statements are an integral part of the Statements of Comprehensive Income.

CONSOLIDATED CONDENSED BALANCE SHEETS (UNAUDITED)
(IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

As of the Period Ended	**April 2, 2022**	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	**$ 710.4**	$ 647.5
Receivables, net	**615.8**	555.1
Inventories, net	**475.6**	430.9
Other current assets	**102.7**	88.6
Total current assets	**1,904.5**	1,722.1
Non-current assets:		
Plant, property and equipment, net	**504.9**	509.1
Goodwill	**918.5**	924.3
Other intangible assets, net	**80.9**	85.7
Other non-current assets	**316.8**	324.2
Total non-current assets	**1,821.1**	1,843.3
Total assets	**$ 3,725.6**	$ 3,565.4
Liabilities and Shareholders' Equity		
Current liabilities:		
Commercial paper and current maturities of long-term debt	**$ 487.0**	$ 197.6
Accounts payable	**411.0**	373.4
Accrued liabilities	**344.3**	357.3
Total current liabilities	**1,242.3**	928.3
Non-current liabilities:		
Postretirement benefits	**196.4**	199.9
Other non-current liabilities	**196.7**	206.5
Total non-current liabilities	**393.1**	406.4
Total liabilities	**1,635.4**	1,334.7
Shareholders' equity:		
Common stock:		
Authorized – 250.0 shares, $1 par value per share		
Issued and outstanding – 83.6 shares and 85.5 shares, respectively	**83.6**	85.5
Retained earnings	**2,334.6**	2,461.6
Total accumulated other comprehensive loss	**(333.3)**	(321.3)
Total ITT Inc. shareholders' equity	**2,084.9**	2,225.8
Noncontrolling interests	**5.3**	4.9
Total shareholders' equity	**2,090.2**	2,230.7
Total liabilities and shareholders' equity	**$ 3,725.6**	$ 3,565.4

The accompanying Notes to the Consolidated Condensed Financial Statements are an integral part of the Balance Sheets.

CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)
(IN MILLIONS)

For the Three Months Ended		**April 2, 2022**		April 3, 2021
Operating Activities				
Income from continuing operations attributable to ITT Inc.	**$**	**74.8**	$	86.2
Adjustments to income from continuing operations:				
Depreciation and amortization		**27.3**		28.5
Equity-based compensation		**3.7**		3.3
Other non-cash charges, net		**10.2**		6.3
Changes in assets and liabilities:				
Change in receivables		**(70.7)**		(50.1)
Change in inventories		**(48.4)**		(21.2)
Change in contract assets		**(1.7)**		0.6
Change in contract liabilities		**11.8**		(2.7)
Change in accounts payable		**48.6**		36.6
Change in accrued expenses		**(42.5)**		(12.4)
Change in income taxes		**10.1**		10.4
Other, net		**(25.9)**		(14.7)
Net Cash – Operating Activities		**(2.7)**		70.8
Investing Activities				
Capital expenditures		**(30.0)**		(17.2)
Other, net		**0.6**		0.1
Net Cash – Investing Activities		**(29.4)**		(17.1)
Financing Activities				
Commercial paper, net borrowings		**290.7**		(42.6)
Long-term debt, repayments		**—**		(0.1)
Share repurchases under repurchase plan		**(163.9)**		(50.0)
Share repurchases from net settlement of employee stock incentive plans		**(8.4)**		(11.0)
Dividends paid		**(22.4)**		(19.1)
Other, net		**0.6**		—
Net Cash – Financing Activities		**96.6**		(122.8)
Exchange rate effects on cash and cash equivalents		**(1.5)**		(10.4)
Net cash – operating activities of discontinued operations		**(0.1)**		(0.1)
Net change in cash and cash equivalents		**62.9**		(79.6)
Cash and cash equivalents – beginning of year (includes restricted cash of $0.8 and $0.8, respectively)		**648.3**		860.6
Cash and Cash Equivalents – End of Period (includes restricted cash of $0.8 and $0.8, respectively)	**$**	**711.2**	$	781.0
Supplemental Disclosures of Cash Flow Information				
Cash paid during the year for:				
Interest	**$**	**0.5**	$	0.2
Income taxes, net of refunds received	**$**	**8.5**	$	13.4

The accompanying Notes to the Consolidated Condensed Financial Statements are an integral part of the Statements of Cash Flows.

CONSOLIDATED CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)

(IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

As of and for the Three Months Ended April 2, 2022	Common Stock (Shares)	Common Stock (Dollars)	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Shareholders' Equity
December 31, 2021	**85.5**	**$ 85.5**	**$ 2,461.6**	**$ (321.3)**	**$ 4.9**	**$ 2,230.7**
Net income	—	—	74.8	—	0.5	75.3
Shares issued and activity from stock incentive plans	0.3	0.3	4.1	—	—	4.4
Share repurchases under repurchase plan	(2.1)	(2.1)	(175.7)	—	—	(177.8)
Share repurchases from net settlement of employee stock incentive plans	(0.1)	(0.1)	(8.3)	—	—	(8.4)
Dividends declared ($0.264 per share)	—	—	(21.9)	—	—	(21.9)
Total other comprehensive loss, net of tax	—	—	—	(12.0)	—	(12.0)
April 2, 2022	**83.6**	**$ 83.6**	**$ 2,334.6**	**$ (333.3)**	**$ 5.3**	**$ 2,090.2**

As of and for the Three Months Ended April 3, 2021						
December 31, 2020	**86.5**	**$ 86.5**	**$ 2,319.3**	**$ (279.4)**	**$ 1.5**	**$ 2,127.9**
Net income	—	—	86.2	—	0.3	86.5
Shares issued and activity from stock incentive plans	0.3	0.3	3.2	—	—	3.5
Share repurchases under repurchase plan	(0.6)	(0.6)	(49.4)	—	—	(50.0)
Share repurchases from net settlement of employee stock incentive plans	(0.1)	(0.1)	(10.9)	—	—	(11.0)
Dividends declared ($0.22 per share)	—	—	(19.0)	—	—	(19.0)
Total other comprehensive loss, net of tax	—	—	—	(30.0)	—	(30.0)
April 3, 2021	**86.1**	**$ 86.1**	**$ 2,329.4**	**$ (309.4)**	**$ 1.8**	**$ 2,107.9**

The accompanying Notes to the Consolidated Condensed Financial Statements are an integral part of the Statements of Changes in Shareholders' Equity.

NOTE 1
DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Description of Business

ITT Inc. is a diversified manufacturer of highly engineered critical components and customized technology solutions for the transportation, industrial, and energy markets. Unless the context otherwise indicates, references herein to “ITT,” “the Company,” and such words as “we,” “us,” and “our” include ITT Inc. and its subsidiaries. ITT operates through three reportable segments: Motion Technologies (MT), consisting of friction and shock and vibration equipment; Industrial Process (IP), consisting of industrial flow equipment and services; and Connect & Control Technologies (CCT), consisting of electronic connectors, fluid handling, motion control, composite materials and noise and energy absorption products. Financial information for our segments is presented in Note 3, Segment Information.

Russia-Ukraine Conflict

In February 2022, the United States announced targeted economic sanctions on Russia and certain Russian citizens in response to Russia’s invasion of Ukraine. As described in Part I, Item IA, “Risk Factors” in our 2021 Annual Report for the fiscal year ended December 31, 2021, our business may be sensitive to global economic conditions, which can be negatively impacted by instability in the geopolitical environment. Our annual sales directly to customers in Russia and Ukraine were approximately $38 for 2021.

During the first quarter of 2022, we recorded total charges of $8.8, primarily related to inventory and accounts receivable reserves, as a result of suspending our operations in Russia and to reflect the current macroeconomic conditions impacting some of our customers that sell or supply into this region. If circumstances worsen, we may experience a further reduction in demand and incur additional charges, including potential fixed asset impairments, severance and other reserves, which could have a material adverse impact on our business and financial results. For additional discussion of the risks related to the Russia-Ukraine conflict, see Part II, Item 1A, “Risk Factors” herein.

Basis of Presentation

The unaudited consolidated condensed financial statements have been prepared pursuant to the rules and regulations of the SEC and, in the opinion of management, reflect all known adjustments (which consist primarily of normal, recurring accruals, estimates and assumptions) necessary to state fairly the financial position, results of operations, and cash flows for the periods presented. The Consolidated Condensed Balance Sheet as of December 31, 2021, presented herein, has been derived from our audited balance sheet included in our Annual Report on Form 10-K (2021 Annual Report) for the year ended December 31, 2021 but does not include all disclosures required by accounting principles generally accepted in the United States (GAAP). We consistently applied the accounting policies described in the 2021 Annual Report in preparing these unaudited financial statements. These financial statements should be read in conjunction with the financial statements and notes thereto included in our 2021 Annual Report.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Estimates are revised as additional information becomes available. Estimates and assumptions are used for, but not limited to, revenue recognition, unrecognized tax benefits, deferred tax valuation allowances, projected benefit obligations for postretirement plans, accounting for business combinations, goodwill and other intangible asset impairment testing, environmental liabilities and assets, allowance for credit losses and inventory valuation. Actual results could differ from these estimates.

ITT’s quarterly financial periods end on the Saturday that is closest to the last day of the calendar quarter, except for the last quarterly period of the fiscal year, which ends on December 31st. ITT’s first quarter for 2022 and 2021 ended on April 2, 2022 and April 3, 2021, respectively.

Certain prior year amounts have been reclassified to conform to the current year presentation.

NOTE 2
RECENT ACCOUNTING PRONOUNCEMENTS

The Company considers the applicability and impact of all accounting standard updates (ASUs). ASUs not listed below were assessed and determined to be either not applicable or are expected to not have a material impact on our consolidated financial position or results of operations.

Recent Accounting Pronouncements Not Yet Adopted:

In October 2021, the FASB issued ASU 2021-08*, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, which requires contract assets and contract liabilities acquired in a business combination to be recognized and measured by the acquiror on the acquisition date in accordance with ASC 606, *Revenue from Contracts with Customers*, as if it had originated the contracts. Under the current guidance, such assets and liabilities are recognized by the acquiror at fair value as of the acquisition date. ASU 2021-08 is effective for fiscal years beginning after December 15, 2022. Early adoption is permitted. We are currently evaluating this guidance and plan to apply it during future periods in which we execute acquisitions. We do not expect that this guidance will have a significant impact on our operating results, financial position, or cash flows.

NOTE 3
SEGMENT INFORMATION

The Company's segments are reported on the same basis used by our Chief Executive Officer, who is also our chief operating decision maker, for evaluating performance and for allocating resources. Our three reportable segments are referred to as Motion Technologies, Industrial Process, and Connect & Control Technologies.

Motion Technologies manufactures brake components and specialized sealing solutions, shock absorbers and damping technologies primarily for the global automotive, truck and trailer, public bus and rail transportation markets.

Industrial Process manufactures engineered fluid process equipment serving a diversified mix of customers in global industries such as chemical, energy, mining, and other industrial process markets and is a provider of plant optimization and efficiency solutions and aftermarket services and parts.

Connect & Control Technologies manufactures harsh-environment connector solutions, critical energy absorption, flow control components, and composite materials for the aerospace and defense, general industrial, medical, and energy markets.

Corporate and Other consists of corporate office expenses including compensation, benefits, occupancy, depreciation, M&A due diligence, and other administrative costs, as well as charges related to certain matters, such as environmental liabilities, and, for 2021, asbestos-related impacts, that are managed at a corporate level and are not included in segment results when evaluating performance or allocating resources. Corporate and Other also includes research and development-related expenses associated with a subsidiary that does not constitute a reportable segment. Assets of the segments exclude general corporate assets, which principally consist of cash, investments, deferred taxes, and certain property, plant and equipment.

The following table presents our revenue, operating income, and operating margin for each segment.

	Revenue		Operating Income		Operating Margin	
For the Three Months Ended	**April 2, 2022**	April 3, 2021	**April 2, 2022**	April 3, 2021	**April 2, 2022**	April 3, 2021
Motion Technologies	**$ 370.1**	$ 369.1	**$ 59.7**	$ 76.0	**16.1 %**	20.6 %
Industrial Process	**202.2**	202.3	**20.4**	31.0	**10.1 %**	15.3 %
Connect & Control Technologies	**154.6**	127.3	**25.7**	11.8	**16.6 %**	9.3 %
Eliminations	**(0.7)**	(0.3)	**—**	—	**—**	—
Total segment results	**726.2**	698.4	**105.8**	118.8	**14.6 %**	17.0 %
Asbestos-related costs, net	**—**	—	**—**	(2.4)	**—**	—
Corporate and Other	**—**	—	**(11.2)**	(6.5)	**—**	—
Total Corporate and other costs	**—**	—	**(11.2)**	(8.9)	**—**	—
Total	**$ 726.2**	$ 698.4	**$ 94.6**	$ 109.9	**13.0 %**	15.7 %

The following table presents our total assets, capital expenditures, and depreciation & amortization expense for each segment.

	Total Assets		Capital Expenditures		Depreciation & Amortization	
As of and for the Three Months Ended	**April 2, 2022**	December 31, 2021	**April 2, 2022**	April 3, 2021	**April 2, 2022**	April 3, 2021
Motion Technologies	**$ 1,336.1**	$ 1,272.8	**$ 22.8**	$ 13.5	**$ 15.8**	$ 15.7
Industrial Process	**1,073.5**	1,030.0	**2.6**	1.6	**5.4**	5.6
Connect & Control Technologies	**724.7**	719.3	**2.5**	1.9	**5.4**	5.5
Corporate and Other	**591.3**	543.3	**2.1**	0.2	**0.7**	1.7
Total	**$ 3,725.6**	$ 3,565.4	**$ 30.0**	$ 17.2	**$ 27.3**	$ 28.5

NOTE 4
REVENUE

The following tables present our revenue disaggregated by end market.

Three Months Ended April 2, 2022	Motion Technologies	Industrial Process	Connect & Control Technologies	Eliminations	Total
Auto and rail	**$ 360.4**	**$ —**	**$ —**	**$ —**	**$ 360.4**
Chemical and industrial pumps	**—**	**167.2**	**—**	**—**	**167.2**
Aerospace and defense	**1.5**	**—**	**74.9**	**—**	**76.4**
Energy	**—**	**35.0**	**10.0**	**—**	**45.0**
General industrial	**8.2**	**—**	**69.7**	**(0.7)**	**77.2**
Total	**$ 370.1**	**$ 202.2**	**$ 154.6**	**$ (0.7)**	**$ 726.2**

Three Months Ended April 3, 2021	Motion Technologies	Industrial Process	Connect & Control Technologies	Eliminations	Total
Auto and rail	$ 364.0	$ —	$ —	$ —	$ 364.0
Chemical and industrial pumps	—	159.7	—	—	159.7
Aerospace and defense	1.6	—	60.2	—	61.8
Energy	—	42.6	8.5	—	51.1
General industrial	3.5	—	58.6	(0.3)	61.8
Total	$ 369.1	$ 202.3	$ 127.3	$ (0.3)	$ 698.4

Contract Assets and Liabilities

Contract assets consist of unbilled amounts where revenue recognized exceeds customer billings, net of allowances for credit losses. Contract assets are included in other current assets and other non-current assets in our Consolidated Condensed Balance Sheet. Contract liabilities consist of advance customer payments and billings in excess of revenue recognized. Contract liabilities are included in accrued liabilities and other non-current liabilities in our Consolidated Condensed Balance Sheet.

The following table represents our net contract assets and liabilities.

	April 2, 2022	December 31, 2021
Current contract assets, net	**$ 22.0**	$ 20.6
Non-current contract assets, net	**0.3**	0.3
Current contract liabilities	**(58.8)**	(46.6)
Non-current contract liabilities	**(4.4)**	(4.4)
Net contract liabilities	**$ (40.9)**	$ (30.1)

During the three months ended April 2, 2022, we recognized revenue of $13.0 related to contract liabilities as of December 31, 2021. The aggregate amount of the transaction price allocated to unsatisfied or partially satisfied performance obligations as of April 2, 2022 was $972.6. Of this amount, we expect to recognize approximately $730 to $750 of revenue during the remainder of 2022.

NOTE 5
INCOME TAXES

The following table summarizes our income tax expense and effective tax rate.

For the Three Months Ended	**April 2, 2022**	April 3, 2021
Income tax expense	**$ 19.5**	$ 24.7
Effective tax rate	**20.6 %**	22.2 %

The effective tax rate for the three months ended April 2, 2022 declined 160 basis points to 20.6% due to an increase in permanent tax benefits, primarily related to research and development incentives in both foreign and U.S. jurisdictions.

The Company operates in various tax jurisdictions and is subject to examination by tax authorities in these jurisdictions. The Company is currently under examination in several jurisdictions including the Czech Republic, Germany, India, Italy, and the U.S. The estimated tax liability calculation for unrecognized tax benefits considers uncertainties in the application of complex tax laws and regulations in various tax jurisdictions. Due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from the current estimate of the unrecognized tax benefit. Over the next 12 months, the net amount of the tax liability for unrecognized tax benefits in foreign and domestic jurisdictions could decrease by approximately $2 due to changes in audit status, expiration of statutes of limitations and other events.

NOTE 6
EARNINGS PER SHARE DATA

The following table provides a reconciliation of the data used in the calculation of basic and diluted earnings per share from continuing operations attributable to ITT.

For the Three Months Ended	**April 2, 2022**	April 3, 2021
Basic weighted average common shares outstanding	**84.8**	86.3
Add: Dilutive impact of outstanding equity awards	**0.4**	0.6
Diluted weighted average common shares outstanding	**85.2**	86.9

There were zero and 0.2 anti-dilutive shares related to equity stock unit awards excluded from the computation of diluted earnings per share for the three months ended April 2, 2022 and April 3, 2021, respectively.

NOTE 7
RECEIVABLES, NET

The following table summarizes our receivables and associated allowance for credit losses.

	April 2, 2022	December 31, 2021
Trade accounts receivable	**$ 597.3**	$ 530.4
Notes receivable	**18.4**	19.2
Other	**15.5**	17.5
Receivables, gross	**631.2**	567.1
Less: Allowance for credit losses - receivables[(a)]	**(15.4)**	(12.0)
Receivables, net	**$ 615.8**	$ 555.1

The following table displays our allowance for credit losses for receivables and contract assets.

	April 2, 2022	December 31, 2021
Allowance for credit losses - receivables[(a)]	**$ 15.4**	$ 12.0
Allowance for credit losses - contract assets	**0.5**	0.5
Total allowance for credit losses	**$ 15.9**	$ 12.5

The following table displays a rollforward of our total allowance for credit losses.

	April 2, 2022	April 3, 2021
Total allowance for credit losses - January 1	**$ 12.5**	$ 15.6
Charges (recoveries) to income[(a)]	**3.8**	(0.2)
Write-offs	**(0.3)**	(0.1)
Foreign currency and other	**(0.1)**	(0.1)
Total allowance for credit losses - ending balance	**$ 15.9**	$ 15.2

(a) During the three months ended April 2, 2022, we recorded bad debt expense of $3.0 to reflect the current macroeconomic conditions impacting some of our customers in light of the Russia-Ukraine conflict. See Note 1, Description of Business and Basis of Presentation, for further information.

NOTE 8
INVENTORIES, NET

The following table summarizes our net inventories.

	April 2, 2022	December 31, 2021
Finished goods	$ **76.1**	$ 73.0
Work in process	**103.1**	92.3
Raw materials	**296.4**	265.6
Inventories, net[(a)]	$ **475.6**	$ 430.9

(a) During the three months ended April 2, 2022, we recorded inventory reserves of $5.4 primarily related to finished goods inventories that we had previously intended to deliver to customers in Russia. See Note 1, Description of Business and Basis of Presentation, for further information.

NOTE 9
OTHER CURRENT AND NON-CURRENT ASSETS

The following table summarizes our other current and non-current assets.

	April 2, 2022	December 31, 2021
Advance payments and other prepaid expenses	$ **57.6**	$ 44.1
Current contract assets, net	**22.0**	20.6
Prepaid income taxes	**6.9**	10.4
Other	**16.2**	13.5
Other current assets	$ **102.7**	$ 88.6
Other employee benefit-related assets	$ **117.9**	$ 118.4
Operating lease right-of-use assets	**75.3**	78.0
Deferred income taxes	**61.8**	63.4
Equity method and other investments	**15.2**	14.5
Capitalized software costs	**14.8**	16.7
Environmental-related assets	**8.1**	8.5
Other	**23.7**	24.7
Other non-current assets	$ **316.8**	$ 324.2

NOTE 10
PLANT, PROPERTY AND EQUIPMENT, NET

The following table summarizes our property, plant, and equipment, net of accumulated depreciation.

	Useful life (in years)	**April 2, 2022**	December 31, 2021
Machinery and equipment	2 - 10	**$ 1,198.1**	$ 1,202.0
Buildings and improvements	5 - 40	**270.2**	265.5
Furniture, fixtures and office equipment	3 - 7	**78.8**	78.3
Construction work in progress		**64.7**	62.8
Land and improvements		**31.9**	32.5
Other		**3.3**	4.3
Plant, property and equipment, gross		**1,647.0**	1,645.4
Less: Accumulated depreciation		**(1,142.1)**	(1,136.3)
Plant, property and equipment, net		**$ 504.9**	$ 509.1

Depreciation expense was $21.0 and $21.4 for the three months ended April 2, 2022 and April 3, 2021, respectively.

NOTE 11
GOODWILL AND OTHER INTANGIBLE ASSETS, NET

Goodwill

The following table provides a rollforward of the carrying amount of goodwill by segment.

	Motion Technologies	Industrial Process	Connect & Control Technologies	Total
Goodwill - December 31, 2021	$ 292.3	$ 352.4	$ 279.6	$ 924.3
Foreign exchange translation	(2.2)	(3.0)	(0.6)	(5.8)
Goodwill - April 2, 2022	**$ 290.1**	**$ 349.4**	**$ 279.0**	**$ 918.5**

Other Intangible Assets, Net

The following table summarizes our other intangible assets, net of accumulated amortization.

	April 2, 2022			December 31, 2021		
	Gross Carrying Amount	**Accumulated Amortization**	**Net Intangibles**	Gross Carrying Amount	Accumulated Amortization	Net Intangibles
Customer relationships	**$ 161.9**	**$ (116.8)**	**$ 45.1**	$ 162.1	$ (113.7)	$ 48.4
Proprietary technology	**45.9**	**(27.7)**	**18.2**	46.1	(26.9)	19.2
Patents and other	**15.5**	**(14.2)**	**1.3**	15.7	(14.0)	1.7
Finite-lived intangible total	**223.3**	**(158.7)**	**64.6**	223.9	(154.6)	69.3
Indefinite-lived intangibles	**16.3**	**—**	**16.3**	16.4	—	16.4
Other intangible assets	**$ 239.6**	**$ (158.7)**	**$ 80.9**	$ 240.3	$ (154.6)	$ 85.7

Amortization expense related to finite-lived intangible assets was $4.2 and $5.1 for the three months ended April 2, 2022 and April 3, 2021, respectively.

NOTE 12
ACCRUED LIABILITIES AND OTHER NON-CURRENT LIABILITIES

The following table summarizes our accrued liabilities and other non-current liabilities.

	April 2, 2022	December 31, 2021
Compensation and other employee-related benefits	$ 115.6	$ 155.2
Contract liabilities and other customer-related liabilities	82.6	69.1
Accrued income taxes and other tax-related liabilities	37.3	33.6
Operating lease liabilities	19.4	20.1
Accrued warranty costs	17.0	17.7
Environmental liabilities and other legal matters	10.3	13.5
Accrued restructuring costs	6.5	11.0
Other	55.6	37.1
Accrued liabilities	$ 344.3	$ 357.3
Operating lease liabilities	$ 60.4	$ 64.0
Environmental liabilities	48.1	50.1
Compensation and other employee-related benefits	27.0	29.2
Deferred income taxes and other tax-related liabilities	28.5	29.0
Non-current maturities of long-term debt	9.6	9.9
Other	23.1	24.3
Other non-current liabilities	$ 196.7	$ 206.5

NOTE 13
DEBT

The following table summarizes our outstanding debt obligations.

	April 2, 2022	December 31, 2021
Commercial paper	$ 484.9	$ 195.4
Current maturities of long-term debt and finance leases	2.1	2.2
Commercial paper and current maturities of long-term debt	487.0	197.6
Non-current maturities of long-term debt	9.6	9.9
Total debt and finance leases	$ 496.6	$ 207.5

Commercial Paper

The following table presents our outstanding commercial paper borrowings and associated weighted average interest rates as of April 2, 2022 and December 31, 2021.

	April 2, 2022	December 31, 2021
Commercial Paper Outstanding - U.S. Program	$ 324.7	$ 150.0
Commercial Paper Outstanding - Euro Program	160.2	45.4
Total Commercial Paper Outstanding	$ 484.9	195.4
Weighted Average Interest Rate - U.S. Program	0.79 %	0.28 %
Weighted Average Interest Rate - Euro Program	(0.11)%	(0.47)%

Outstanding commercial paper for both periods had maturity terms less than three months from the date of issuance.

The increase in commercial paper outstanding from December 31, 2021 to April 2, 2022 was primarily related to funding our share repurchase activity as well as our acquisition of Habonim Industrial Valves and Actuators Ltd. (Habonim), which occurred on April 4, 2022. See Note 19, Acquisitions, to the Consolidated Condensed Financial Statements for further information.

Short-term Loans

On August 5, 2021, we entered into a revolving credit facility agreement with a syndicate of third party lenders including Bank of America, N.A., as administrative agent (the 2021 Revolving Credit Agreement). Upon its effectiveness, this agreement replaced our existing $500 revolving credit facility due November 2022 (the 2014 Revolving Credit Agreement). The 2021 Revolving Credit Agreement matures in August 2026 and provides for an aggregate principal amount of up to $700. The 2021 Revolving Credit Agreement provides for a potential increase of commitment of up to $350 for a possible maximum of $1,050 in aggregate commitments at the request of the Company and with the consent of the institutions providing such increase of commitments.

The interest rate per annum on the 2021 Revolving Credit Agreement is based on the LIBOR rate of the currency we borrow in, plus a margin of 1.1%, with applicable benchmark replacement rates for the currencies available when LIBOR is phased out as a result of the impending reference rate reform. As of April 2, 2022 and December 31, 2021, we had no outstanding borrowings under the 2021 Revolving Credit Agreement. There is a 0.15% fee per annum applicable to the commitments under the 2021 Revolving Credit Agreement. The margin and fees are subject to adjustment should the Company's credit ratings change.

The 2021 Revolving Credit Agreement contains customary affirmative and negative covenants that, among other things, will limit or restrict our ability to: incur additional debt or issue guarantees; create certain liens; merge or consolidate with another person; sell, transfer, lease or otherwise dispose of assets; liquidate or dissolve; and enter into restrictive covenants. Additionally, the 2021 Revolving Credit Agreement requires us not to permit the ratio of consolidated total indebtedness to consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) (leverage ratio) to exceed 3.50 to 1.00, with a qualified acquisition step up immediately following such qualified acquisition of 4.00 to 1.00 for four quarters, 3.75 to 1.00 for two quarters thereafter, and returning to 3.50 to 1.00 thereafter.

As of April 2, 2022, all financial covenants (e.g., leverage ratio) associated with the 2021 Revolving Credit Agreement were within the prescribed thresholds.

NOTE 14
LONG-TERM INCENTIVE EMPLOYEE COMPENSATION

Our long-term incentive plan (LTIP) costs are primarily recorded within general and administrative expenses in our Consolidated Condensed Statements of Operations. The following table summarizes our LTIP costs.

For the Three Months Ended	**April 2, 2022**	April 3, 2021
Equity-based awards	**$ 3.7**	$ 3.3
Liability-based awards	**0.6**	0.8
Total share-based compensation expense	**$ 4.3**	$ 4.1

At April 2, 2022, there was $37.6 of total unrecognized compensation cost related to non-vested equity awards. This cost is expected to be recognized ratably over a weighted-average period of 2.2 years. Additionally, unrecognized compensation cost related to liability-based awards was $1.7, which is expected to be recognized ratably over a weighted-average period of 2.5 years.

Year-to-Date 2022 LTIP Activity

The majority of our LTIP awards are granted during the first quarter of each year and have three-year service periods. These awards either vest equally each year or at the completion of the three-year service period. During the three months ended April 2, 2022, we granted the following LTIP awards as provided in the table below:

	# of Awards Granted	Weighted Average Grant Date Fair Value Per Share
Restricted stock units (RSUs)	0.1	$ 79.86
Performance stock units (PSUs)	0.1	$ 77.50

During the three months ended April 2, 2022 and April 3, 2021, a nominal amount of non-qualified stock options were exercised resulting in proceeds of $0.7 and $0.2, respectively. During the three months ended April 2, 2022 and April 3, 2021, RSUs of 0.1 and 0.1, respectively, vested and were issued. During the three months ended April 2, 2022 and April 3, 2021, PSUs of 0.1 and 0.2 that vested on December 31, 2021 and 2020, respectively, were issued.

NOTE 15
CAPITAL STOCK

On October 30, 2019, the Board of Directors approved an indefinite term $500 open-market share repurchase program (the 2019 Plan). During the three months ended April 2, 2022 and April 3, 2021, the Company repurchased and retired 2.1 and 0.6 shares of common stock for $177.8 and $50.0, respectively, under the 2019 Plan.

Separate from the open-market share repurchase program, the Company repurchases shares of common stock in settlement of employee tax withholding obligations due upon the vesting of equity-based compensation awards. During the three months ended April 2, 2022 and April 3, 2021, the Company repurchased 0.1 shares and 0.1 shares of common stock for $8.4 and $11.0, respectively, in connection with the net settlement of employee LTIP awards.

NOTE 16
ACCUMULATED OTHER COMPREHENSIVE LOSS

The following tables summarize the changes within each component of accumulated other comprehensive loss.

As of and for the Three Months Ended April 2, 2022	Postretirement Benefit Plans	Cumulative Translation Adjustment	Accumulated Other Comprehensive Loss
December 31, 2021	$ (40.8)	$ (280.5)	$ (321.3)
Net change in postretirement benefit plans, net of tax	(0.3)	—	(0.3)
Net foreign currency translation adjustment	—	(11.7)	(11.7)
April 2, 2022	$ (41.1)	$ (292.2)	$ (333.3)

As of and for the Three Months Ended April 3, 2021			
December 31, 2020	$ (55.9)	$ (223.5)	$ (279.4)
Net foreign currency translation adjustment	—	(30.0)	(30.0)
April 3, 2021	$ (55.9)	$ (253.5)	$ (309.4)

NOTE 17
COMMITMENTS AND CONTINGENCIES

From time to time, we are involved in legal proceedings that are incidental to the operation of our business. Historically, these proceedings have alleged damages relating to asbestos and environmental exposures, intellectual property matters, copyright infringement, personal injury claims, employment and employee benefit matters, government contract issues and commercial or contractual disputes and acquisitions or divestitures. We will continue to defend vigorously against all claims. Although the ultimate outcome of any legal matter cannot be predicted with certainty, based on present information, including our assessment of the merits of the particular claim, as well as our current reserves and insurance coverage, we do not expect that existing legal proceedings will have a material adverse impact on our financial statements, unless otherwise noted below.

Asbestos Matters

Prior to the divestiture described below, former subsidiaries of ITT, including ITT LLC and Goulds Pumps LLC, have been sued along with many other companies in product liability lawsuits alleging personal injury due to purported asbestos exposure. These claims generally allege that certain products sold by these entities or their subsidiaries prior to 1985 contained a part manufactured by a third party (*e.g.*, a gasket) which contained asbestos. To the extent these third-party parts may have contained asbestos, it was encapsulated in the gasket (or other) material and was non-friable. ITT LLC and Goulds Pumps LLC are wholly owned subsidiaries of InTelCo Management LLC (InTelCo), a former subsidiary of ITT.

On June 30, 2021, the Company entered into a Membership Interest Purchase Agreement (the Purchase Agreement) with Sapphire TopCo, Inc. (Buyer), a wholly owned subsidiary of Delticus HoldCo, L.P., which is a portfolio company of the private equity firm Warburg Pincus LLC. Under the Purchase Agreement, the Company transferred 100% of the equity interests of InTelCo to the Buyer, effective as of July 1, 2021, along with a cash contribution from the Company of $398 to InTelCo. As InTelCo was the obligor for the Company's asbestos-related liabilities and policyholder of the related insurance assets through its subsidiaries ITT LLC and Goulds Pumps LLC, the rights and obligations related to these items transferred upon the sale. In addition, pursuant to the Purchase Agreement, the Buyer and InTelCo have indemnified the Company and its affiliates for legacy asbestos-related liabilities and other product liabilities, and the Company has indemnified InTelCo and its affiliates for all other historical liabilities of InTelCo. This indemnification is not subject to any cap or time limitation. In connection with the sale, the Company and its Board of Directors received a solvency opinion from an independent advisory firm that InTelCo was solvent and adequately capitalized after giving effect to the transaction.

As a result of the transfer, the Company has no subsequent obligation with respect to pending and future asbestos claims relating to these matters. As such, InTelCo was deconsolidated from our financial results beginning in the second quarter of 2021, as we no longer maintained control of the entity. Accordingly, we have no asbestos-related assets or liabilities as of December 31, 2021 or April 2, 2022.

Asbestos-related costs were $2.4 for the three months ended April 3, 2021, and were included in general and administrative expenses.

Environmental Matters

In the ordinary course of business, we are subject to federal, state, local, and foreign environmental laws and regulations. We are responsible, or are alleged to be responsible, for ongoing environmental investigation and site remediation. These sites are in various stages of investigation or remediation and in many of these proceedings our liability is considered de minimis. We have received notification from the U.S. Environmental Protection Agency, and from similar state and foreign environmental agencies, that a number of sites formerly or currently owned or operated by ITT, and other properties or water supplies that may be or have been impacted from those operations, contain disposed or recycled materials or wastes and require environmental investigation or remediation. These sites include instances where we have been identified as a potentially responsible party under federal and state environmental laws and regulations.

The following table provides a rollforward of our estimated environmental liability.

For the Three Months Ended	April 2, 2022	April 3, 2021
Environmental liability - beginning balance	$ 54.1	$ 58.3
Change in estimates for pre-existing accruals:		
Continuing operations	—	(0.1)
Payments	(1.9)	(2.0)
Foreign currency	(0.1)	(0.1)
Environmental liability - ending balance	$ 52.1	$ 56.1

Environmental-related assets, including a Qualified Settlement Fund and estimated recoveries from insurance providers and other third parties, were $12.1 and $16.5 as of April 2, 2022 and April 3, 2021, respectively.

We are currently involved with 26 active environmental investigation and remediation sites. As of April 2, 2022, we have estimated the potential high-end liability range of environmental-related matters to be $89.4.

As actual costs incurred at identified sites in future periods may vary from our current estimates given the inherent uncertainties in evaluating environmental exposures, management believes it is possible that the outcome of these uncertainties may have a material adverse effect on our financial statements.

NOTE 18
DERIVATIVE FINANCIAL INSTRUMENTS

As of April 2, 2022, the U.S. dollar equivalent notional value of our outstanding foreign currency forward and option contracts, which are denominated in euros, was $157.8 and the fair value was $3.8, recorded within other current assets. As of December 31, 2021, the U.S. dollar equivalent notional value of our outstanding foreign currency forward and option contracts was $24.2 and the fair value was $1.9. During the three months ended April 2, 2022, we recognized gains related to foreign currency derivatives not designated as hedges of $2.3 within general and administrative expenses. During the three months ended April 3, 2021, we recognized a loss of $2.0.

From time to time, we enter into call option contracts to mitigate exposure to commodity price fluctuations. As of April 2, 2022, call option contracts were nominal. There were no call option contracts outstanding as of December 31, 2021.

We utilize market approaches to estimate the fair value of our derivative instruments by discounting anticipated future cash flows derived from the derivative's contractual terms and observable foreign exchange rates. The fair values of the derivatives summarized above are determined based on Level 2 inputs in the fair value hierarchy.

NOTE 19
ACQUISITIONS

Subsequent Event

On April 4, 2022, we completed the acquisition of 100% of the privately held stock of Habonim for a purchase price of $140. Habonim is a designer and manufacturer of valves, valve automation and actuation for the gas distribution (including liquified natural gas), biotech and harsh application service sectors. Habonim sells directly to original equipment manufacturers and integrators for customized solutions. Habonim has operations in Israel, the U.S., and the Netherlands, reported annual sales of $44 in 2021, and has a workforce of approximately 200 employees. Habonim's results will be reported within the Industrial Process segment beginning in the second quarter.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(In millions, except per share amounts, unless otherwise stated)

OVERVIEW

ITT Inc. is a diversified manufacturer of highly engineered critical components and customized technology solutions for the transportation, industrial, and energy markets. We manufacture components that are integral to the operation of systems and manufacturing processes in these key markets. Our products enable functionality for applications where reliability and performance are critically important to our customers and the users of their products.

Our businesses share a common, repeatable operating model centered on our engineering capabilities. Each business applies its technology and engineering expertise to solve our customers' most pressing challenges. Our applied engineering provides a valuable business relationship with our customers given the critical nature of their applications. This in turn provides us with unique insight to our customers' requirements and enables us to develop solutions to assist our customers in achieving their business goals. Our technology and customer intimacy produce opportunities to capture recurring revenue streams, aftermarket opportunities and long-lived platforms from original equipment manufacturers (OEMs).

Our product and service offerings are organized into three reportable segments: Motion Technologies (MT), Industrial Process (IP), and Connect & Control Technologies (CCT). See Note 3, Segment Information, in this Report for a summary description of each segment. Additional information is also available in our 2021 Annual Report within Part I, Item 1, "Description of Business."

All comparisons included within Management's Discussion and Analysis of Financial Condition and Results of Operations refer to the comparable three months ended April 3, 2021, unless stated otherwise.

COVID-19 Update:

The Company continues to respond to and recover from the challenges stemming from the COVID-19 pandemic, including managing significant market headwinds, supply chain disruptions, shipping delays, and reduced availability of skilled labor. We continue to be proactive in responding to these challenges, including working closely with our suppliers to minimize disruptions within our global supply chain. As a result, we have been able to continue delivering high quality products to our customers.

Future impacts of COVID-19 on our business and financial results remain uncertain and will be dependent on the effect and duration of variant strains of the virus, including Omicron and BA.2. As a result of some of these variants, certain countries around the world in which we operate, such as China, are reinstituting previously-lifted restrictive measures that were initially implemented to curtail the spread of the virus. Continued challenges resulting from the COVID-19 pandemic have adversely impacted, and may continue to adversely impact, our business and financial results. For additional discussion of risks related to COVID-19, see Part I, Item IA, "Risk Factors" in our 2021 Annual Report.

Russia-Ukraine Conflict:

In February 2022, the United States announced targeted economic sanctions on Russia and certain Russian citizens in response to Russia's invasion of Ukraine. As described in Part I, Item IA, "Risk Factors" in our 2021 Annual Report for the fiscal year ended December 31, 2021, our business may be sensitive to global economic conditions, which can be negatively impacted by instability in the geopolitical environment. Our annual sales directly to customers in Russia and Ukraine were approximately $38 for 2021. Annual sales to customers in Russia and Ukraine, including sales to customers selling or supplying to Russia or Ukraine, were expected to be approximately $60 for 2022. In addition, this year we expect an indirect sales impact of approximately $25 stemming from a reduction in supply of auto components made in Ukraine.

During the first quarter of 2022, we recorded total charges of $8.8, primarily related to inventory and account receivable reserves, as a result of suspending our operations in Russia and to reflect the current macroeconomic conditions impacting some of our customers that sell or supply into this region. If circumstances worsen, we may experience a further reduction in demand and could incur additional charges, including potential fixed asset impairments, severance and other reserves, which could have a material adverse impact on our business and financial results. For additional discussion of the risks related to the Russia-Ukraine conflict, see Part II, Item 1A, "Risk Factors" herein.

Executive Summary

The following table provides a summary of key performance indicators for the first quarter of 2022 as compared to the first quarter of 2021.

Summary of Key Performance Indicators for the First Quarter of 2022

Revenue	Segment Operating Income	Segment Operating Margin	EPS
$726 4% Increase	$106 -11% Decrease	14.6% -240bp Decrease	$0.88 -11% Decrease
Organic Revenue	**Adjusted Segment Operating Income**	**Adjusted Segment Operating Margin**	**Adjusted EPS**
$746 7% Increase	$116 -5% Decrease	16.0% -150bp Decrease	$0.97 -8% Decrease

Further details related to these results are contained elsewhere in the Discussion of Financial Results section. Refer to the section titled "Key Performance Indicators and Non-GAAP Measures" for definitions and reconciliations between GAAP and non-GAAP metrics.

Our first quarter 2022 results include:

- Revenue of $726.2 increased $27.8 due to strong CCT growth in both connectors and components, as well as strength in MT's Friction business driven by aftermarket sales, partially offset by unfavorable foreign exchange of $19.9. Excluding the impact of foreign currency, organic revenue increased 6.8%.
- Segment operating income of $105.8 decreased $13.0, primarily driven by significantly higher raw material and overhead costs stemming from supply chain challenges. In addition, we recorded charges of $8.8 related to the Russia-Ukraine conflict. This was partially offset by pricing actions, productivity savings, and higher sales volume.
- Income from continuing operations of $0.88 per diluted share decreased $0.11 as compared to the prior year of $0.99 per share, mainly due to the decline in segment operating income. Adjusted income from continuing operations was $0.97 per diluted share, a reduction of $0.09 as compared to the prior year.

During the first quarter of 2022, we repurchased 2.1 shares of common stock on the open-market for $178. In addition, in the first quarter of 2022 we declared a dividend of $0.264 per share, which was a 20% increase from the quarterly dividend in 2021.

DISCUSSION OF FINANCIAL RESULTS

For the Three Months Ended	**April 2, 2022**	April 3, 2021	Change
Revenue	**$ 726.2**	$ 698.4	4.0 %
Gross profit	**218.4**	229.0	(4.6) %
Gross margin	**30.1 %**	32.8 %	(270)bp
Operating expenses	**123.8**	119.1	3.9 %
Operating expense to revenue ratio	**17.0 %**	17.1 %	(10)bp
Operating income	**94.6**	109.9	(13.9) %
Operating margin	**13.0 %**	15.7 %	(270)bp
Interest and non-operating (income) expenses, net	**(0.2)**	(1.3)	(84.6) %
Income tax expense (benefit)	**19.5**	24.7	(21.1)%
Effective tax rate	**20.6 %**	22.2 %	(160)bp
Net income attributable to ITT Inc.	**74.8**	86.2	(13.2) %

REVENUE

The following table illustrates the revenue derived from each of our segments.

For the Three Months Ended	April 2, 2022	April 3, 2021	Change	Organic Growth[(a)]
Motion Technologies	$ **370.1**	$ 369.1	0.3 %	4.0 %
Industrial Process	**202.2**	202.3	— %	1.9 %
Connect & Control Technologies	**154.6**	127.3	21.4 %	23.2 %
Eliminations	**(0.7)**	(0.3)		
Total Revenue	$ **726.2**	$ 698.4	4.0 %	6.8 %

(a) See the section titled "Key Performance Indicators and Non-GAAP Measures" for a definition and reconciliation of organic revenue.

Motion Technologies

MT revenue for the three months ended April 2, 2022 increased $1.0. Excluding the impact of unfavorable foreign currency translation of $13.9, organic revenue increased $14.9, primarily due to growth in our Friction business of 5% driven by strength in aftermarket. In addition, our Wolverine business increased 5% due to growth in sealings.

The automotive industry has been, and continues to be, impacted by a global semiconductor supply shortage. This shortage has created supply chain disruptions for our automotive OEM customers, resulting in temporary declines in production. As a result, demand for our OEM brake pads and parts has been and may continue to be adversely affected until the shortage is resolved. While this shortage has had and may continue to have a negative impact on revenue, we continue to significantly outperform automotive production rates globally.

Industrial Process

IP revenue for the three months ended April 2, 2022 was flat compared to the prior year. Excluding the impact of unfavorable foreign currency translation of $3.9, organic revenue increased by $3.8 primarily driven by growth in our short cycle business of 13% due to strength within the general industrial and chemical markets. This was partially offset by a decline in pump projects of 30%, principally within the energy and chemical markets.

The level of order and shipment activity at IP can vary significantly from period to period due to pump projects which are highly engineered, customized to customer needs, and have longer lead times. Total orders during the three months ended April 2, 2022 were $260.1, an increase of 20.7% as compared to the respective prior year period. Backlog as of April 2, 2022 was $502.2, an increase of $57.8, or 13.0%, as compared to December 31, 2021. Our backlog represents firm orders that have been received, acknowledged, and entered into our production systems.

Connect & Control Technologies

CCT revenue for the three months ended April 2, 2022 increased $27.3, which included unfavorable foreign currency translation impacts of $2.2. Organic revenue increased $29.5, primarily driven by strong performance in connector sales of 28%, particularly within the industrial market. Additionally, component sales grew by 16%, with particular strength in the aerospace and defense markets.

GROSS PROFIT

Gross profit for the three months ended April 2, 2022 and April 3, 2021 was $218.4 and $229.0, respectively, reflecting a gross margin of 30.1% and 32.8%, respectively. The decrease in gross profit was primarily driven by significant increases in raw material, shipping, and labor costs, as discussed further below, as well as a $5.4 inventory write-down related to the Russia-Ukraine conflict. These items were partially offset by pricing actions and productivity savings.

Since 2020, the cost of raw materials we use in our production processes, including commodities such as steel, oil, copper, and tin, has significantly increased. Accordingly, gross profit and operating income within our businesses have been and may continue to be negatively impacted. The rising prices are mainly a result of increased demand coupled with reduced supply caused by supply chain disruptions primarily as a result of the COVID-19 pandemic and the Russia-Ukraine conflict. Raw materials inflation and supply chain constraints may continue to unfavorably impact our financial results during the remainder of 2022. We have been able to offset some of this impact through pricing actions and productivity savings, which we continue to pursue.

During 2021 and 2022, worldwide supply chain challenges exacerbated by the COVID-19 pandemic and the rising demand for physical goods have created upward pressure on shipping costs globally. These supply chain disruptions have contributed to congested shipping ports around the world, causing shipping delays and, in many cases, additional costs to be incurred in order to meet customer demand. As a result of these external pressures, our shipping costs, including for inbound and outbound freight, have increased, which has negatively impacted our gross profit. Continued supply chain and shipping challenges could have a material impact on our future financial results.

The manufacturing industry is also currently experiencing a skilled labor shortage. This shortage has created difficulties for the Company in attracting and retaining factory employees and in meeting customer demand, resulting in additional labor costs. Accordingly, our revenue, gross profit, and operating expenses at each of our businesses have been and may continue to be negatively impacted as a result of difficulties in fulfilling customer orders and increased labor costs.

Certain of our businesses have experienced high levels of employee absenteeism resulting from regional COVID-19 outbreaks and government mandated workplace safety measures. For example, in Italy and Germany, which comprised 24% and 11%, respectively, of our consolidated revenue in 2021, the government has mandated proof of vaccination, a negative rapid swab test, or recent recovery from COVID-19 to be able to return to the workplace. The majority of government mandates went into effect during the fourth quarter of 2021 and have remained in place during the first quarter of 2022. Additionally, some governments around the world, including China, have instituted COVID-19 lockdowns that are expected to lead to further absenteeism, global supply chain challenges, and, potentially, temporary negative impacts on demand in some of our end-markets, such as passenger vehicles. As a result of these circumstances, our financial results have been, and may continue to be, negatively impacted. For additional information regarding risks related to COVID-19, see Part I, Item 1A, “Risk Factors,” of our 2021 Annual Report.

OPERATING EXPENSES

The following table summarizes our operating expenses, including by segment.

For the Three Months Ended		April 2, 2022		April 3, 2021	Change
General and administrative expenses	**$**	**60.4**	$	58.1	4.0 %
Sales and marketing expenses		**38.4**		36.7	4.6 %
Research and development expenses		**25.0**		24.3	2.9 %
Total operating expenses	**$**	**123.8**	$	119.1	3.9 %
Total operating expenses by segment:					
Motion Technologies	**$**	**41.2**	$	41.6	(1.0)%
Industrial Process		**40.9**		36.3	12.7 %
Connect & Control Technologies		**30.6**		32.3	(5.3)%
Corporate & Other		**11.1**		8.9	24.7 %

General and administrative (G&A) expenses increased $2.3 for the three months ended April 2, 2022. This was due to an increase in bad debt expense of $4.0, primarily related to the Russia-Ukraine conflict, and an increase in strategic M&A-related costs of $2.3. The increase was partially offset by a decrease in restructuring expense of $3.3.

Sales and marketing expenses increased $1.7 for the three months ended April 2, 2022, primarily driven by temporary spending controls still in place during the first quarter of 2021 taken in response to the COVID-19 pandemic.

Research and development expenses increased $0.7 for the three months ended April 2, 2022, due to continued strategic investments in innovation and new product development to drive future growth.

OPERATING INCOME

The following table summarizes our operating income and margin by segment.

For the Three Months Ended		April 2, 2022		April 3, 2021	Change
Motion Technologies	**$**	**59.7**	$	76.0	(21.4) %
Industrial Process		**20.4**		31.0	(34.2) %
Connect & Control Technologies		**25.7**		11.8	117.8 %
Segment operating income		**105.8**		118.8	(10.9) %
Asbestos-related benefit (costs), net		**—**		(2.4)	(100.0) %
Other corporate costs		**(11.2)**		(6.5)	72.3 %
Total corporate and other costs, net		**(11.2)**		(8.9)	25.8 %
Total operating income	**$**	**94.6**	$	109.9	(13.9) %
Operating margin:					
Motion Technologies		**16.1 %**		20.6 %	(450)bp
Industrial Process		**10.1 %**		15.3 %	(520)bp
Connect & Control Technologies		**16.6 %**		9.3 %	730 bp
Segment operating margin		**14.6 %**		17.0 %	(240)bp
Consolidated operating margin		**13.0 %**		15.7 %	(270)bp

MT operating income for the three months ended April 2, 2022 decreased $16.3, primarily due to significantly higher raw material costs from continued supply chain challenges, as well as inventory and accounts receivable reserves of $4.2 related to the Russia-Ukraine conflict. The decrease was partially offset by pricing actions and net productivity savings.

IP operating income for the three months ended April 2, 2022 decreased $10.6, primarily due to higher raw material and overhead costs. In addition, we recorded reserves of $4.6 primarily related to inventory and accounts receivables in connection with the Russia-Ukraine conflict. The decrease was partially offset by net productivity savings and favorable product mix.

CCT operating income for the three months ended April 2, 2022 increased $13.9, driven by increased volume and productivity savings. These were partially offset by unfavorable raw material costs and sales mix.

Other corporate costs for the three months ended April 2, 2022 increased $4.7, primarily driven by lower corporate-owned life insurance investment gains of $1.1, as well as an increase in strategic M&A-related costs.

INTEREST AND NON-OPERATING EXPENSES AND INCOME, NET

The following table summarizes our net interest and non-operating expenses (income).

For the Three Months Ended	**April 2, 2022**	April 3, 2021	Change
Interest and non-operating income, net	**$ (0.2)**	$ (1.3)	(84.6)%

The change during the three months ended April 2, 2022 is primarily due to higher interest expense of $0.5 associated with greater outstanding commercial paper borrowings.

INCOME TAX EXPENSE

The following table summarizes our income tax expense (benefit) and effective tax rate.

For the Three Months Ended	**April 2, 2022**	April 3, 2021
Income tax expense	**$ 19.5**	$ 24.7
Effective tax rate	**20.6 %**	22.2 %

The effective tax rate for the three months ended April 2, 2022 declined 160 basis points to 20.6% due to an increase in permanent tax benefits, primarily related to research and development incentives in both foreign and U.S. jurisdictions.

We are closely monitoring the potential passage of new U.S. tax legislation, which could result in substantial changes to the current U.S. tax system, including changes to the statutory corporate tax rate. Further, changes in tax laws resulting from the Organization for Economic Cooperation and Development's ("OECD") multi-jurisdictional plan of action to address base erosion and profit shifting could adversely impact our effective tax rate. As the effects of a change in U.S. tax law must be recognized in the period in which the new legislation is enacted, should new legislation be signed into law, our financial results could be materially impacted.

See Note 5, Income Taxes, to the Consolidated Condensed Financial Statements for further information.

LIQUIDITY

Funding and Liquidity Strategy

We monitor our funding needs and execute strategies to meet overall liquidity requirements, including the management of our capital structure, on both a short- and long-term basis. Significant factors that affect our overall management of liquidity include our cash flow from operations, credit ratings, the availability of commercial paper, access to bank lines of credit, term loans, and the ability to attract long-term capital on satisfactory terms. We assess these factors along with current market conditions on a continuous basis, and as a result, may alter the mix of our short- and long-term financing when it is advantageous to do so. We expect to have enough liquidity to fund operations for at least the next 12 months and beyond.

We manage our worldwide cash requirements considering available funds among the many subsidiaries through which we conduct business and the cost effectiveness with which those funds can be accessed. We support our growth and expansion in markets outside of the U.S. through the enhancement of existing products and development of new products, increased capital spending, and potential foreign acquisitions. We look for opportunities to access cash balances in excess of local operating requirements to meet our global liquidity needs in a cost-efficient manner. We transfer cash between certain international subsidiaries and the U.S. when it is cost effective to do so. During the year ended December 31, 2021, we had net cash distributions from foreign countries to the U.S. of $116.9. We did not have any distributions to the U.S. during the three months ended April 2, 2022. The timing and amount of any additional future distributions will be evaluated based on our jurisdictional cash needs.

The amount and timing of dividends payable on our common stock are within the sole discretion of our Board of Directors and will be based on, and affected by, a number of factors, including our financial position and results of operations, available cash, expected capital spending plans, prevailing business conditions and other factors the Board of Directors deems relevant. Therefore, we cannot provide any assurance as to what level of dividends, if any, will be paid in the future. In the first quarter of 2022, we declared a dividend of $0.264 per share for shareholders of record on March 9, 2022, which was a 20% increase from the quarterly dividends declared in 2021. Dividend payments during the three months ended April 2, 2022 amounted to $22.4.

During the three months ended April 2, 2022 and April 3, 2021, we repurchased and retired 2.1 and 0.6 shares of common stock for $177.8 and $50.0, respectively, under our share repurchase plans. Separate from our share repurchase plans, the Company repurchased 0.1 shares and 0.1 shares during the three months ended April 2, 2022 and April 3, 2021, respectively, for an aggregate price of $8.4 and $11.0, respectively, in settlement of employee tax withholding obligations due upon the vesting of RSUs and PSUs. All repurchased shares are retired immediately following the repurchases.

Commercial Paper

When available and economically feasible, we have accessed the commercial paper market through programs in place in the U.S. and Europe to supplement cash flows generated internally and to provide additional short-term funding.

The following table presents our outstanding commercial paper borrowings.

		April 2, 2022		December 31, 2021
Commercial Paper Outstanding - U.S. Program	**$**	**324.7**	$	150.0
Commercial Paper Outstanding - Euro Program		**160.2**		45.4
Total Commercial Paper Outstanding	**$**	**484.9**		195.4

The increase in commercial paper outstanding from December 31, 2021 to April 2, 2022 was primarily related to funding our share repurchase activity as well as our acquisition of Habonim Industrial Valves and Actuators Ltd. (Habonim), which occurred on April 4, 2022. See Note 19, Acquisitions, to the Consolidated Condensed Financial Statements for further information.

All outstanding commercial paper for both periods had maturity terms of less than three months from the date of issuance.

Revolving Credit Agreement

On August 5, 2021, we entered into a revolving credit facility agreement with a syndicate of third party lenders including Bank of America, N.A., as administrative agent (the 2021 Revolving Credit Agreement). The 2021 Revolving Credit Agreement matures in August 2026 and provides for an aggregate principal amount of up to $700 of (i) revolving extensions of credit (the revolving loans) outstanding at any time, and (ii) letters of credit for a face amount of up to $100 at any time outstanding. Subject to certain conditions, we are permitted to terminate permanently the total commitments and reduce commitments by a minimum aggregate amount of $10 or any whole multiple of $1 in excess thereof. Borrowings under the credit facility are available in U.S. dollars, Euros, British pound sterling or any other currency that may be requested by us, subject to the approval of the administrative agent and each lender. We are permitted to request that lenders increase the commitments under the facility by up to $350 for a maximum aggregate principal amount of $1,050; however, this is subject to certain conditions and therefore may not be available to us. As of April 2, 2022 and December 31, 2021, we had no outstanding borrowings under the 2021 Revolving Credit Agreement. See Note 13, Debt, to the Consolidated Condensed Financial Statements for further information.

Sources and Uses of Liquidity

Our principal source of liquidity is our cash flow generated from operating activities, which provides us with the ability to meet the majority of our short-term funding requirements. The following table summarizes net cash derived from or used in operating, investing, and financing activities from continuing operations, as well as net cash from discontinued operations.

For the Three Months Ended		**April 2, 2022**		April 3, 2021
Operating activities	**$**	**(2.7)**	$	70.8
Investing activities		**(29.4)**		(17.1)
Financing activities		**96.6**		(122.8)
Foreign exchange		**(1.5)**		(10.4)
Total net cash (used in) provided by continuing operations		**63.0**		(79.5)
Net cash (used in) provided by discontinued operations		**(0.1)**		(0.1)
Net change in cash and cash equivalents	**$**	**62.9**	$	(79.6)

Operating Activities

The decrease in net cash from operating activities of $73.5 was primarily due to increased working capital investments to support sales growth and mitigate continued supply chain disruptions, and the timing of accounts receivable collections. In addition, incentive compensation payments increased in the current year due to ITT’s financial performance in 2021 versus prior year, which was significantly impacted by the COVID-19 pandemic. Additionally, segment operating income decreased from the prior year.

Investing Activities

The increase in net cash used in investing activities was driven by an increase in capital expenditures of $12.8.

Financing Activities

The increase in net cash from financing activities of $219.4 was due to an increase in net commercial paper borrowings of $333.3, partially offset by an increase in repurchases of ITT common stock of $113.9.

KEY PERFORMANCE INDICATORS AND NON-GAAP MEASURES

Management reviews a variety of key performance indicators including revenue, segment operating income and margins, and earnings per share, some of which are calculated with accounting principles other than those generally accepted in the United States of America (GAAP). In addition, we consider certain measures to be useful to management and investors when evaluating our operating performance for the periods presented. These measures provide a tool for evaluating our ongoing operations and management of assets from period to period. This information can assist investors in assessing our financial performance and measures our ability to generate capital for deployment among competing strategic alternatives and initiatives, including, but not limited to, acquisitions, dividends, and share repurchases. Some of these metrics, however, are not measures of financial performance under GAAP and should not be considered a substitute for measures determined in accordance with GAAP. We consider the following non-GAAP measures to be key performance indicators. These measures may not be comparable to similarly titled measures reported by other companies.

- "Organic revenue" is defined as revenue, excluding the impacts of foreign currency fluctuations and acquisitions. The period-over-period change resulting from foreign currency fluctuations is estimated using a fixed exchange rate for both the current and prior periods. We believe that reporting organic revenue provides useful information to investors by facilitating comparisons of our revenue performance with prior and future periods and to our peers.

  The following tables include a reconciliation of revenue to organic revenue by segment.

Three Months Ended April 2, 2022	Motion Technologies	Industrial Process	Connect & Control Technologies	Eliminations	Total ITT
2022 Revenue	$ 370.1	$ 202.2	$ 154.6	$ (0.7)	$ 726.2
Foreign currency translation	13.9	3.9	2.2	(0.1)	19.9
2022 Organic revenue	$ 384.0	$ 206.1	$ 156.8	$ (0.8)	$ 746.1
2021 Revenue	$ 369.1	$ 202.3	$ 127.3	$ (0.3)	$ 698.4
Organic growth (decline)	14.9	3.8	29.5	(0.5)	47.7
Percentage change	4.0 %	1.9 %	23.2 %		6.8 %

- "Adjusted operating income" and "Adjusted segment operating income" are defined as operating income, adjusted to exclude special items that include, but are not limited to, restructuring, severance, certain asset impairment charges, certain acquisition-related impacts, unusual or infrequent operating items and, for 2021, asbestos-related impacts. Special items represent charges or credits that impact current results, which management views as unrelated to the Company's ongoing operations and performance. "Adjusted operating margin" and "Adjusted segment operating margin" are defined as adjusted operating income or adjusted segment operating income divided by revenue. We believe that these financial measures are useful to investors and other users of our financial statements in evaluating ongoing operating profitability, as well as evaluating operating performance in relation to our competitors.

  The following tables include a reconciliation of operating income to adjusted operating income by segment.

Three Months Ended April 2, 2022	Motion Technologies	Industrial Process	Connect & Control Technologies	Total Segment	Corporate	Total ITT
Operating income	$ 59.7	$ 20.4	$ 25.7	$ 105.8	$ (11.2)	$ 94.6
Impacts related to Russia-Ukraine conflict	4.2	4.6	—	8.8	—	8.8
Restructuring costs	—	0.2	0.1	0.3	—	0.3
Other[(a)]	0.9	0.6	—	1.5	0.9	2.4
Adjusted operating income	$ 64.8	$ 25.8	$ 25.8	$ 116.4	$ (10.3)	$ 106.1
Adjusted operating margin	17.5 %	12.8 %	16.7 %	16.0 %		14.6 %

Three Months Ended April 3, 2021	Motion Technologies	Industrial Process	Connect & Control Technologies	Total Segment	Corporate	Total ITT
Operating income	$ 76.0	$ 31.0	$ 11.8	$ 118.8	$ (8.9)	$ 109.9
Restructuring costs	—	0.9	2.4	3.3	0.3	3.6
Asbestos-related costs, net	—	—	—	—	2.4	2.4
Other[(a)]	—	—	—	—	1.1	1.1
Adjusted operating income	$ 76.0	$ 31.9	$ 14.2	$ 122.1	$ (5.1)	$ 117.0
Adjusted operating margin	20.6 %	15.8 %	11.2 %	17.5 %		16.8 %

(a) Includes accelerated amortization of an intangible asset and severance charges.

- “Adjusted income from continuing operations” is defined as income from continuing operations attributable to ITT Inc. adjusted to exclude special items that include, but are not limited to, restructuring, severance, certain asset impairment charges, certain acquisition-related impacts, income tax settlements or adjustments, unusual or infrequent items and, for 2021, asbestos-related impacts. Special items represent charges or credits, on an after-tax basis, that impact current results, which management views as unrelated to the Company’s ongoing operations and performance. The after-tax basis of each special item is determined using the jurisdictional tax rate of where the expense or benefit occurred. “Adjusted income from continuing operations per diluted share” (Adjusted EPS) is defined as adjusted income from continuing operations divided by diluted weighted average common shares outstanding. We believe that adjusted income from continuing operations and adjusted EPS are useful to investors and other users of our financial statements in evaluating ongoing operating profitability, as well as in evaluating operating performance in relation to our competitors.

The following table includes reconciliations of income from continuing operations to adjusted income from continuing operations.

For the Three Months Ended		**April 2, 2022**		April 3, 2021
Income from continuing operations attributable to ITT Inc.	**$**	**74.8**	$	86.2
Impacts related to Russia-Ukraine conflict, net of tax benefit of $(1.7) and $0.0, respectively		**7.1**		—
Net asbestos-related costs, net of tax benefit of $0.0 and $(0.5), respectively[(a)]		**—**		1.9
Tax-related special items		**(1.2)**		—
Restructuring costs, net of tax benefit of $(0.1) and $(0.5), respectively		**0.2**		3.1
Other special items, net of tax benefit of $(0.4) and $(0.3), respectively		**2.0**		0.8
Adjusted income from continuing operations	**$**	**82.9**	$	92.0
Income from continuing operations attributable to ITT Inc. per diluted share (EPS)	**$**	**0.88**	$	0.99
Adjusted EPS	**$**	**0.97**	$	1.06

(a) See Note 17, Commitments and Contingencies, for further information.

RECENT ACCOUNTING PRONOUNCEMENTS

See Note 2, Recent Accounting Pronouncements, to the Consolidated Condensed Financial Statements for information on recent accounting pronouncements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. The Company believes the most complex and sensitive judgments, because of their significance to the Consolidated Condensed Financial Statements, result primarily from the need to make estimates about the effects of matters that are inherently uncertain. Management's Discussion and Analysis of Financial Condition and Results of Operations in the 2021 Annual Report describes the critical accounting estimates that are used in the preparation of the Consolidated Condensed Financial Statements. Actual results in these areas could differ from management's estimates. There have been no material changes concerning the Company's critical accounting estimates as described in our 2021 Annual Report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There has been no material change in the information concerning market risk as stated in our 2021 Annual Report. See Note 18, Derivative Financial Instruments, to the Consolidated Condensed Financial Statements for information on the Company's use of derivative financial instruments to mitigate exposure from foreign currency exchange rate fluctuations and commodity price fluctuations.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Chief Executive Officer and Chief Financial Officer of the Company have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the Exchange Act) as of the end of the period covered by this Report. Based on such evaluation, such officers have concluded that, as of the end of the period covered by this Report, the Company's disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during the period covered by this Report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we are involved in legal proceedings that are incidental to the operation of our business. For a discussion of legal proceedings, see Note 17, Commitments and Contingencies to the Consolidated Condensed Financial Statements.

ITEM 1A. RISK FACTORS

Reference is made to the risk factors set forth in Part I, Item 1A, “Risk Factors”, of our 2021 Annual Report, which are incorporated by reference herein. There have been no material changes with regard to the risk factors disclosed in such report, other than as noted below.

Russia’s invasion of Ukraine, and the global response to it, could adversely impact our financial results.

Beginning in February 2022, the U.S. government and other nations have imposed significant restrictions on most companies’ ability to do business in Russia as a result of Russia’s invasion of Ukraine. It is not possible to predict the broader or longer-term consequences of this conflict, which could include further sanctions, embargoes, regional instability and geopolitical shifts which could have further adverse effects on macroeconomic conditions, security conditions, currency exchange rates and financial markets. Furthermore, such events have the potential to adversely impact the availability of commodities, commodity prices, and exacerbate global inflationary pressures. Such geopolitical instability and uncertainty has had and could continue to have a negative impact on our ability to sell to, ship products to, collect payments from, and support customers in certain regions based on trade restrictions, embargoes and export control law restrictions. Logistics restrictions, including closures of air space, could increase the costs, risks, and adverse impacts from these new challenges. War-related inflationary pressures could further reduce our gross margins as a result of rising input costs. We may also be the subject of increased cyber-attacks as a result of the Russia-Ukraine conflict. In the first quarter of 2022, we suspended our operations in Russia and recorded charges of $8.8 primarily related to inventory and bad debt reserves. Annual sales to customers selling or supplying products to Russia or Ukraine, and reduced production of auto components made in Ukraine, were expected to be approximately $60 to $85 during 2022. A significant escalation or expansion of economic disruption or the conflict's current scope could have a material adverse effect on our business, financial condition, and results of operations.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On October 30, 2019, the Board of Directors approved an indefinite term $500 share repurchase program (the 2019 Plan). We intend to utilize the 2019 Plan in a manner that is consistent with our capital allocation process, which has centered on those investments necessary to grow our businesses organically and through acquisition, while also providing cash returns to shareholders.

Purchases of equity securities by the issuer and affiliated purchasers

(IN MILLIONS, EXCEPT PER SHARE AMOUNTS) PERIOD	TOTAL NUMBER OF SHARES PURCHASED(1)	AVERAGE PRICE PAID PER SHARE(2)	TOTAL NUMBER OF SHARES PURCHASED AS PART OF PUBLICLY ANNOUNCED PLANS OR PROGRAMS	APPROXIMATE DOLLAR VALUE OF SHARES THAT MAY YET BE PURCHASED UNDER THE PLANS OR PROGRAMS
1/1/2022 - 1/29/2022	0.3	$ 102.12	0.3	$ 357.3
1/30/2022 - 2/26/2022	0.8	$ 87.23	0.8	$ 286.2
2/27/2022 - 4/2/2022	1.0	$ 80.24	1.0	$ 206.2

(1) Includes shares purchased in settlement of employee tax withholding obligations due upon the vesting of RSUs and PSUs.

(2) Average price paid per share is calculated on a settlement basis and includes commissions.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Disclosure pursuant to Section 219 of the Iran Threat Reduction & Syria Human Rights Act (ITRA)

This disclosure is made pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012 which added subsection (r) to Section 13 of the Exchange Act (Section 13(r)). Section 13(r) requires an issuer to disclose in its annual or quarterly reports whether it or any of its affiliates have knowingly engaged in certain activities, transactions or dealings relating to Iran. Disclosure of such activities, transactions or dealings is required even when conducted outside the United States by non-U.S. persons in compliance with applicable law, and whether or not such activities are sanctionable under U.S. law.

In its 2012 Annual Report, ITT described its acquisition of all the shares of Joh. Heinr. Bornemann GmbH (Bornemann) in November 2012, as well as certain activities of Bornemann in Iran and the wind down of those activities in accordance with a General License issued on December 26, 2012 by the Office of Foreign Assets Control (the General License). As permitted by the General License, on or before March 8, 2013, Bornemann completed the wind-down activities and ceased all activities in Iran. As required to be disclosed by Section 13(r), the gross revenues and operating income to Bornemann from its Iranian activities subsequent to its acquisition by ITT were €2.2 million euros and €1.5 million euros, respectively. Prior to its acquisition by ITT, Bornemann issued a performance bond to its Iranian customer in the amount of €1.3 million euros (the Bond). Bornemann requested that the Bond be canceled prior to March 8, 2013; however, the former customer refused this request and as a result the Bond remains outstanding. Bornemann did not receive gross revenues or operating income, or pay interest, with respect to the Bond in any subsequent periods through April 2, 2022, however, Bornemann did pay fees of approximately €1 thousand euros during the three months ended April 2, 2022 and approximately €10 thousand euros during 2021 to the German financial institution which is maintaining the Bond.

ITEM 6. EXHIBITS

EXHIBIT NUMBER	DESCRIPTION
(10.1)*	Form of 2022 Performance Unit Award Agreement
(10.2)*	Form of 2022 Restricted Stock Unit Agreement
(31.1)	Certification pursuant to Rule 13a-14(a)/15d-14 (a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
(31.2)	Certification pursuant to Rule 13a-14(a)/15d-14 (a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
(32.1)	Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(32.2)	Certification 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 ITT Inc.'s Quarterly Report on Form 10-Q for the quarter ended April 2, 2022, formatted in Inline XBRL (Inline Extensible Business Reporting Language): (i) Consolidated Condensed Statements of Operations, (ii) Consolidated Condensed Statements of Comprehensive Income, (iii) Consolidated Condensed Balance Sheets, (iv) Consolidated Condensed Statements of Cash Flows, (v) Consolidated Condensed Statements of Changes in Shareholders' Equity, (vi) Notes to Consolidated Condensed Financial Statements, and (vii) Cover Page
(104)	The cover page from the Quarterly Report on Form 10-Q for the quarter ended April 2, 2022, formatted in Inline XBRL (included in Exhibit 101).

*Management compensatory plan

SIGNATURE

Pursuant to the requirements 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.

ITT Inc.

(Registrant)

By: /s/ John Capela

John Capela
Chief Accounting Officer
(Principal Accounting Officer)

May 3, 2022

ITT INC. 2011 OMNIBUS INCENTIVE PLAN
PERFORMANCE UNIT AWARD AGREEMENT

THIS AGREEMENT (the "Agreement"), effective as of the **4th** day of **March 2022**, by and between ITT Inc. (the "Company") and _______________ (the "Participant"),

WITNESSETH:

WHEREAS, the Participant is now employed by the Company or an Affiliate (as defined in the Company's 2011 Omnibus Incentive Plan (the "Plan")) as an employee, and in recognition of the Participant's valued services, the Company, through the Compensation and Human Capital Committee of its Board of Directors (the "Committee"), desires to provide an inducement to remain in service of the Company and as an incentive for increased efforts during such service pursuant to the provisions of the Plan.

NOW, THEREFORE, in consideration of the terms and conditions set forth in this Agreement and the provisions of the Plan, which is incorporated herein as part of this Agreement and which provides definitions for capitalized terms not otherwise defined herein, and any administrative rules and regulations related to the Plan as may be adopted by the Committee, the parties hereto hereby agree as follows:

1. **Grant of Award and Performance Period**. In accordance with, and subject to, the terms and conditions of the Plan and this Agreement, the Company hereby grants to the Participant this performance unit award (the "Award"). A performance unit corresponds to the right to receive one Share, subject to the terms of the Award. The target number of performance units subject to this Award is _______________ (the "Target Units"). The actual number of performance units that will be settled under this Award will depend upon the achievement of the performance goals described in Section 2 of this Agreement during the Performance Period, which for this Award commences **January 1, 2022** and ends **December 31, 2024**.

2. **Terms and Conditions**. It is understood and agreed that this Award is subject to the following terms and conditions:

   (a) **Determination of Performance Unit Award Payout**. The "Performance Unit Award Payout" shall be the sum of the TSR Unit Payout and the ROIC Unit Payout, each as described below.

      (i) *TSR Unit Payout*. 50% of the Target Units shall be "TSR Target Units." The performance units calculated with respect to the TSR Target Units shall be determined in accordance with the following formula:

TSR Unit Payout = TSR Payout Factor x TSR Target Units

The "TSR Payout Factor" is based on the Company's Total Shareholder Return (defined and measured as described below, the "TSR") for the Performance Period relative to the TSR for each company (x) in the S&P 400 Capital Goods Index and (y) listed on Appendix A ((x) and (y) collectively, the "Peer Group"), determined in accordance with the following table:

If Company's TSR rank against the Peer Group is	TSR Payout Factor (% of TSR Target Units)
less than the 35th percentile	0%
at the 35th percentile	50%
at the 50th percentile	100%
at the 80th percentile or more	200%
The TSR Payout Factor is interpolated for actual results between the 35th percentile and the 80th percentile shown above.	

"Total Shareholder Return" is the percentage change in value of a shareholder's investment in the Company's common stock from the beginning to the end of the Performance Period, assuming reinvestment of dividends and any other shareholder payouts during the Performance Period. For purposes of this Agreement, the stock price at the beginning of the Performance Period will be the average closing stock price over the trading days in the month immediately preceding the start of the Performance Period, and the stock price at the end of the Performance Period will be the average closing stock price over the trading days in the last month of the Performance Period.

(ii) *ROIC Unit Payout*. 50% of the Target Units shall be "ROIC Target Units." The performance units calculated with respect to the ROIC Target Units shall be determined in accordance with the following formula:

ROIC Unit Payout = ROIC Payout Factor x ROIC Target Units

The "ROIC Payout Factor" is based on the Company's Return on Invested Capital (defined and measured as described below, the "ROIC").

ROIC will be calculated following each year of the Performance Period and the annual results will be averaged to yield the final "Average ROIC". ROIC will be calculated as a percentage calculated by dividing (A) income from continuing operations attributable to the Company, after income taxes, adjusted to exclude the impact from special items, interest expense, and amortization expense from intangible assets by (B) average total assets of continuing operations, less asbestos-related assets (including deferred tax assets on asbestos-related matters) and non-interest bearing current liabilities (excluding asbestos-related current liabilities) for the five preceding quarterly periods. Special items represent significant charges or credits that impact results, but may not be related to the Company's ongoing operations and performance, as disclosed in the Company's filings with the Securities and Exchange Commission.

The "ROIC Payout Factor" is determined in accordance with the following table:

Average ROIC Targets	ROIC Payout Factor (% of ROIC Target Units)
15.8%	200%
14.4%	100%
13.0%	50%
Less than 13.0%	0%
The ROIC Payout Factor has a maximum of 200%. Actual results will be interpolated between the points shown above.	

The Average ROIC Targets set forth in the table above will be automatically adjusted annually during the Performance Period for material acquisitions or divestitures, or other one-time events, such as the 2020 pension termination, or material changes in laws, regulations or accounting principles. Such adjustment will reflect the impacts of such acquisition, divestiture or other event in accordance with the acquisition projections or applicable strategic or operating plan.

(b) **Form and Timing of Payment of Award**. Payment with respect to an earned Performance Unit Award shall be made (i) as soon as practicable (but not later than March 15^{th}) in the calendar year following the close of the Performance Period, and (ii) in Shares in an amount equal to the Performance Unit Award Payout, as determined under this Section 2, in each case subject to subsections 2(d) and 2(e).

(c) **Effect of Termination of Employment**. Except as otherwise provided below (each provision of which is subject to the Committee's discretion), if the Participant's employment with the Company or an Affiliate of the Company is terminated for any reason prior to the end of the Performance Period, any Award subject to this Agreement shall be immediately forfeited.

(i) Termination due to Death or Disability. If the Participant's termination of employment is due to death or Disability (as defined below), the Award shall vest and will be payable at the time and in the form as provided in subsection 2(b) above and shall be based on the performance criteria set forth in subsection 2(a) above as measured for the entire Performance Period.

(ii) Termination due to Early Retirement. If the Participant's termination of employment is due to Early Retirement (as defined below), then a prorated portion of the Award shall vest in accordance with the provisions of this subsection and will be payable at the time and in the form as provided in subsection 2(b) above. The prorated portion of the Award that vests due to termination of the Participant's employment due to Early Retirement shall be determined by multiplying (i) the Performance Unit Award Payout determined pursuant to subsection 2(a) above for the entire Performance Period, by (ii) a fraction, the numerator of which is the number of full months the Participant has been continually employed since the beginning of the Performance Period and the denominator of which is 36. For this purpose, full months of employment shall be based on monthly anniversaries of the commencement of the Performance Period.

(iii) Termination by the Company for Other than Cause. If the Participant's employment is terminated by the Company (or an Affiliate of the Company, as the case may be) for other than Cause, a prorated portion of the Award shall vest in accordance with the provisions of this subsection and will be payable at the time and in the form as provided in subsection 2(b) above. The prorated portion of the Award that vests due to termination of the Participant's employment by the Company for other than cause shall be determined by multiplying (i) the Performance Unit Award Payout determined pursuant to subsection 2(a) above for the entire Performance Period, by (ii) a fraction, the numerator of which is the number of full months the Participant has been continually employed since the beginning of the Performance Period and the denominator of which is 36. For this purpose, full months of employment shall be based on monthly anniversaries of the commencement of the Performance Period. The term "Cause" shall mean "cause" as defined in any employment agreement then in effect between the Participant and the Company, or if not defined therein, or if there is no such agreement, the Participant's (a) embezzlement, misappropriation of corporate funds, or other material acts of dishonesty; (b) commission or conviction of any felony, or of any misdemeanor involving moral turpitude, or entry of a plea of guilty or nolo contendere to any felony or misdemeanor; (c) engagement in any activity that the Participant knows or should know could harm the business or reputation of the Company or an affiliate; (d) material failure to adhere to the Company's or its subsidiaries' or affiliates' corporate codes, policies or procedures as in effect from time to time; (e) willful failure to perform the Participant's assigned duties, repeated absenteeism or tardiness, insubordination, or the refusal or failure to comply with the directions or instructions of the Participant's supervisor, as determined by the Company or an affiliate; (f) violation of any statutory, contractual, or common law duty or obligation to the Company or an affiliate, including, without limitation, the duty of loyalty; (g) the Participant's violation of any of the applicable provisions of subsection 2(i) of this Agreement; or (h) material breach of any confidentiality or non-competition covenant entered into between the Participant and the Company or an affiliate. The determination of the existence of Cause shall be made by the Company in good faith, and such determination shall be conclusive for purposes of this Agreement.

(iv) Termination Due to Normal Retirement.

(A) After First 12 Months. If the Participant's separation from service is due to Normal Retirement (as defined below), and the separation from service occurs at least twelve (12) months after the first day of the Performance Period, the Award shall vest and will be payable in the amount determined pursuant to subsection 2(a) at the time and in the form as provided in subsection 2(b) above.

(B) Within First 12 Months. If the Participant's separation from service is due to Normal Retirement, and the separation from service occurs within the first twelve (12) months of the Performance Period, then a prorated portion of the Award shall vest in accordance with the provisions of this subsection and will be payable at the time and in the form as provided in subsection 2(b) above. The prorated portion of the Award that vests in accordance with the previous sentence shall be determined by multiplying (i) the Performance Unit Award Payout determined pursuant to subsection 2(a) above for the entire Performance Period, by (ii) a fraction, the numerator of which is the number of full months the Participant has been continually employed since the beginning of the Performance Period and the denominator of which is 12. For this purpose, full months of employment shall be based on monthly anniversaries of the commencement of the Performance Period.

(v) Early and Normal Retirement. For purposes of this Agreement, the term "Early Retirement" shall mean any termination of the Participant's employment (other than a Normal Retirement) after the date the Participant attains age 55 and completes 10 or more years of Effective Service (as such term is defined in the ITT Retirement Savings Plan for Salaried Employees). The term "Normal Retirement" shall mean any termination of the Participant's employment after (A) the date the Participant attains age 62 and completes 10 or more years of Effective Service (as such term is defined in the ITT Retirement Savings Plan for Salaried Employees) or, if earlier, (B) the date the Participant attains age 65.

(vi) Disability. For purposes of this Agreement, the term "Disability" shall mean the complete and permanent inability of the Participant to perform all of his or her duties under the terms of his or her employment, as determined by the Committee upon the basis of such evidence, including independent medical reports and data, as the Committee deems appropriate or necessary.

(d) **Acceleration Event - Involuntary Termination of Employment Without Cause or Termination With Good Reason**.

(i) Vesting. Notwithstanding anything in the Plan to the contrary other than subsection 2(e)(i) (but subject to the Committee's discretion), if, during the Performance Period, the Participant's employment is terminated on or within two (2) years after an Acceleration Event (A) by the Company (or an Affiliate, as the case may be) for other than Cause, as defined herein, and not because of the Participant's Early or Normal Retirement, Disability, or death, or (B) by the Participant because of Good Reason, then the Award shall become fully vested and valued as provided below in this subsection 2(d) and shall be paid at the time specified in subsection 2(b).

(ii) Payment Amount. Notwithstanding any provisions of this Agreement to the contrary, the value of the Performance Unit Award Payout payable under this subsection 2(d) shall be equal to the greater of (A) the "most recent share price" multiplied by the sum of (I) 50% of the Target Units multiplied by the TSR Payout Factor for the "most recent performance period" and (II) 50% of the Target Units multiplied by the ROIC Payout Factor for the "most recent performance period" or (B) the "most recent share price" multiplied by the Target Units. For this purpose, "most recent share price" means the market price of a Share on the date of the Acceleration Event, and "most recent performance period" means the performance period with respect to a similar performance-based award of the Company that most recently ended before the termination of employment.

(iii) Good Reason. For this purpose, the term "Good Reason" shall mean (A) without the Participant's express written consent and excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company or its affiliates within 30 days after receipt of notice thereof given by the Participant, (I) a reduction in the Participant's annual base compensation (whether or not deferred), (II) the assignment to the Participant of any duties inconsistent in any material respect with the Participant's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities, or (III) any other action by the Company or its affiliates that results in a material diminution in such position, authority, duties or responsibilities; or (B) without the Participant's express written consent, the Company's requiring the Participant's primary work location to be other than within twenty-five (25) miles of the location where the Participant was principally working immediately prior to the Acceleration Event; provided, that "Good Reason" shall cease to exist for an event on the 90th day following the later of its occurrence or the Participant's knowledge thereof, unless the Participant has given the Company notice thereof prior to such date.

(e) **Other Payments After an Acceleration Event.**

(i) Going Private Transaction. If an Acceleration Event occurs that constitutes a change in control under Section 409A of the Code and any related regulations or other effective guidance promulgated thereunder ("Section 409A") and, immediately following the Acceleration Event the common stock of the Company (or, if applicable, its successor) is not publicly traded, the Award shall immediately become 100% vested as of the date of the Acceleration Event and be settled in cash on such date in the amount described in clause (iii) below.

(ii) Other Acceleration Event. If clause (i) above does not apply and a Performance Period ends after the occurrence of an Acceleration Event, then, notwithstanding any provisions of this Agreement to the contrary (except as provided in subsection 2(d), and subject to the Committee's discretion), the Award shall be settled at the time provided in subsection 2(b) in the amount determined under clause (iii) below.

(iii) Amount. In the event of a payment under clause (i) or clause (ii), above, the value of the Performance Unit Award Payout payable at a time otherwise provided herein shall be equal to the greater of (A) the "most recent share price" multiplied by the sum of (I) 50% of the Target Units multiplied by the TSR Payout Factor for the "most recent performance period" and (II) 50% of the Target Units multiplied by the ROIC Payout Factor for the "most recent performance period" or (B) the "most recent share price" multiplied by the Target Units. For this purpose, "most recent share price" means the market price of a Share on the date of the Acceleration Event, and "most recent performance period" means the performance period with respect to a similar performance-based award of the Company that most recently ended before the Acceleration Event.

(f) **Tax Withholding**. Payments with respect to Awards under the Plan shall be subject to applicable tax withholding obligations as described in Article 15 of the Plan, or, if the Plan is amended, successor provisions.

(g) **No Shareholder Rights**. The Participant shall not be entitled to any rights or privileges of ownership of Shares with respect to this Award unless and until a Share is actually delivered to the Participant in settlement of this Award pursuant to this Agreement.

(h) **Participant Bound by Plan and Rules**. The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement and agrees to be bound by the terms and provisions thereof. The Participant agrees to be bound by any rules and regulations for administering the Plan as may be adopted by the Committee prior to the settlement of the Award subject to this Agreement. The Committee shall be authorized to make all necessary interpretations concerning the provisions of this Agreement and the proper application of those provisions to particular fact patterns, including but not limited to the basis for the Participant's termination of employment, and any such interpretation shall be final.

(i) **Non-Competition, Non-Solicitation and Non-Disparagement.** In consideration of the Company entering into this Agreement with the Participant, the Participant agrees as follows:

(i) During Participant's employment with the Company (which, for purposes of this subsection 2(i) includes its subsidiaries), Participant will not, directly or indirectly, except for on behalf of the Company or except with the prior written approval of the Company, either as an employee, employer, consultant, agent, principal, partner, stockholder, member, corporate officer, director or in any other individual or representative capacity, engage or attempt to engage in any competitive activity relating to the Company's business or products, or to its actual or demonstrably anticipated research or development, nor will Participant engage in any other activities that conflict with Participant's employment obligations to the Company, where such activities (other employment, occupations, consulting, business activities, commitments, anticipated research or development, or conflicts) violate ITT's Code of Conduct. Activities and commitments as used herein do not include passive investments in stocks or other financial instruments.

(ii) During Participant's employment and for a period of twelve (12) months following the termination of Participant's employment with the Company for any reason, Participant agrees that Participant will not within the Restricted Area, directly or indirectly, except with the Company's prior written approval from an authorized officer, either as an employee, employer, consultant, agent, principal, partner, stockholder, member, corporate officer, director or in any other individual or representative capacity, engage or attempt to engage in any Competitive Activity relating to the Company's business or products, or to its actual or demonstrably anticipated research or development. For the purposes of this subparagraph, "Competitive Activity" shall mean perform services for, have an interest in, be employed by, or do business with (including as a consultant), any person, firm, or corporation engaged in the same or a similar business as the Company's within the Restricted Area. For purposes of this Agreement, "Restricted Area" shall mean, any area in which the Company has transacted business for the twelve (12) months prior to Participant's termination of employment, which includes, but is not limited to, the state(s) in which Participant worked on behalf of the Company, the United States, Australia, Argentina, Brazil, Canada, Chile, China, Columbia, Czech Republic, Denmark, Egypt, France, Germany, Greece, Hong Kong, India, Indonesia, Italy, Japan, Republic of Korea, Luxembourg, Mexico, Netherlands, Peru, Poland, Russia, Saudi Arabia, Singapore, Spain, Taiwan, Thailand, United Arab Emirates, United Kingdom, Venezuela and such other countries as the Company is now conducting and may expand its business from time to time.

(iii) Throughout the Participant's term of employment with the Company and for a period of twelve (12) months following the Participant's termination of employment with the Company for any reason, the Participant shall not, directly or indirectly, divert or attempt to divert or assist others in diverting any business of the Company including by soliciting, contacting or communicating with any customer or supplier of the Company with whom the Participant has direct or indirect contact or upon termination of employment has had direct or indirect contact during the twelve (12) month period immediately preceding the Participant's date of termination with the Company.

(iv) During Participant's employment and for a period of twelve (12) months following Participant's termination of employment with the Company for any reason, the Participant shall not, directly or indirectly, hire, solicit, induce, attempt to induce or assist others in attempting to induce any employee of the Company with whom the Participant has worked or had material contact with, during the twelve (12) month period immediately preceding the termination of the Participant's employment, to leave the employment of the Company or to accept employment or affiliation with (including as a consultant) any other company or firm of which the Participant becomes an employee, owner, partner or consultant.

(v) Participant agrees not to make or publish any maliciously defamatory statements about the Company, including any current, former or future managers or representatives.

(vi) Participant agrees that damages in the event of a breach by Participant of Participant's obligations in this Agreement, including in this subsection 2(j), would be difficult if not impossible to ascertain, and that any such breach will result in irreparable and continuing damage to the Company. Therefore, Participant agrees that the Company, in addition to and without limiting any other remedy or right it may have, shall have the right to an immediate injunction or other equitable relief (without posting bond or other form of security) in the Chosen Courts (as defined below) enjoining any such threatened or actual breach. The existence of this right shall not preclude the Company from also pursuing any other rights and remedies at law or in equity that it may have.

(vii) If the Participant violates the terms of this subsection 2(i), then, in addition to any other remedy the Company might have, no amount shall be due to the Participant under this Agreement and the Participant shall be required to repay to the Company all amounts and Shares paid under this Agreement (or proceeds from Shares, if applicable).

(viii) Notice to Attorneys. For a Participant who is an attorney, the provisions in subsection 2(i)(ii) will apply only to prohibit Participant's employment for twelve (12) months in any position in the Restricted Area that involves non-legal responsibilities similar to those performed for the Company, or that would involve or risk the use or disclosure of the Company's attorney-client privileged or other Confidential Information, as defined in the Participant's respective confidentiality agreement with the Company. This restriction and the other restrictions in subsection 2(i) are not intended to bar Participant from performing solely legal functions for any entity or client, provided that work does not involve or risk the disclosure of the Company's attorney-client privileged information or other Confidential Information.

(j) **Governing Law**. This Agreement is issued in White Plains, New York, and shall be governed and construed in accordance with the laws of the State of New York, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

(k) **Jurisdiction**. Participant hereby consents to the personal jurisdiction of and venue in the state and federal courts in the state of New York (collectively, the "Chosen Courts"), and agrees that such Chosen Courts shall have exclusive jurisdiction to hear and determine or settle any dispute that may arise out of or in connection with this Agreement, and that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chosen Courts.

(l) **Attorneys' Fees**. If any action or proceeding is commenced to construe or enforce this Agreement or the rights and duties of the parties hereunder, then the party prevailing in that action will be entitled to recover its reasonable attorneys' fees and costs related to such action or proceeding.

(m) **Severability**. Any term or provision of this Agreement that is determined to be invalid or unenforceable by any court of competent jurisdiction in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction and such invalid or unenforceable provision shall be modified by such court so that it is enforceable to the extent permitted by applicable law.

(n) **Section 409A Compliance**. To the extent applicable, it is intended that the Plan and this Agreement comply with the requirements of Section 409A, and the Plan and this Agreement shall be interpreted accordingly.

(i) If it is determined that all or a portion of the Award constitutes deferred compensation for purposes of Section 409A, and if the Participant is a "specified employee," as defined in Section 409A(a)(2)(B)(i) of the Code, at the time of the Participant's separation from service, then, to the extent required under Section 409A, any portion of this Award that would otherwise be distributed upon the Participant's termination of employment, shall instead be distributed on the earlier of (x) the first business day of the seventh month following the date of the Participant's termination of employment or (y) the Participant's death.

(ii) It is intended that this Agreement shall comply with the provisions of Section 409A, or an exception to Section 409A, to the extent applicable, so as not to subject the Participant to the payment of interest and taxes under Section 409A. Further, any reference to termination of employment, Early Retirement, Normal Retirement, separation from service, or similar terms under this Agreement shall be interpreted in a manner consistent with the definition of "separation from service" under Section 409A.

(o) **Successors**. All obligations of the Company under this Agreement shall be binding on any successor to the Company, and the term "Company" shall include any successor.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its Chief Executive Officer, President or a Vice President, as of the **4th** day of **March 2022**.

Agreed to: **ITT Inc.**

/s/ Luca Savi

____
Participant

Dated: _________________ Dated: March 4, 2022

EXHIBIT 10.1

Appendix A

TSR ADDITIONAL PEER GROUP Companies

Auto-Related	**Flow/Pump Related**
Akebono	Circor
Allison	KSB
Brembo	Sulzer
Cooper-Standard	Weir
Dana	
Meritor	
Sensata	
Tenneco	
Visteon	

If (i) any TSR Additional Peer Group company's TSR shall cease to be publicly available (due to a business combination, receivership, bankruptcy or other event) or (ii) if any such company is no longer publicly traded or (iii) if as a result of a spin-off, divestiture or other business transaction any such resulting company is no longer comparable to the Company due to a significant reduction in revenue or market capitalization or elimination of comparable lines of business, then in each case the Compensation & Personnel Committee of the Company shall exclude that company from the TSR Additional Peer Group.

EXHIBIT 10.2

ITT INC.
2011 OMNIBUS INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT

THIS AGREEMENT (the “Agreement”), effective as of the **4th** day of **March, 2022**, by and between ITT Inc. (the “Company”) and _______________ (the “Grantee”),

WITNESSETH:

WHEREAS, the Grantee is now employed by the Company or an Affiliate (as defined in the Company’s 2011 Omnibus Incentive Plan (the “Plan”)) as an employee, and in recognition of the Grantee’s valued services, the Company, through the Compensation and Human Capital Committee of its Board of Directors (the “Committee”), desires to provide an inducement to remain in service of the Company and as an incentive for increased efforts during such service pursuant to the provisions of the Plan.

NOW, THEREFORE, in consideration of the terms and conditions set forth in this Agreement and the provisions of the Plan, a copy of which is attached hereto and incorporated herein as part of this Agreement and which provides definitions for capitalized terms not otherwise defined herein, and any administrative rules and regulations related to the Plan as may be adopted by the Committee, the parties hereto hereby agree as follows:

1. **Grant of Restricted Stock Units**. In accordance with, and subject to, the terms and conditions of the Plan and this Agreement, the Company hereby confirms the grant on **March 4, 2022** (the “Grant Date”) to the Grantee of _______________ Restricted Stock Units. The Restricted Stock Units are notional units of measurement corresponding to Shares of common stock (*i.e*., one Restricted Stock Unit is equivalent in value to one Share).

   The Restricted Stock Units represent an unfunded, unsecured right to receive Shares (and dividend equivalent payments pursuant Section 2(b) hereof) in the future if the conditions set forth in the Plan and this Agreement are satisfied.

2. **Terms and Conditions**. It is understood and agreed that the Restricted Stock Units are subject to the following terms and conditions:

   (a) **Restrictions**. Except as otherwise provided in the Plan and this Agreement, neither this Award nor any Restricted Stock Units subject to this Award may be sold, assigned, pledged, exchanged, transferred, hypothecated or encumbered, other than to the Company as a result of forfeiture of the Restricted Stock Units.

   (b) **Voting and Dividend Equivalent Rights.** The Grantee shall not have any privileges of a stockholder of the Company with respect to the Restricted Stock Units, including without limitation any right to vote Shares or to receive dividends. Dividend equivalents shall be earned with respect to each Restricted Stock Unit that vests. The amount of dividend equivalents earned with respect to each such Restricted Stock Unit that vests shall be equal to the total dividends declared on a Share where the record date of the dividend is between the Grant

Date of this Award and the date this Award is settled. Any dividend equivalents earned shall be paid in cash to the Grantee when the Shares subject to the vested Restricted Stock Units are issued. No dividend equivalents shall be earned or paid with respect to any Restricted Stock Units that do not vest. Dividend equivalents shall not accrue interest.

(c) **Vesting of Restricted Stock Units and Payment**.

(i) Vesting. Subject to earlier vesting pursuant to subsection 2(d) below, the Restricted Stock Units shall vest (meaning the Period of Restriction shall lapse and the Restricted Stock Units shall become free of the forfeiture provisions in this Agreement) on **March 4, 2025,** provided the Grantee has been continuously employed by the Company or an Affiliate on a full-time basis from the Grant Date through the date the Restricted Stock Units vest. For the avoidance of doubt, continuous employment of a Grantee by the Company or an Affiliate for purposes of vesting in the Restricted Stock Units granted hereunder shall include continuous employment with the Company for so long as the Grantee continues working at such entity.

(ii) Payment of the Award. Except as provided in subsection 2(l) below, as soon as practicable after the date the Restricted Stock Units vest (including vesting upon a separation from service pursuant to subsection 2(d) below), the Company will deliver to the Grantee (A) one Share for each vested Restricted Stock Unit, with any fractional Shares resulting from proration pursuant to subsection 2(d) to be rounded to the nearest whole Share (with 0.5 to be rounded up) and (B) an amount in cash attributable to any dividend equivalents earned in accordance with subsection 2(b) above, in the case of (A) and (B) less any Shares or cash withheld in accordance with subsection 2(e) below.

(iii) Payment after Acceleration Event. If, prior to the payment date, Shares cease to exist as a result of an Acceleration Event and this Award is not assumed, converted, or otherwise replaced with a comparable award, the RSUs shall be settled in cash instead of Shares, and the amount of cash paid on the settlement date specified in this Agreement shall equal the sum of (A) the Fair Market Value of one Share multiplied by the number of vested RSUs, plus (B) the dividend equivalents described herein. For this purpose, “Fair Market Value” shall be the fair market value on the date of the Acceleration Event. However, if the Acceleration Event constitutes a change in control under Section 409A of the Code and any related regulations or other effective guidance promulgated thereunder (“Section 409A”) and, immediately following the Acceleration Event the common stock of the Company (or, if applicable, its successor) is not publicly traded, the Restricted Stock Units shall immediately become 100% vested as of the date of the Acceleration Event and be settled on such date.

(d) **Effect of Termination of Employment**. If the Grantee's employment with the Company and its Affiliates is terminated for any reason and such termination constitutes a “separation from service” within the meaning of Section 409A, any Restricted Stock Units that are not vested at the time of such separation from service shall be immediately forfeited except as follows:

(i) Separation from Service due to Death or Disability. If the Grantee's separation from service is due to death or Disability (as defined below), the Restricted Stock Units shall immediately become 100% vested as of such separation from service. For purposes of this Agreement, the term “Disability” shall mean the complete and permanent inability of the Grantee to perform all of his or her duties under the terms of his or her employment, as determined by the Committee upon the basis of such evidence, including independent medical reports and data, as the Committee deems appropriate or necessary.

(ii) Separation from Service due to Early Retirement or Separation from Service by the Company for Other than Cause. If the Grantee's separation from service is due to Early Retirement (as defined below) or an involuntary separation from service by the Company (or an Affiliate, as the case may be) for other than Cause (other than as specified in (iv), below), a prorated portion of the Restricted Stock Units shall immediately vest as of such separation from service. For these purposes,

(A) the prorated portion of the Restricted Stock Units shall be determined by multiplying the total number of Restricted Stock Units subject to this Award by a fraction, the numerator of which is the number of full months during which the Grantee has been continually employed since the Grant Date (not to exceed **36** in the aggregate) and the denominator of which is **36** (for avoidance of doubt, the period during which the Grantee may receive severance in the form of salary continuation or otherwise shall not affect the determination of the date of the Grantee’s separation from service or the date this award is settled); and

(B) full months of employment shall be based on monthly anniversaries of the Grant Date, not calendar months.

For purposes of this Agreement, the term “Early Retirement” shall mean any termination (other than a Normal Retirement) of the Grantee’s employment after the date the Grantee attains age 55 and completes 10 or more years of Effective Service (as such term is defined in the ITT Retirement Savings Plan). The term “Cause” shall mean “cause” as defined in any employment agreement then in effect between the Grantee and the Company, or if not defined therein, or if there is no such agreement, the Grantee’s (a) embezzlement, misappropriation of corporate funds, or other material acts of dishonesty; (b) commission or conviction of any felony, or of any misdemeanor involving moral turpitude, or entry of a plea of guilty or nolo contendere to any felony or misdemeanor; (c) engagement in any activity that the Grantee knows or should know could harm the business or reputation of the Company or an affiliate; (d) material failure to adhere to the Company's or its subsidiaries' or affiliates' corporate codes, policies or procedures as in effect from time to time; (e) willful failure to perform the Grantee's assigned duties, repeated absenteeism or tardiness, insubordination, or the refusal or failure to comply with the directions or instructions of the Grantee's supervisor, as determined by the Company or an affiliate; (f) violation of any statutory, contractual, or common law duty or obligation to the Company or an affiliate, including, without limitation, the duty of loyalty; (g) the Grantee's violation of any of the applicable provisions of subsection 2(g) of this Agreement; or (h) material breach of any confidentiality or non-competition covenant entered into between the Grantee and the Company or an affiliate. The determination of the existence of Cause shall be made by the Company in good faith, and such determination shall be conclusive for purposes of this Agreement.

(iii) <u>Separation from Service Due to Normal Retirement</u>. If the Grantee's separation from service is due to Normal Retirement (as defined below), and the separation from service occurs at least twelve (12) months after the Grant Date, the Grantee's Restricted Stock Units shall immediately become 100% vested as of such separation from service. If the Grantee's separation from service is due to Normal Retirement and the separation from service occurs within the twelve (12) month period beginning on the Grant Date, a prorated portion of the Restricted Stock Units shall immediately vest as of such separation from service in an amount equal to the number of Restricted Stock Units granted herein multiplied by a fraction, the numerator of which is the number of full months in such twelve (12) month period that were completed before the Grantee's separation and the denominator of which is twelve (12). For this purpose, full months of employment shall be based on monthly anniversaries of the Grant Date, not calendar months.

For purposes of this Agreement, the term "Normal Retirement" shall mean any termination of the Grantee's employment after (A) the date the Grantee attains age 62 and completes 10 or more years of Effective Service (as such term is defined in the ITT Retirement Savings Plan) or, if earlier, (B) the date the Grantee attains age 65.

(iv) <u>Separation from Service After an Acceleration Event</u>. If the Grantee's employment is terminated on or within two (2) years after an Acceleration Event (A) by the Company (or an Affiliate, as the case may be) for other than Cause, as defined herein, and not because of the Grantee's Early or Normal Retirement, Disability, or death, or (B) by the Grantee because of Good Reason, then any unvested Restricted Stock Units shall immediately become 100% vested. For this purpose, the term "Good Reason" shall mean (i) without the Grantee's express written consent and excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company or its affiliates within 30 days after receipt of notice thereof given by the Grantee, (a) a reduction in the Grantee's annual base compensation (whether or not deferred), (b) the assignment to the Grantee of any duties inconsistent in any material respect with the Grantee's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities, or (c) any other action by the Company or its affiliates that results in a material diminution in such position, authority, duties or responsibilities; or (ii) without the Grantee's express written consent, the Company's requiring the Grantee's primary work location to be other than within twenty-five (25) miles of the location where the Grantee was principally working immediately prior to the Acceleration Event; provided, that "Good Reason" shall cease to exist for an event on the 90th day following the later of its occurrence or the Grantee's knowledge thereof, unless the Grantee has given the Company notice thereof prior to such date.

(e) **Tax Withholding**. In accordance with Article 15 of the Plan, the Company may make such provisions and take such actions as it may deem necessary for the withholding of all applicable taxes attributable to the Restricted Stock Units and any related dividend equivalents.

(f) **Grantee Bound by Plan and Rules**. The Grantee hereby acknowledges receipt of a copy of the Plan and this Agreement and agrees to be bound by the terms and provisions thereof. The Grantee agrees to be bound by any rules and regulations for administering the Plan as may be adopted by the Committee prior to the date the Restricted Stock Units vest. The Committee shall be authorized to make all necessary interpretations concerning the provisions of this Agreement and the proper application of those provisions to particular fact patterns, including but not limited to the basis for the Grantee's termination of employment, and any such interpretation shall be final. Terms used herein and not otherwise defined shall be as defined in the Plan.

(g) **Non-Competition, Non-Solicitation and Non-Disparagement.** In consideration of the Company entering into this Agreement with the Grantee, the Grantee agrees as follows:

(i) During Grantee's employment with the Company (which, for purposes of this subsection 2(g) includes its subsidiaries), Grantee will not, directly or indirectly, except for on behalf of the Company or except with the prior written approval of the Company, either as an employee, employer, consultant, agent, principal, partner, stockholder, member, corporate officer, director or in any other individual or representative capacity, engage or attempt to engage in any competitive activity relating to the Company's business or products, or to its actual or demonstrably anticipated research or development, nor will Grantee engage in any other activities that conflict with Grantee's employment obligations to the Company, where such activities (other employment, occupations, consulting, business activities, commitments, anticipated research or development, or conflicts) violate ITT's Code of Conduct. Activities and commitments as used herein do not include passive investments in stocks or other financial instruments.

(ii) During Grantee's employment and for a period of twelve (12) months following the termination of Grantee's employment with the Company for any reason, Grantee agrees that Grantee will not within the Restricted Area, directly or indirectly, except with the Company's prior written approval from an authorized officer, either as an employee, employer, consultant, agent, principal, partner, stockholder, member, corporate officer, director or in any other individual or representative capacity, engage or attempt to engage in any Competitive Activity relating to the Company's business or products, or to its actual or demonstrably anticipated research or development. For the purposes of this subparagraph, "Competitive Activity" shall mean perform services for, have an interest in, be employed by, or do business with (including as a consultant), any person, firm, or corporation engaged in the same or a similar business as the Company's within the Restricted Area. For purposes of this Agreement, "Restricted Area" shall mean, any area in which the Company has transacted business for the twelve (12) months prior to Grantee's termination of employment, which includes, but is not limited to, the state(s) in which Grantee worked on behalf of the Company, the United States, Australia, Argentina, Brazil, Canada, Chile, China, Columbia, Czech Republic, Denmark, Egypt, France, Germany, Greece, Hong Kong, India, Indonesia, Italy, Japan, Republic of Korea, Luxembourg, Mexico, Netherlands, Peru, Poland, Russia, Saudi Arabia, Singapore, Spain, Taiwan, Thailand, United Arab Emirates, United Kingdom, Venezuela and such other countries as the Company is now conducting and may expand its business from time to time.

(iii) Throughout the Grantee's term of employment with the Company and for a period of twelve (12) months following the Grantee's termination of employment with the Company for any reason, the Grantee shall not, directly or indirectly, divert or attempt to divert or assist others in diverting any business of the Company including by soliciting, contacting or communicating with any customer or supplier of the Company with whom the Grantee has direct or indirect contact or upon termination of employment has had direct or indirect contact during the twelve (12) month period immediately preceding the Grantee's date of termination with the Company.

(iv) During Grantee's employment and for a period of twelve (12) months following Grantee's termination of employment with the Company for any reason, the Grantee shall not, directly or indirectly, hire, solicit, induce, attempt to induce or assist others in attempting to induce any employee of the Company with whom the Grantee has worked or had material contact with, during the twelve (12) month period immediately preceding the termination of the Grantee's employment, to leave the employment of the Company or to accept employment or affiliation with (including as a consultant) any other company or firm of which the Grantee becomes an employee, owner, partner or consultant.

(v) Grantee agrees not to make or publish any maliciously defamatory statements about the Company, including any current, former or future managers or representatives.

(vi) Grantee agrees that damages in the event of a breach by Grantee of Grantee's obligations in this Agreement, including in this subsection 2(g), would be difficult if not impossible to ascertain, and that any such breach will result in irreparable and continuing damage to the Company. Therefore, Grantee agrees that the Company, in addition to and without limiting any other remedy or right it may have, shall have the right to an immediate injunction or other equitable relief (without posting bond or other form of security) in the Chosen Courts (as defined below) enjoining any such threatened or actual breach. The existence of this right shall not preclude the Company from also pursuing any other rights and remedies at law or in equity that it may have.

(vii) If the Grantee violates the terms of this subsection 2(g), then, in addition to any other remedy the Company might have, no amount shall be due to the Grantee under this Agreement and the Grantee shall be required to repay to the Company all amounts and Shares paid under this Agreement (or proceeds therefrom).

(viii) Notice to Attorneys. For a Grantee who is an attorney, the provisions in subsection 2(g)(ii) will apply only to prohibit Grantee's employment for twelve (12) months in any position in the Restricted Area that involves non-legal responsibilities similar to those performed for the Company, or that would involve or risk the use or disclosure of the Company's attorney-client privileged or other Confidential Information, as defined in Grantee's respective confidentiality agreement with the Company. This restriction and the other restrictions in subsection 2(g) are not intended to bar Grantee from performing solely legal functions for any entity or client, provided that work does not involve or risk the disclosure of the Company's attorney-client privileged information or other Confidential Information.

(h) **Governing Law**. This Agreement is issued, and the Restricted Stock Units evidenced hereby are granted, in White Plains, New York, and shall be governed and construed in accordance with the laws of the State of New York, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

(i) **Jurisdiction**. Grantee hereby consents to the personal jurisdiction of and venue in the state and federal courts in the state of New York (collectively, the "Chosen Courts"), and agrees that such Chosen Courts shall have exclusive jurisdiction to hear and determine or settle any dispute that may arise out of or in connection with this Agreement, and that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chosen Courts.

(j) **Attorneys' Fees**. If any action or proceeding is commenced to construe or enforce this Agreement or the rights and duties of the parties hereunder, then the party prevailing in that action will be entitled to recover its reasonable attorneys' fees and costs related to such action or proceeding.

(k) **Severability**. Any term or provision of this Agreement that is determined to be invalid or unenforceable by any court of competent jurisdiction in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction and such invalid or unenforceable provision shall be modified by such court so that it is enforceable to the extent permitted by applicable law.

(l) **Section 409A Compliance**. To the extent applicable, it is intended that the Plan and this Agreement comply with the requirements of Section 409A, and the Plan and this Agreement shall be interpreted accordingly.

(i) If it is determined that all or a portion of the Award constitutes deferred compensation for purposes of Section 409A, and if the Grantee is a "specified employee," as defined in Section 409A(a)(2)(B)(i) of the Code, at the time of the Grantee's separation from service, then, to the extent required under Section 409A, any Shares that would otherwise be distributed (along with the cash value of all dividend equivalents that would be payable) upon the Grantee's separation from service shall instead be delivered (and, in the case of the dividend equivalents, paid) on the earlier of (x) the first business day of the seventh month following the date of the Grantee's separation from service or (y) the Grantee's death.

(ii) It is intended that this Agreement shall comply with the provisions of Section 409A, or an exception to Section 409A, to the extent applicable, so as not to subject the Grantee to the payment of interest and taxes under Section 409A. Further, any reference to termination of employment, Early Retirement, Normal Retirement, separation from service, or similar terms under this Agreement shall be interpreted in a manner consistent with the definition of "separation from service" under Section 409A.

(iii) In no event will payment be made later than the date on which payment is treated as being timely under Treas. Reg. § 1.409A-3(d), generally referring to the last day of the calendar year in which the RSUs vest or, if later, the 15th day of the third calendar month following the vesting date, and subject to any delay required under paragraph (i), above. (For this purpose, vesting and vesting date refer to the vesting date designated in this Agreement.) The Grantee does not have a right to designate the taxable year of the payment.

(m) **Successors**. All obligations of the Company under this Agreement shall be binding on any successor to the Company, and the term “Company” shall include any successor.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its Chief Executive Officer and President, or a Vice President, as of the **4th** day of **March, 2022**.

Agreed to: **ITT INC.**

/s/ Luca Savi

____
Grantee
(Online acceptance constitutes agreement)

Dated: __________________ Dated: March 4, 2022

Enclosures

EXHIBIT 31.1

CERTIFICATION OF LUCA SAVI PURSUANT TO SEC. 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Luca Savi, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended April 2, 2022 of ITT Inc.;

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.

/s/ Luca Savi

Luca Savi
Chief Executive Officer

Date: May 3, 2022

EXHIBIT 31.2

CERTIFICATION OF EMMANUEL CAPRAIS PURSUANT TO SEC. 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Emmanuel Caprais, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended April 2, 2022 of ITT Inc.;

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.

/S/ Emmanuel Caprais

Emmanuel Caprais
Senior Vice President and
Chief Financial Officer

Date: May 3, 2022

EXHIBIT 32.1

CERTIFICATION 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 Quarterly Report of ITT Inc. (the “Company”) on Form 10-Q for the period ended April 2, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Luca Savi, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(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 results of operations of the Company.

/S/ Luca Savi

Luca Savi
Chief Executive Officer

May 3, 2022

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

**CERTIFICATION 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 Quarterly Report of ITT Inc. (the “Company”) on Form 10-Q for the period ended April 2, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Emmanuel Caprais, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(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 results of operations of the Company.

/S/ Emmanuel Caprais
Emmanuel Caprais
Senior Vice President and
Chief Financial Officer

May 3, 2022

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.