



Fourth Quarter 2020 Earnings Call

February 2, 2021



Forward Looking Statements and Non-GAAP Measures

Forward Looking Statements

Certain statements contained herein may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These include statements about expectations regarding our financial results, condition and outlook, anticipated end markets, near-term volume, continued opportunity for operational improvement, our ongoing operational transformation and footprint optimization investments continuing to provide tangible benefits to our shareholders and customers in the future, Aclara's business returning to its prior growth trajectory as headwinds continue to moderate into 2021, bolt-on acquisitions serving as a critical component of our strategy and expanding our capabilities to serve utility customers with best in class reliability, anticipated effects of the COVID-19 pandemic and the responses thereto, including the pandemic's impact on general economic and market conditions, as well as on our business, customers, end markets, results of operations and financial condition, and all statements, including our projected financial results, set forth in "Summary & Outlook" above, as well as other statements that are not strictly historic in nature. In addition, all statements regarding anticipated growth, changes in operating results, market conditions and economic conditions are forward-looking, including those regarding the adverse impact of the COVID-19 pandemic on the Company's end markets. These statements may be identified by the use of forward-looking words or phrases such as "believe", "expect", "anticipate", "plan", "estimated", "target", "should", "could", "may", "subject to", "continues", "growing", "projected", "if", "potential", "will likely be", and similar words and phrases. Such forward-looking statements are based on our current expectations and involve numerous assumptions, known and unknown risks, uncertainties and other factors which may cause actual and future performance or the Company's achievements to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to: our ability to effectively execute our business plan in light of the COVID-19 pandemic; the effectiveness of the actions that we take to address the effects of the COVID-19 pandemic; the outcome of contingencies or costs compared to amounts provided for such contingencies, including those with respect to pension withdrawal liabilities; achieving sales levels to meet revenue expectations; unexpected costs or charges, certain of which may be outside the Company's control; the effects of trade tariffs, import quotas and other trade restrictions or actions taken by the U.S., U.K., and other countries, including the recent and potential changes in U.S. trade policies; changes in product sales prices and material costs; failure to achieve projected levels of efficiencies, cost savings and cost reduction measures, including those expected as a result of our lean initiatives and strategic sourcing plans; effects of unfavorable foreign currency exchange rates and the potential use of hedging instruments to hedge the exposure to fluctuating rates of foreign currency exchange on inventory purchases; regulatory issues, changes in tax laws, or changes in geographic profit mix affecting tax rates and availability of tax incentives; general economic and business conditions as well as inflationary trends; the impact of and the ability to complete and integrate strategic acquisitions; the impact of certain divestitures; the ability to effectively develop and introduce new products, expand into new markets and deploy capital; and other factors described in our Securities and Exchange Commission filings, including the "Business", "Risk Factors", "Forward-Looking Statements" and "Quantitative and Qualitative Disclosures about Market Risk" Sections in the Annual Report on Form 10-K for the year ended December 31, 2019 and Quarterly Reports on Form 10-Q.

Non-GAAP Measures

Certain terms used in this presentation, including "Net debt", "Free Cash Flow", "Organic net sales", "Organic growth", "Restructuring-related costs", "EBITDA", and certain "adjusted" measures, are defined under the section entitled "Non-GAAP Definitions." See Appendix for more information.



1

Grid modernization driving resilience in Utility; Electrical markets improving steadily

2

Operational execution continues to drive margin performance

3

Strong Free Cash Flow supports capital deployment and growth investments

4

2021 guidance anticipates return to growth while continuing to manage cost structure

\$1.04B

Sales

(Organic -7%)

- Utility T&D demand remains solid, driven by ongoing grid modernization trends
- Electrical markets improving

13.4%

Adj. OP Margin

(-60bps y/y)

- Lower volumes and non-repeat of prior year benefit from tariff mitigation
- Significant restructuring benefits and continued cost management

\$1.76

Adj. Diluted EPS

- Modest tailwinds from non-operating items

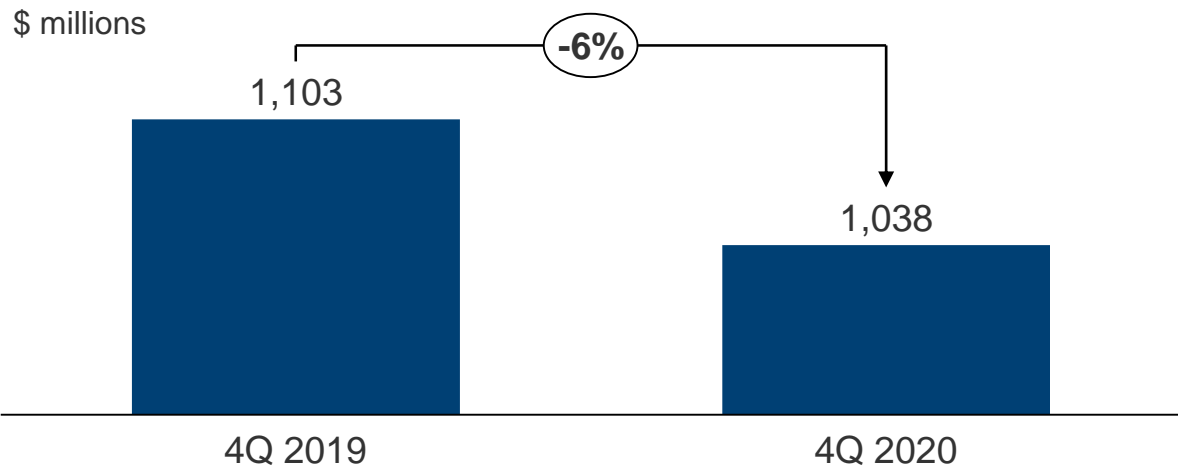
\$156M

Free Cash Flow

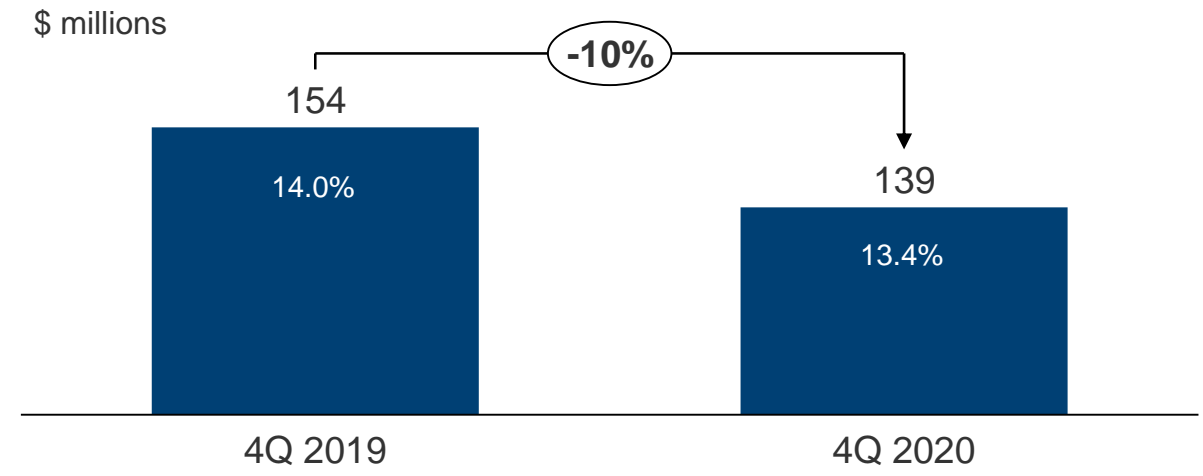
- Continued robust free cash flow generation



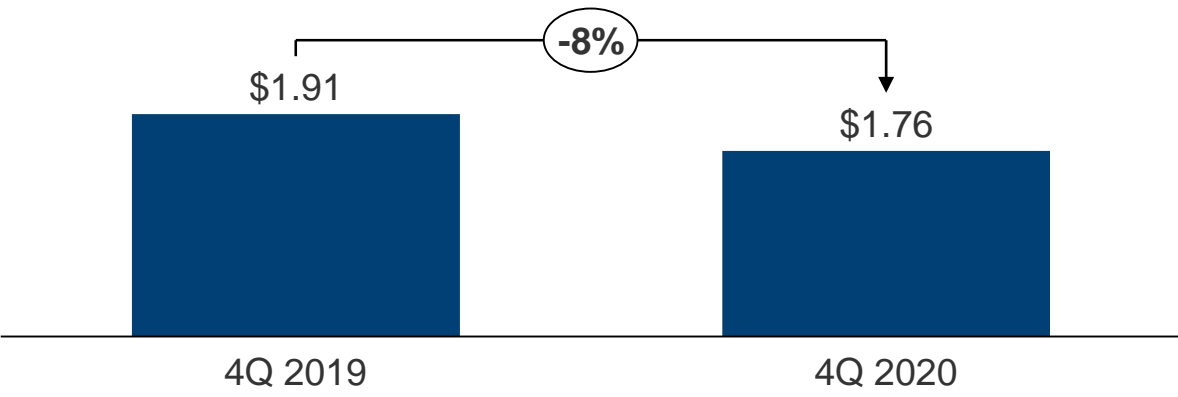
NET SALES



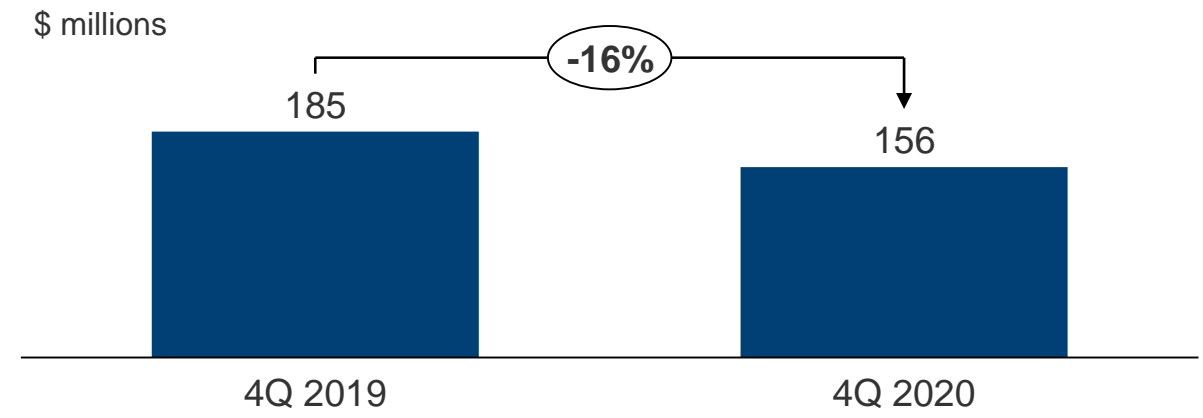
ADJUSTED OPERATING PROFIT



ADJUSTED DILUTED EPS



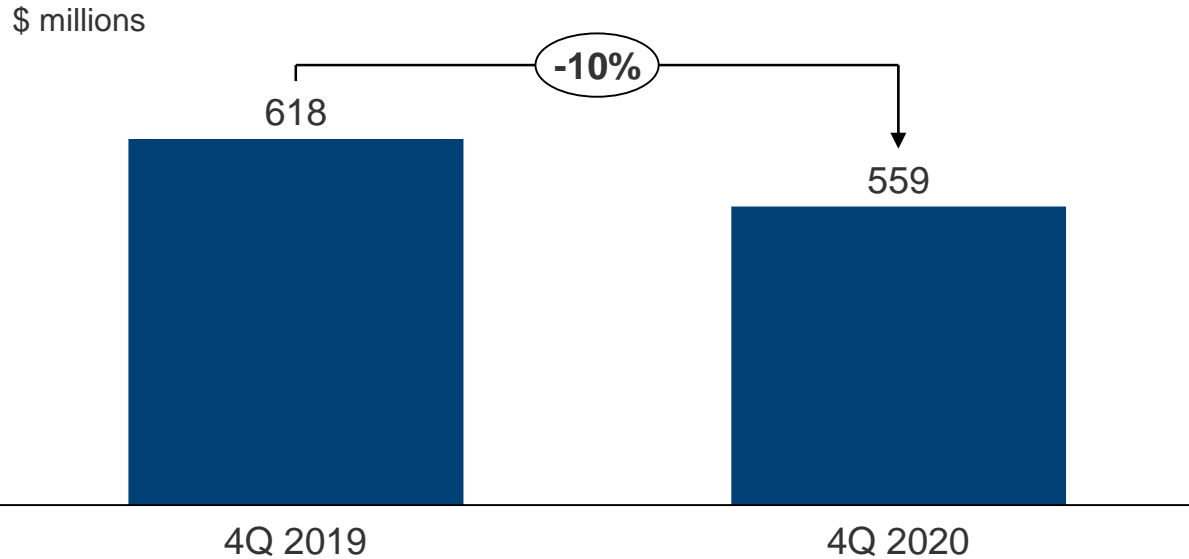
FREE CASH FLOW



Continued Operating Execution Despite Sales Declines

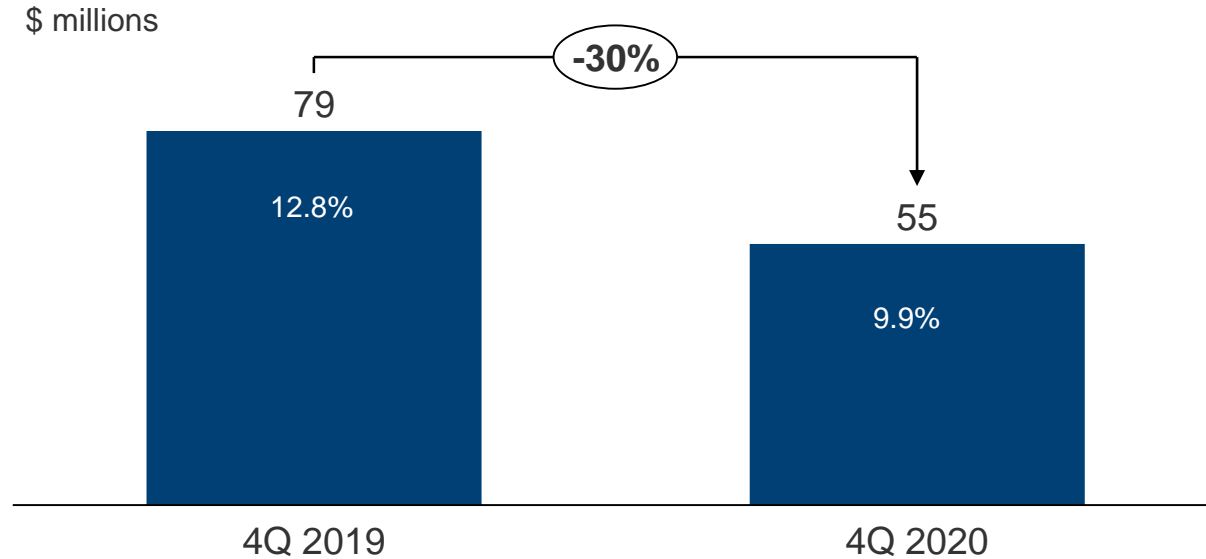
4Q 2020 Electrical Solutions Segment Results

ELECTRICAL SOLUTIONS NET SALES



- Organic -11%; Acquisitions +1%
 - **Industrial:** Light verticals picking up, Heavy leading indicators trending positive
 - **Non-residential:** remains soft, but stable
 - **Residential:** strong growth in e-commerce and retail channels

ELECTRICAL SOLUTIONS ADJ. OPERATING PROFIT

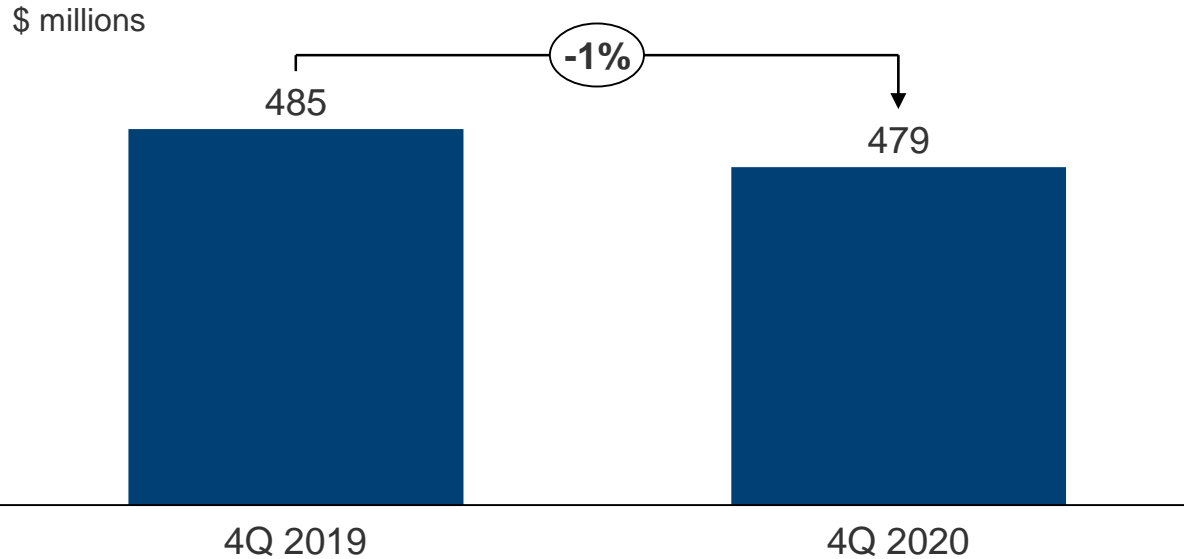


- Lower volumes
- Non-repeat of prior year benefit from tariff mitigation (~\$12M)
- Restructuring and footprint optimization benefits
- Continued cost management

Market Backdrop Improving Into 2021

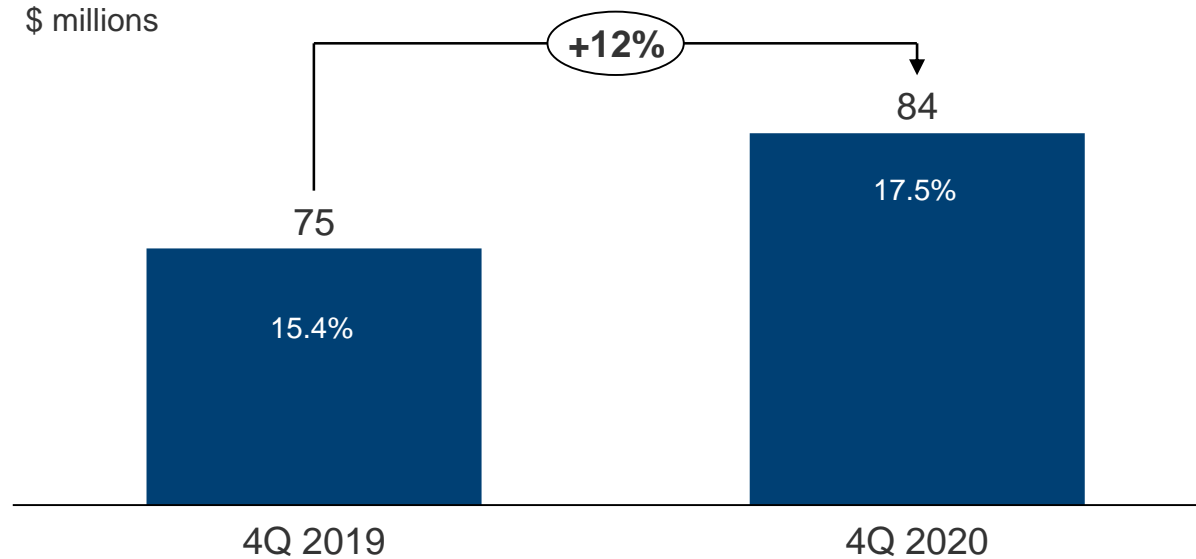
4Q 2020 Utility Solutions Segment Results

UTILITY SOLUTIONS NET SALES



- Organic -2%; Acquisition +1%
- Power Systems up 5% and Aclara down 14%
 - Strength in Distribution driven by grid hardening
 - Strength in Transmission driven by renewable projects
 - Aclara COVID-19 related project delays continue; pipeline remains solid

UTILITY SOLUTIONS ADJ. OPERATING PROFIT

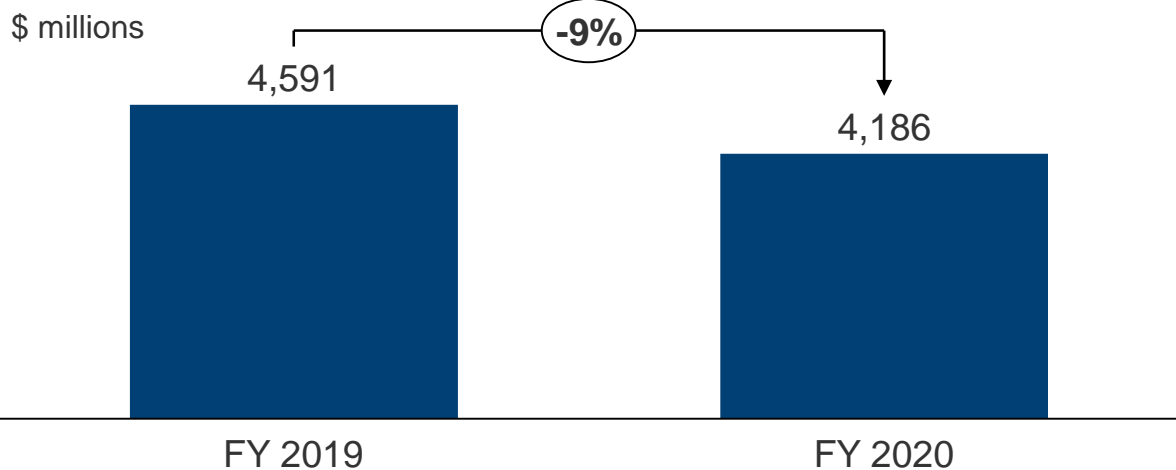


- Price | Cost positive
- Strong productivity and cost management
- Positive mix

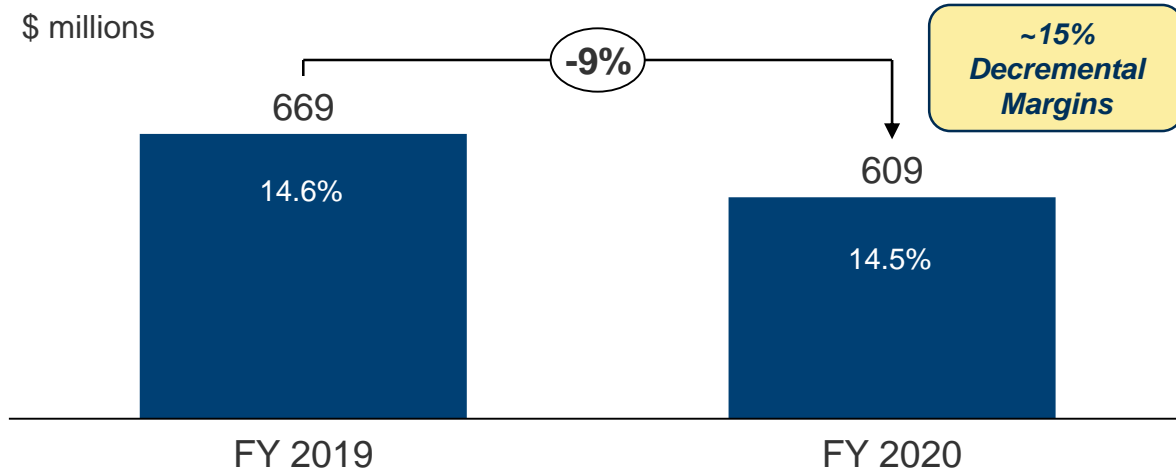
Differentiated Utility Platform Delivering Strong Results

FY 2020 Results

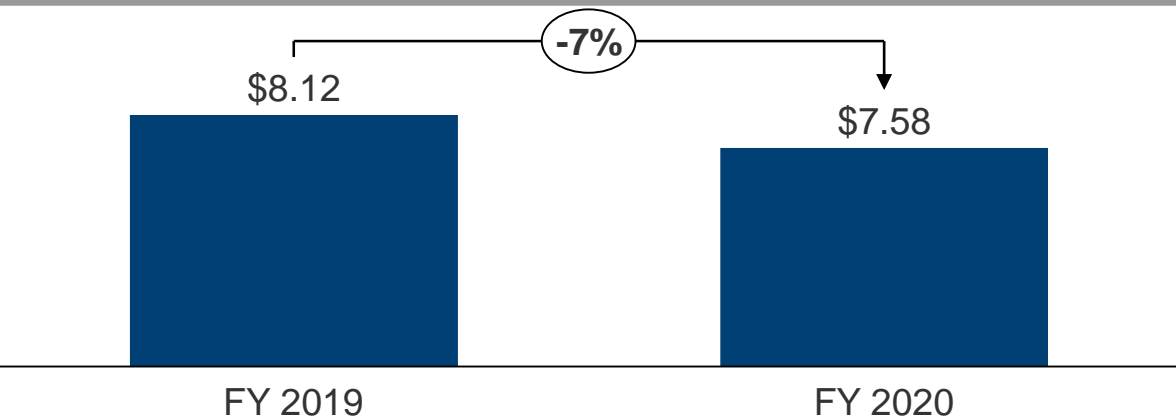
NET SALES



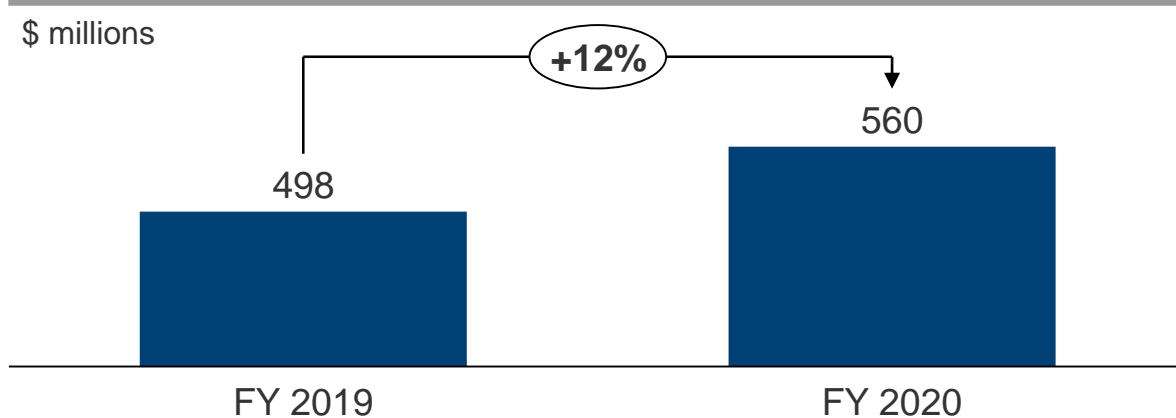
ADJUSTED OPERATING PROFIT



ADJUSTED DILUTED EPS



FREE CASH FLOW



Effectively Managing Through COVID-19 Pandemic

Investing Organically and Inorganically to Bolster Utility Solutions Platform

Distribution Automation Strategic Investment

- ✓ Investing organically to build a leading position in **Distribution Automation**
- ✓ ~\$5B market expansion opportunity in grid automation and control (**HSD CAGR**)
- ✓ **Uniquely positioned** with Hubbell leading installed base plus Aclara technology
- ✓ Targeting critical need for **grid reliability and maintenance spend reduction**



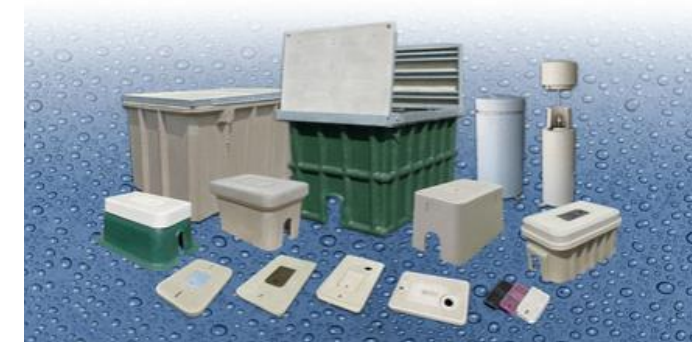
Beckwith Acquisition

- ✓ Controls and protective relays for power system **Distribution Automation**
- ✓ **Complementary products/technology**
- ✓ Proven track record of Hubbell/Beckwith **partnership enabling unique solutions**
- ✓ **Double digit CAGR** over past 3 years
- ✓ 2020 sales of ~\$50M



Armorcast Acquisition

- ✓ Utility enclosures and specialty products for water/electrical utilities and telcom markets
- ✓ Channel and productivity **synergies**
- ✓ Significantly increases **US production capacity** to meet strong utility demand
- ✓ **HSD CAGR** over past 3 years
- ✓ 2020 sales of ~\$80M



Leading Positions + Secular Growth Drivers = Sustained Performance

Strategically Aligned Around Clean Energy Megatrends



Electrification

- **“Electrification of Everything”** drives need for innovative power management and electrical solutions
- Heightened emphasis on **energy efficiency** and reducing energy consumption necessitates renovation/retrofit solutions



Grid Modernization

- Replacement of **aging grid infrastructure** enables improved system reliability
- **Proliferation of renewables** increases grid complexity and drives need for **smart grid solutions with data-driven insights**
- **Climate change** and extreme weather events highlight importance of **programmatic grid hardening** investment

Our Commitments

- Established multi-year goals to reduce water consumption and greenhouse gas emissions by 10%
- Launched new sustainability website with expanded disclosure
- Made multi-year improvements on employee safety measures

Our Products

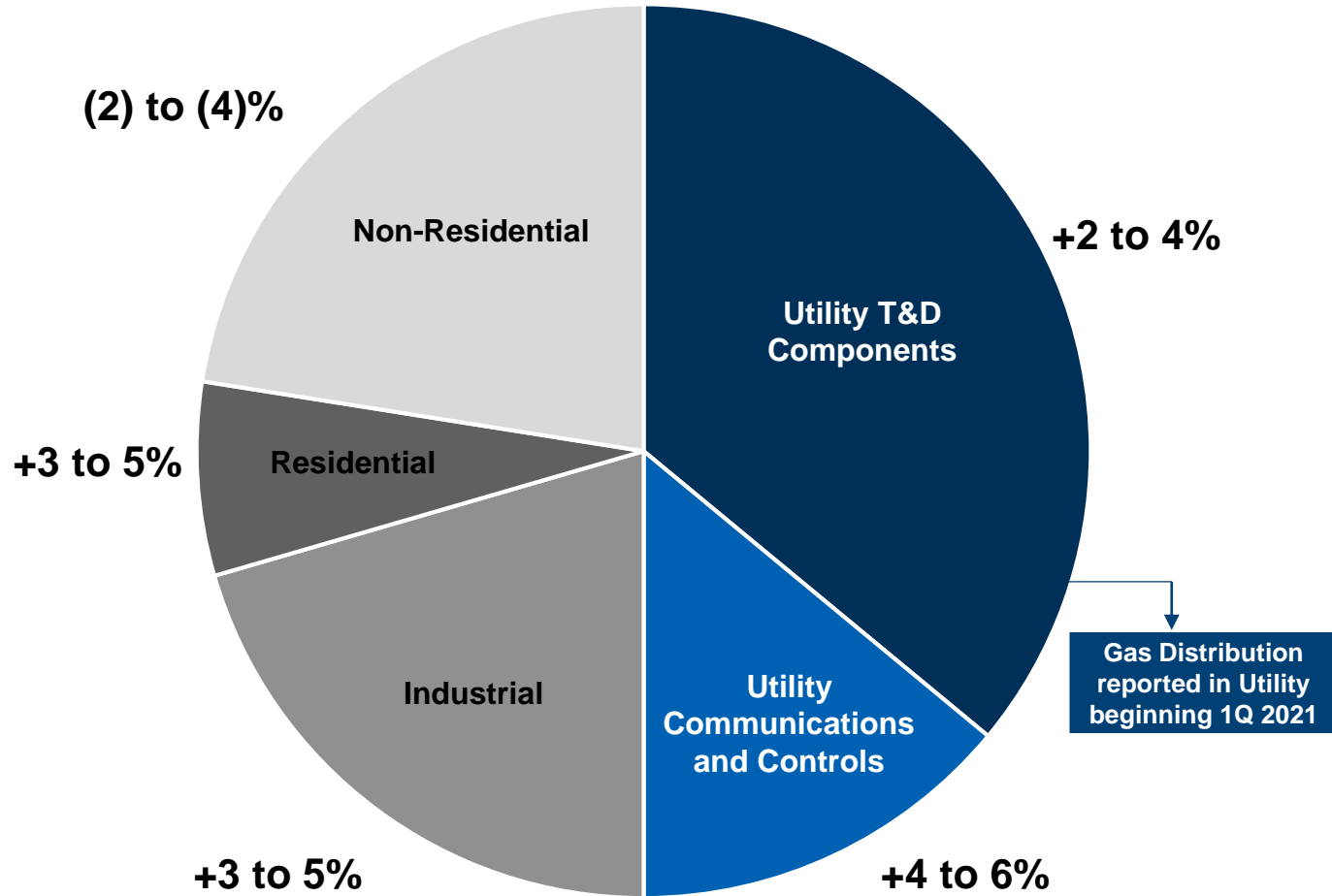
- Protecting critical infrastructure
- Enabling transition to renewable energy
- Building a more efficient and connected electrical grid
- Increasing energy efficiency of plants, buildings and homes

Processes and Products Enabling Reliable and Efficient Critical Infrastructure Solutions

2021 END MARKETS

Electrical Solutions: Behind the Meter

Utility Solutions: In Front of the Meter



2021 HUBBELL OUTLOOK

+6-8%

Sales Growth

+3-5% Organic (Vol + Price)

+3% Acquisitions

**\$8.10 to
\$8.50**

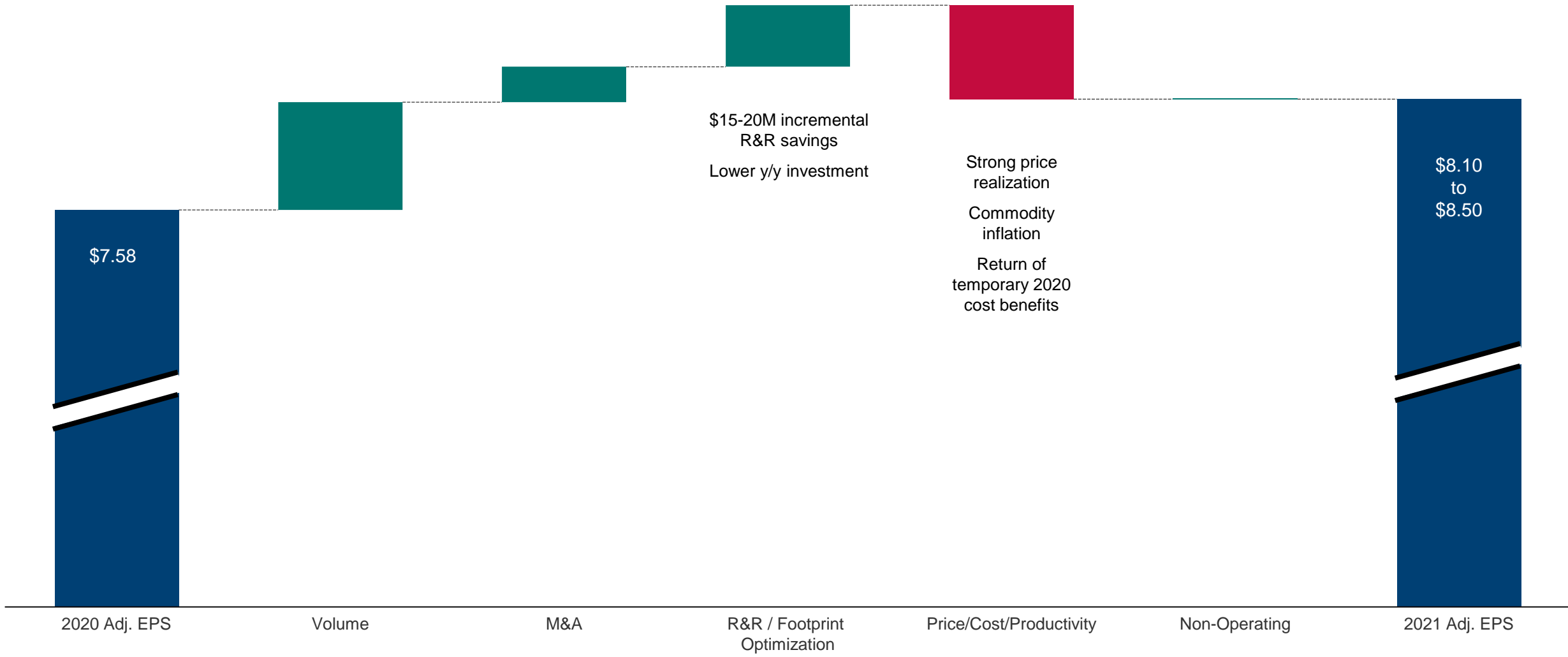
Adjusted EPS

~110%

**FCF Conversion
on Adjusted Net Income**

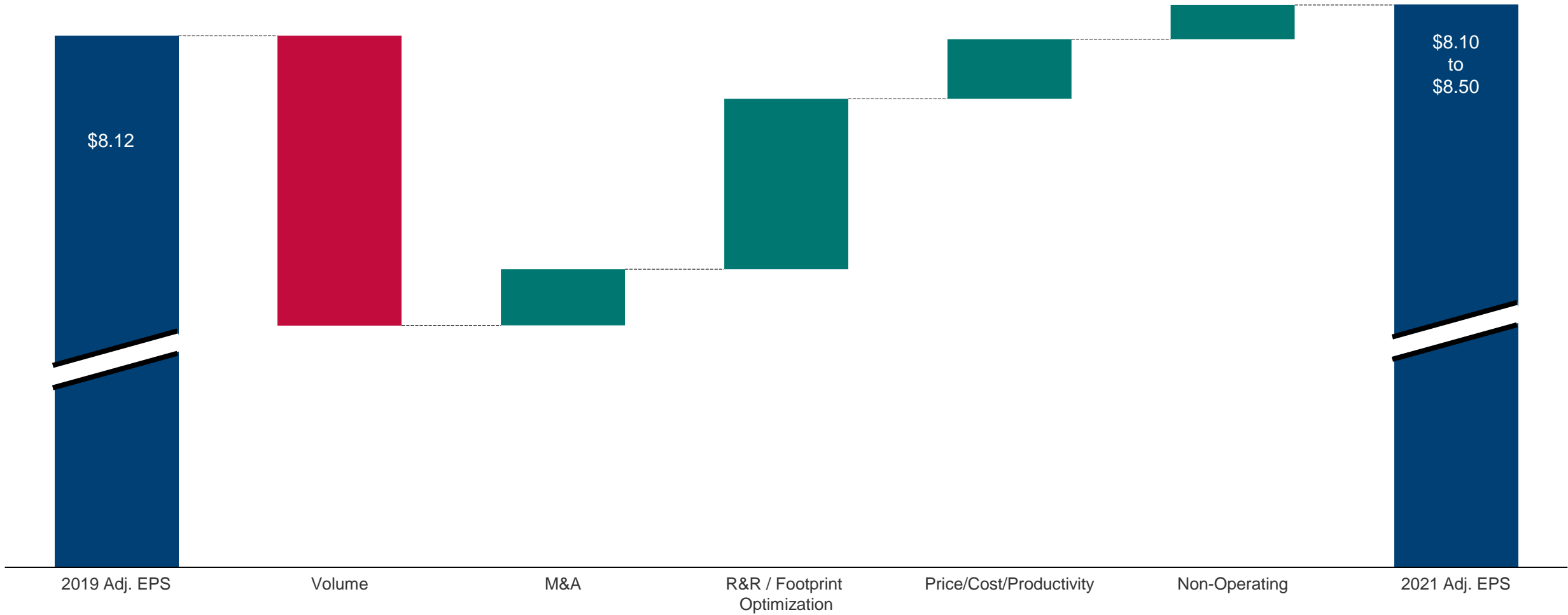
Confident in Continued Execution to Deliver on Commitments

2021 EPS Bridge



Return to Growth While Continuing to Manage Cost

2019 to 2021 EPS Bridge



Expect 2021 EPS Above 2019 Levels Despite Lower Volumes



Appendix



Reconciliation of Adjusted Net Income to the most directly comparable GAAP measure (millions):

Hubbell Incorporated	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2020	2019	Change	2020	2019	Change
Net income attributable to Hubbell (GAAP measure)	\$ 80.9	\$ 101.9	(21)%	\$ 351.2	\$ 400.9	(12)%
Amortization of acquisition-related intangible assets	19.3	18.3		75.9	72.1	
Gain on disposition of business	—	—		—	(21.7)	
Pension (gain) charge	1.0	(14.4)		7.6	8.5	
Loss on investment	—	—		—	5.0	
Total pre-tax adjustments to net income	\$ 20.3	\$ 3.9		\$ 83.5	\$ 63.9	
Income tax effects	4.8	0.9		20.6	19.1	
Adjusted Net Income	\$ 96.4	\$ 104.9	(8)%	\$ 414.1	\$ 445.7	(7)%

Reconciliation of Adjusted Earnings Per Diluted Share to the most directly comparable GAAP measure (millions, except per share amounts):

Hubbell Incorporated	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2020	2019	Change	2020	2019	Change
Numerator:						
Net income attributable to Hubbell (GAAP measure)	\$ 80.9	\$ 101.9		\$ 351.2	\$ 400.9	
Less: Earnings allocated to participating securities	(0.3)	(0.3)		(1.3)	(1.5)	
Net income available to common shareholders (GAAP measure) [a]	\$ 80.6	\$ 101.6	(21)%	\$ 349.9	\$ 399.4	(12)%
Adjusted Net Income	\$ 96.4	\$ 104.9		\$ 414.1	\$ 445.7	
Less: Earnings allocated to participating securities	(0.3)	(0.3)		(1.5)	(1.7)	
Adjusted net income available to common shareholders [b]	\$ 96.1	\$ 104.6	(8)%	\$ 412.6	\$ 444.0	(7)%
Denominator:						
Average number of common shares outstanding [c]	54.2	54.3		54.2	54.4	
Potential dilutive shares	0.4	0.4		0.3	0.3	
Average number of diluted shares outstanding [d]	54.6	54.7		54.5	54.7	
Earnings per share (GAAP measure):						
Basic [a] / [c]	\$ 1.49	\$ 1.87		\$ 6.46	\$ 7.35	
Diluted [a] / [d]	\$ 1.48	\$ 1.85	(20)%	\$ 6.43	\$ 7.31	(12)%
Adjusted earnings per diluted share [b] / [d]	\$ 1.76	\$ 1.91	(8)%	\$ 7.58	\$ 8.12	(7)%

Reconciliation of Adjusted Operating Margin to the most directly comparable GAAP measure (millions):

Hubbell Incorporated	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2020	2019	Change	2020	2019	Change
Net Sales [a]	\$ 1,037.9	\$ 1,103.3	(6)%	\$ 4,186.0	\$ 4,591.0	(9)%
Operating Income						
GAAP measure [b]	\$ 119.8	\$ 135.9	(12)%	\$ 533.0	\$ 596.6	(11)%
Amortization of acquisition-related intangible assets	19.3	18.3		75.9	72.1	
Adjusted operating income [c]	\$ 139.1	\$ 154.2	(10)%	\$ 608.9	\$ 668.7	(9)%
Operating margin						
GAAP measure [b] / [a]	11.5 %	12.3 %	-80 bps	12.7 %	13.0 %	-30 bps
Adjusted operating margin [c] / [a]	13.4 %	14.0 %	-60 bps	14.5 %	14.6 %	-10 bps
Electrical Solutions						
	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2020	2019	Change	2020	2019	Change
Net Sales [a]	\$ 559.2	\$ 618.0	(10)%	\$ 2,263.6	\$ 2,625.7	(14)%
Operating Income						
GAAP measure [b]	\$ 49.2	\$ 73.3	(33)%	\$ 234.8	\$ 320.1	(27)%
Amortization of acquisition-related intangible assets	6.2	6.1		24.2	23.1	
Adjusted operating income [c]	\$ 55.4	\$ 79.4	(30)%	\$ 259.0	\$ 343.2	(25)%
Operating margin						
GAAP measure [b] / [a]	8.8 %	11.9 %	-310 bps	10.4 %	12.2 %	-180 bps
Adjusted operating margin [c] / [a]	9.9 %	12.8 %	-290 bps	11.4 %	13.1 %	-170 bps
Utility Solutions						
	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2020	2019	Change	2020	2019	Change
Net Sales [a]	\$ 478.7	\$ 485.3	(1)%	\$ 1,922.4	\$ 1,965.3	(2)%
Operating Income						
GAAP measure [b]	\$ 70.6	\$ 62.6	13 %	\$ 298.2	\$ 276.5	8 %
Amortization of acquisition-related intangible assets	13.1	12.2		51.7	49.0	
Adjusted operating income [c]	\$ 83.7	\$ 74.8	12 %	\$ 349.9	\$ 325.5	7 %
Operating margin						
GAAP measure [b] / [a]	14.7 %	12.9 %	+180 bps	15.5 %	14.1 %	+140 bps
Adjusted operating margin [c] / [a]	17.5 %	15.4 %	+210 bps	18.2 %	16.6 %	+160 bps

Reconciliation of Organic Net Sales Growth to Net Sales Growth (millions):

Hubbell Incorporated

	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2020	Inc/(Dec)%	2019	Inc/(Dec)%	2020	Inc/(Dec)%	2019	Inc/(Dec)%
Net sales growth (GAAP measure)	\$ (65.4)	(5.9)	\$ (40.8)	(3.6)	\$ (405.0)	(8.8)	\$ 109.3	2.4
Impact of acquisitions	11.6	1.1	3.1	0.3	44.8	1.0	54.5	1.2
Impact of divestitures	—	—	(11.5)	(1.0)	(20.3)	(0.4)	(17.1)	(0.4)
Foreign currency exchange	(0.3)	—	(1.9)	(0.2)	(11.6)	(0.3)	(17.4)	(0.4)
Organic net sales growth (decline)	\$ (76.7)	(7.0)	\$ (30.5)	(2.7)	\$ (417.9)	(9.1)	\$ 89.3	2.0

Electrical Solutions

	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2020	Inc/(Dec)%	2019	Inc/(Dec)%	2020	Inc/(Dec)%	2019	Inc/(Dec)%
Net sales growth (GAAP measure)	\$ (58.8)	(9.5)	\$ (48.6)	(7.3)	\$ (362.1)	(13.8)	\$ (34.9)	(1.3)
Impact of acquisitions	6.4	1.0	0.8	0.1	18.8	0.7	0.8	—
Impact of divestitures	—	—	(11.5)	(1.7)	(20.3)	(0.8)	(17.1)	(0.6)
Foreign currency exchange	0.9	0.2	(0.8)	(0.1)	(3.3)	(0.1)	(9.8)	(0.4)
Organic net sales growth (decline)	\$ (66.1)	(10.7)	\$ (37.1)	(5.6)	\$ (357.3)	(13.6)	\$ (8.8)	(0.3)

Utility Solutions

	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2020	Inc/(Dec)%	2019	Inc/(Dec)%	2020	Inc/(Dec)%	2019	Inc/(Dec)%
Net sales growth (GAAP measure)	\$ (6.6)	(1.4)	\$ 7.8	1.6	\$ (42.9)	(2.2)	\$ 144.2	7.9
Impact of acquisitions	5.2	1.1	2.3	0.4	26.0	1.3	53.7	2.9
Impact of divestitures	—	—	—	—	—	—	—	—
Foreign currency exchange	(1.2)	(0.3)	(1.1)	(0.2)	(8.3)	(0.4)	(7.6)	(0.4)
Organic net sales growth (decline)	\$ (10.6)	(2.2)	\$ 6.6	1.4	\$ (60.6)	(3.1)	\$ 98.1	5.4

Reconciliation of Free Cash Flow to the most directly comparable GAAP measure (millions):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2020	2019	2020	2019
Net cash provided by operating activities	\$ 192.4	\$ 206.5	\$ 648.0	\$ 591.6
Less: Capital expenditures	(36.7)	(21.3)	(88.4)	(93.9)
Free cash flow	\$ 155.7	\$ 185.2	\$ 559.6	\$ 497.7

Reconciliation of Net Debt to the most directly comparable GAAP measure (millions):

Hubbell Incorporated	December 31, 2020	December 31, 2019
Total Debt	\$ 1,590.0	\$ 1,571.4
Total Hubbell Shareholders' Equity	2,070.0	1,947.1
Total Capital	\$ 3,660.0	\$ 3,518.5
Total Debt to Total Capital	43 %	45 %
Less: Cash and Investments	\$ 340.0	\$ 251.9
Net Debt	\$ 1,250.0	\$ 1,319.5
Net Debt to Total Capital	34 %	38 %