## Sustainable Procurement Policy



Dated: December 2021

Trane Technologies is committed to sourcing products and services that are ethically and environmentally aligned with our global sustainability initiatives. We act to reduce our environmental loads across the enterprise, this begins with our suppliers. Partnering with our supply chain we challenge what is possible by continuously assessing materials, and potential eco-conscious alternatives, for use in our products. Through sustainable procurement we create more value for our customers and planet by innovating product lines such as our Ecowise<sup>TM</sup> product portfolio. Aligning with our <u>Business Partner Code of Conduct</u> and <u>Supplier Sustainability Expectations</u>, we have created the Sustainable Procurement Policy.

Trane Technologies commits to achieving the following:

- Reduce environmental load by preferred purchasing of environmentally conscious products and materials
- 2. Responsibly manage the range of materials and substances in our supply chain
- 3. Encourage and expand supplier engagement in sustainable practices

Our Sustainable Procurement commitments will be achieved by a combination of:

- Conflict mineral supplier reviews conducted annually, ensuring materials are purchased within the guidelines issued by the Responsible Minerals Initiatives (RMI). We provide our suppliers with training and guidance to improve their processes.
- We survey our supplier's environmental and social impacts annually, especially related to energy, water, waste consumption, carbon emissions, health and safety, and diversity goals. Monitoring supplier's policies and actions, we ensure alignment to our standards of business ethics, health and safety, environmental and social responsibility.
- Supplier alignment and progress to Trane Technologies 2030 sustainability goals are tracked through periodic data collection. We support this alignment by providing training workshops, best practice webinars, and toolkit sharing.
- Trane Technologies assess suppliers' capabilities utilizing multiple tools including our Decision Matrix (DECMAT) which includes sustainability rating. Our teams across the enterprise use these tools to determine supplier engagement, reliability, quality, and capabilities. Supplier Relationship Management (SRM) is maintained by meeting multiple times throughout the year to review supplier support and commitments regarding environmental stewardship and social responsibility.
- Materials Transformation Analysis is utilized to improve processes, costs, and ESG progress. For
  example, transitioning to low Global Warming Potential (GWP) refrigerants ahead of regulation
  or insisting on reusable packaging are areas of direct positive impact.

Implementation of this Sustainable Procurement Policy applies to all Trane Technologies suppliers and vendors.

Through our pledge to minimize the environmental impact of our purchases, Trane Technologies commits to continuous improvement and the pursuit of business excellence as a responsible global corporate citizen.

This Policy will be reviewed annually and updated as needed.

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