

An aerial photograph of a city intersection. A river flows through the center, with several bridges crossing it. The surrounding area is densely packed with modern high-rise buildings, some with distinctive orange-tiled roofs. There are also green spaces, trees, and parking lots visible. The overall scene depicts a vibrant, urban environment.

Bold Action for a Sustainable Future

2020 Annual Report
2021 Notice and Proxy Statement

TRANE
TECHNOLOGIES



At Trane Technologies, we boldly challenge what's possible for a sustainable world.

We innovate. We are climate innovators with the courage to take bold action toward a sustainable future. We act with urgency to deliver sustainable solutions for our customers and enhance the well-being of our employees, communities and planet. Our strategic brands Trane and Thermo King create and deliver market-leading sustainable and efficient climate solutions for buildings, homes and transportation.

We solve. Boldly challenging what's possible for a sustainable world means starting with everyday actions that, together, help create a better planet for generations to come. We continuously improve and through our strategic brands, we scale technology, innovation and sustainability strategies to deliver market-leading solutions that will shape the future of our world.

We uplift. It is our responsibility to lead the change we want to see in our business, industry and world. Guided by our leadership principles, our teams focus on building a diverse workforce, cultivating inclusiveness and creating opportunity for all. In our communities, we build sustainable futures for under-represented groups through education and pathways to green and STEM careers.

OUR LEADERSHIP PRINCIPLES

- WE
- Work today for a sustainable tomorrow.
 - Keep customers at the heart of all we do.
 - Include and uplift one another.
 - Make better happen.
 - Dare to do things differently.
 - Own our actions and decisions.
 - Do what's right, always.

LEADERSHIP RECOGNITION

We're proud of our legacy of sustainability leadership and honored to continue the tradition of highly regarded ESG performance in our first year as Trane Technologies.



10TH
CONSECUTIVE
YEAR



6TH
CONSECUTIVE
YEAR



8TH
CONSECUTIVE
YEAR



RANKED
#85
GLOBALLY



CLIMATE
RANKING
OF A-



7TH
PERCENTILE
GLOBALLY

Commitment and Results

2030 COMMITMENTS



Gigaton Challenge

- Reduce customer carbon footprint by one gigaton (or 1 billion metric tons of CO₂e)
- Design systems for circularity
- Increase access to heating, cooling and fresh food



Leading by Example

- Achieve carbon neutral operations
- Reach zero waste disposed of in landfills
- Achieve net positive water use in water-stressed locations
- Achieve 10% absolute reduction in energy consumption



Opportunity for All

- Achieve workforce diversity reflective of our communities
- Achieve gender parity in leadership roles
- Maintain world-class safety metrics
- Provide market-competitive wages and benefits, and leading wellness offerings for global workforce
- Invest \$100 million in building sustainable futures for under-represented students
- Dedicate 500,000 employee volunteer hours in our communities

2020 ESG HIGHLIGHTS

Environment¹

Greenhouse Gas Emissions

54,681 metric tons of CO₂e reduced from our operations

7.7 million metric tons of CO₂e reduced from our customers' carbon footprint

Renewable Energy

39% of electricity demand met with renewables

Water

23% decrease in water use in water-stressed regions, with 3% decrease in water use overall

Circularity

22+ tons of CO₂e saved in emissions from returnable packaging projects

Social

Gender Parity

25% of total workforce were women in 2020 and 21.7% of leadership positions were held by women

Supplier Diversity

\$380.4 million in goods and services spent on diverse-owned businesses

Employee Safety

30% reduction in lost-time incident rate (LTIR) and 8% reduction in total recordable incident rate (TRIR)

Employee Support

\$1.4M awarded to employees through the Helping Hand Fund as part of COVID-19 pandemic relief

Governance

Ethics & Risk Management

1,500 suppliers audited for sustainability and business risks through On-Site Assessment (OSA) audits over three years

0 suppliers identified as having significant actual or potential negative environmental impacts

100% direct material spend assessed for risk quarterly

Board Diversity

5 of 13 directors or 39% are women

2 of 13 directors or 15% are racially or ethnically diverse

¹Reductions compared to 2019 baseline



**Today, bold action
and innovation.**

**Tomorrow, a more
sustainable world for
future generations.**



2020 LETTER TO OUR SHAREHOLDERS

Dear Shareholder,



We launched Trane Technologies in early 2020 clearly aligned around one purpose: to boldly challenge what's possible for a sustainable world. We were then quickly met with extraordinary circumstances. We put our purpose into action from the start—taking immediate steps to take care of each other and to continue serving the essential needs of our customers and the world.

Even as we responded to the uncertainty caused by the global pandemic, we leveraged our strong financial position and continued to invest in our businesses. We simplified, streamlined and focused our organization as a global climate

innovator. We engaged team members from around the world in developing new Leadership Principles, which define what we value most.

LEADING IN A CHANGING WORLD

As the pandemic intensified, we recreated every facet of our production lines to keep our people safe. We prioritized the essential needs of our customers, including hospitals, warehouses, data centers and schools. We brought decades of experience in indoor environmental quality to the forefront with ready-now solutions, new innovation and the launch of our Center for Healthy and Efficient Spaces.

We also continued to partner with pharmaceutical companies, logistics providers, food producers and grocers on end-to-end cold chain transport and storage. When we learned of vaccines in development that required even colder solutions—negative 70 degrees Celsius—we leveraged our new ultra-cold Super Freezer. This product, along with our wide range of other cold chain solutions, continues to support safe and efficient distribution and storage of the vaccine and other perishables around the world.

BOLD ACTION AND INNOVATION

These emerging needs only amplified the importance of our long-term sustainability strategy. Climate change is adversely affecting weather events, air quality and human health, with a disproportionate impact on those who suffer from socioeconomic inequalities. With 15% of the world's carbon emissions coming from heating and cooling buildings and another 10% from global food loss, we are in a leadership position to **be** the change.

We have put a stake in the ground with aggressive 2030 commitments, including our Gigaton Challenge, which commits to eliminating one gigaton of carbon emissions from our customers' footprints. We also have committed to carbon neutral operations, gender parity in leadership, and workforce diversity reflective of our communities. We are uniquely positioned to provide innovative solutions that deliver on these commitments and accelerate the world's progress.

We launched more than 50 new solutions in 2020 to do just that. In transport refrigeration, our new Advancer trailer unit cools faster, requires 30% less fuel per trip and uses 60% less energy to manufacture. And, the new Sintesis Balance, a fully electric HVAC unit, offers zero emission heating and cooling when paired with a renewable energy source. We continue to accelerate digital connectedness to enhance system performance and energy efficiency, reaching more than 20,000 connected buildings and over 1 million pieces of connected equipment in 2020.

STRONG PERFORMANCE CULTURE

We delivered resilient financial performance in a challenging year, demonstrating the strength of our sustainability strategy. Strong execution, transformation actions and cost-containment enabled us to expand profitability on a modest revenue decline. Revenue was \$12.5 billion, and adjusted EBITDA margins* expanded by 20 basis points, delivering exceptional free cash flow* of \$1.7 billion, or 158% of adjusted net earnings* and \$507 million in dividends.

Underlying our strong financials is an operational flywheel, where relentless, high levels of business reinvestment enable continuous outperformance over the long-term. In 2020, we added significant fuel to this flywheel by reimagining the company. Our business transformation will deliver \$300 million in annualized savings by 2023, which fundamentally improves our cost structure and our margin profile, while enabling us to accelerate investment in market-leading innovation to further outgrow our end markets—consistently. As a climate innovator with a focused sustainability strategy, outstanding cash flow generation, and balanced capital deployment, we are well positioned to continue delivering long-term value to our shareholders.

“ As a climate innovator with a focused sustainability strategy, outstanding cash flow generation, and balanced capital deployment, we are well positioned to continue delivering long-term value to our shareholders.”

OPTIMISTIC FUTURE

At Trane Technologies, we want to create a better world. We are challenging the status quo and taking decisive action now to create a sustainable future where communities thrive, where equality is foundational, and where the environment is protected for future generations.

It's this type of passion and purpose that sets Trane Technologies apart, and is how we will change the industry, and ultimately change the world.

Thank you for joining us. Please stay safe.



Michael W. Lamach
Chairman and CEO

*These are non-GAAP financial measures. Reconciliation of non-GAAP financial measures can be found preceding the 2021 Notice and Proxy Statement.

2020 Financial Performance

-5%

Organic Revenue
Growth*

+20_{bps}

Adjusted EBITDA
Margin Expansion*

-8%

Adjusted
Continuing EPS
Growth*

158%

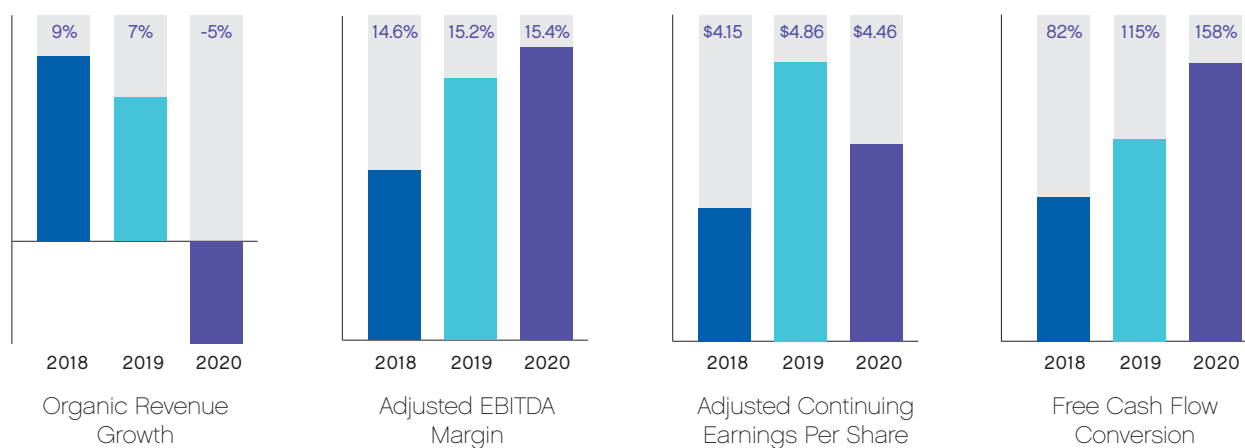
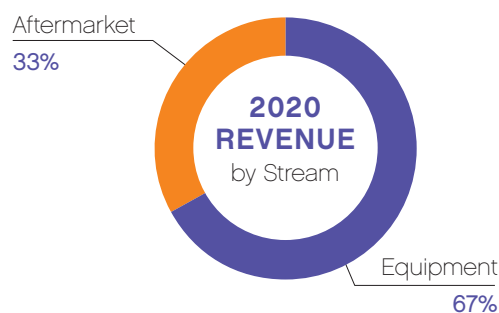
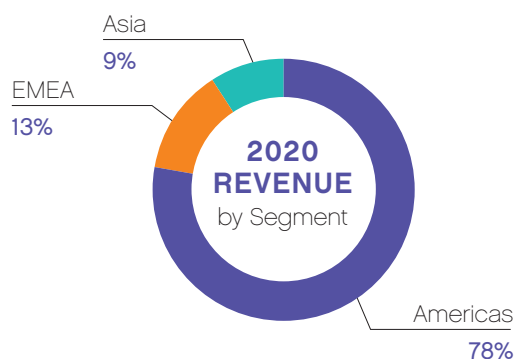
Free Cash Flow
Conversion*

34.5%

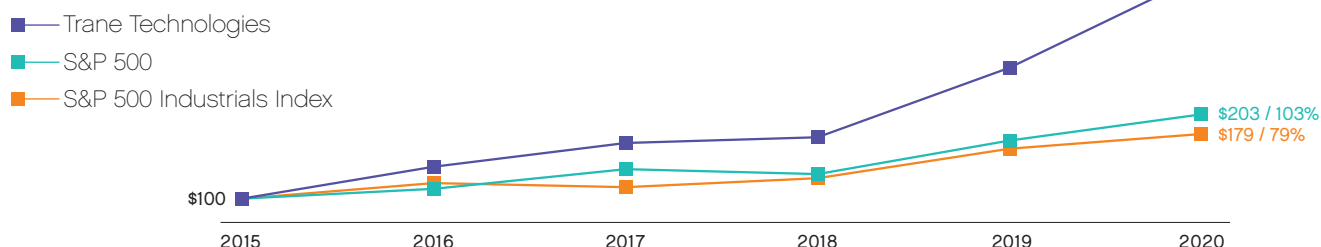
Cash Flow Return
on Invested Capital
(CROIC)*

BALANCED CAPITAL DEPLOYMENT

\$507M	\$250M	\$183M	\$146M	\$300M
Dividends	Share Repurchases	Acquisitions	CapEx	Debt Retirement



SHAREHOLDER RETURNS



*These are non-GAAP financial measures. Reconciliation of non-GAAP financial measures can be found preceding the 2021 Notice and Proxy Statement.

NON-FINANCIAL STATEMENTS EUROPEAN UNION DIRECTIVE

Introduction

The information below, and the policies and related content elsewhere in this report, describes the performance and impact of Trane Technologies plc (formerly known as Ingersoll-Rand plc), a public limited company incorporated in Ireland in 2009, through the environmental, social, human rights and business practices we work to uphold.

The European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 (S.I. 360/2017) (as amended) (the "2017 Regulations") require us to disclose certain non-financial information in the Directors' Report (the "Irish Directors' Report") accompanying our Irish statutory financial statements. For the purposes of the 2017 Regulations, the sections entitled Description of Business Model, Environmental Matters, Employee Matters, Social Matters, Human Rights, and Anti-Corruption and Anti-Bribery set out below are incorporated by reference into the Irish Directors' Report.

Our 2020 Annual Report and ESG Report also provide information that may be relevant to investors in assessing sustainability commitments and achievements but, except as expressly provided above, the 2020 Annual Report and ESG Report are not incorporated by reference into the Irish Directors' Report. Copies of this 2020 Annual Report and ESG Report can be accessed at www.TraneTechnologies.com.

Description of Business Model

We are a global climate innovator that brings efficient and sustainable climate solutions to buildings, homes and transportation driven by strategic brands Trane and Thermo King and an environmentally responsible portfolio of products and services.

In 2020, we generated revenue and cash primarily through the design, manufacture, sale and service of a diverse portfolio of climate control products and services for Heating, Ventilation and Air Conditioning (HVAC) and transport solutions. We are focused on growth by increasing our recurring revenue stream from parts, service, controls, used equipment and rentals; improving the efficiencies and capabilities of our operations and products and services for our customers; and applying operational excellence strategies to improve our earnings and cash flow.

Environmental Matters

Approach Our commitment to sustainability extends to the environmental impacts of our people, operations, and products and services. From the efficiency of our buildings to our progress in managing energy, water and waste, we are focused on reducing our impact on the environment and embedding sustainability throughout our businesses. We engage with key stakeholders to identify the most material sustainability-related matters and metrics for operations strategy as well as public disclosure. We also look at these material topics through the lens of a value chain assessment that we perform. These commitments are embedded in an Environment, Health and Safety ("EHS") Policy that defines our stakeholders, our roles and responsibilities, and our goals and targets with respect to EHS matters and our Business Partner Code of Conduct ("BPCoC").

Due diligence processes We have a vital role to play in mitigating global climate change by reducing our environmental impact. This responsibility begins by setting specific and measurable climate commitments and working to achieve these goals. We also work to systematically ensure that our suppliers share our values and adhere to our standards as specified in our BPCoC. Suppliers must have an effective environmental policy and conduct their operations in a way that protects the environment. They must also obtain and keep current all required environmental permits and meet all applicable environmental rules, regulations and laws in the countries where they operate.

Policy outcomes / Key Performance Indicators Our global Climate Commitment is the foundation of our efforts to increase energy efficiency and reduce the greenhouse gas emissions related to our operations and products. Our Center for Energy Efficiency and Sustainability (CEES) helps our customers and our company leverage best practices in sustainability. It is a strategic business catalyst that helps us understand the benefits that sustainability can have in growing our company and reducing our operational footprint, while helping increase the pace of sustainable innovation.

Our energy consumption from fuels and electricity totaled 2.8 billion kilojoules in 2020. Greenhouse gases emitted indirectly through the use of electricity, and directly, through the burning of fuels or emissions of refrigerants, totaled 420,050 metric tons of CO₂e.

- Absolute energy consumption in 2020 – 2,644,944,325,551Btu (equivalent to 775,157 MWh; 2.8 billion kilojoules)
- Absolute Scope 1 and 2 emissions in 2020 – 420,050 metric tons CO₂e in 2020

Employee Matters

Approach As a global organization that employs approximately 37,000 people, we are committed to building a diverse workforce and an inclusive environment in which people of all backgrounds are treated with equality and respect. We work to ensure we provide a safe, secure workplace that supports employee well-being and productivity. Investing in our associates and creating a culture where they feel engaged and included is key to unleashing the power of their innovation and creativity. We have a number of policies to formalize our commitments to our employees and communities including our EHS Policy that addresses employee health and safety among other matters. In addition our Global Human Rights Policy, U.S. Equal Employment Opportunity Policy, and our Policy Prohibiting Harassment or Discrimination are made available to our employees worldwide and affirm these commitments.

Due diligence processes To reinforce our commitment to cultivate a diverse and inclusive workplace, we were the first company in our industry to enter the Paradigm for Parity Coalition, a pledge to bring gender parity to our corporate leadership structure by 2030. We also provide anti-harassment training to all salaried employees and make clear policies available to employees worldwide. Creating and sustaining a safety-focused, zero-incident culture is a priority. We communicate our safety expectations through quarterly CEO town hall meetings and monthly EHS meetings at the facility and service-organization levels.

Policy outcomes / Key Performance Indicators Consistently high annual employee engagement scores demonstrate that we are creating an environment where our people are learning, thriving and expanding their capabilities. We offer a range of learning experiences for managers and employees to expand our culture of inclusion. Our Bridging Connections sessions create an opportunity for employees to speak openly about topics such as race, gender, ethnicity and sexual orientation, and address issues related to unconscious bias. Our growing number of employee resource groups serve as a foundation to discuss these topics at a deeper level and to engage in the learning and training critical to building a stronger company.

- 25.3% of global workforce are women
- 21.7% of leadership positions are held by women
- 90% participation rate in annual employee engagement survey
- World-class employee engagement score

Social Matters

Approach Through a variety of social sustainability initiatives, we seek to engage directly with the communities where our associates live and work, which helps to create shared value and engage our worldwide team in the mission and purpose of the company. Our commitment to social sustainability is also expressed through our supplier diversity program.

Our most prominent community initiatives include our Glocal (global + local) program that encourages our employees to partner with local nonprofits and community organizations to advance our social sustainability efforts and nurture authentic engagement. We are taking action on specific social and environmental imperatives that create shared value, result in sustained customer and employee loyalty, and improve the communities where we have business operations. These actions include increasing female representation in the fields of science, technology, engineering and math, addressing nutrition and food waste reduction and supporting housing and shelter needs. Our supplier diversity program embraces suppliers whose ownership is primarily minorities, women, veterans, LGBTQ individuals or people with disabilities.

Due diligence processes We track employee and community engagement data including the hours and number of volunteers who participate in community or sustainability initiatives. We use a 7-step strategic sourcing process that includes a Supplier Diversity Matrix, which enables us to avoid using price as the primary driver for supplier selection.

Policy outcomes / Key Performance Indicators Implementing Glocal and our supplier diversity program has contributed to increases in global contributions as measured by the number of associates who have participated in community or sustainability initiatives, the total number of hours volunteered and the dollar value of philanthropic giving.

- \$380.4 million in purchased goods and services from diverse-owned businesses
- \$10,933,910 million in total philanthropic giving
- 49% of employees globally participated in virtual community or sustainability initiatives

Human Rights

Approach We believe in fundamental standards that support our commitment to our employees, our business partners, our customers and our communities. We have adopted a number of policies that underline our commitment to human rights.

Our Global Human Rights Policy aligns with basic working conditions and human rights concepts advanced by international organizations such as the International Labor Organization and the United Nations. Our Modern Slavery and Human Trafficking Statement outlines our commitment to taking steps to ensure that human trafficking and forced labor is not taking place in our supply chain or business. Our BPCoC prohibits human trafficking, including forced or child labor.

Due diligence processes We engage in reasonable due diligence and screening of customers and distributors to ensure compliance with laws that regulate international trade. We also established a Global Procurement Sustainability Council to work with suppliers on improving conditions and addressing non-compliances.

In 2020, we used our supplier risk assessment process to review the environmental, social and governance practices of our suppliers, including human rights. We worked with suppliers on improving conditions and all were found to be in compliance.

Policy outcomes Our Global Human Rights Policy is communicated to employees through our Code of Conduct training. As part of our annual compliance training, we have implemented a full training course dedicated to anti-human trafficking.

Anti-Corruption and Anti-Bribery

Approach We are proud of our strong business ethics and sustainable business practices, and our values centered in integrity, respect, teamwork, innovation and courage. Our values, ethics and commitment to sustainability are core to how we operate and serve customers.

Our BPCoC applies to all entities doing business with us and communicates our expectations that our business partners will practice the highest legal, moral and ethical standards when conducting our affairs.

Due diligence processes Business partners and service providers are risk-rated and vetted with higher risk third parties undergoing enhanced compliance due diligence. We leverage the services of a third-party vendor to conduct compliance screenings from thousands of global public records databases.

Policy outcomes Salaried employees receive role-based, online compliance training every year. In 2020, 100% of U.S. salaried employees received anti-corruption training.

RECONCILIATION OF GAAP TO NON-GAAP

ADJUSTED EBITDA

(\$ IN MILLIONS)

UNAUDITED

	For the year ended December 31, 2020		For the year ended December 31, 2019	
	As Reported	Margin	As Reported	Margin
Total Company				
Net revenues	\$ 12,454.7		\$ 13,075.9	
Operating Income	\$ 1,532.8	12.3%	\$ 1,670.1	12.8%
Restructuring/Other	107.8	0.9%	52.6	0.4%
Adjusted Operating Income	\$ 1,640.6	13.2%	\$ 1,722.7	13.2%
Depreciation and Amortization	294.3	2.4%	288.8	2.2%
Other Income/(Expense), net	(16.6)	(0.2%)	(28.4)	(0.2%)
Adjusted EBITDA	\$ 1,918.3	15.4%	\$ 1,983.1	15.2%

ADJUSTED EBITDA / NET EARNINGS RECONCILIATION

(\$ IN MILLIONS)

UNAUDITED

	Year ended December 31, 2020	Year ended December 31, 2019
Adjusted EBITDA	\$1,918.3	\$1,983.1
Less: items to reconcile adjusted EBITDA to net earnings attributable to Trane Technologies plc		
Depreciation and amortization	(294.3)	(288.8)
Interest expense	(248.7)	(242.8)
Benefit (provision) for income taxes	(296.8)	(238.6)
Restructuring	(75.7)	(52.6)
Transformation costs	(32.1)	—
Legacy legal liability adjustment	17.4	—
Gain from deconsolidation of certain entities under Chapter 11	0.9	—
Gain on M&A transaction	2.4	—
Discontinued operations, net of tax	(121.4)	268.2
Net earnings from continuing operations attributable to noncontrolling interests	(14.2)	(15.2)
Net earnings from discontinued operations attributable to noncontrolling interest	(0.9)	(2.4)
Net earnings (loss) attributable to Trane Technologies plc	\$ 854.9	\$1,410.9

FREE CASH FLOW
(\$ IN MILLIONS)
UNAUDITED

	Year ended December 31, 2020	Year ended December 31, 2019
Cash flow provided by continuing operating activities	\$1,766.2	\$1,523.7
Capital expenditures	(146.2)	(205.4)
Cash payments for restructuring	68.9	45.3
Transformation costs paid	25.4	4.3
Free cash flow	\$1,714.3	\$1,367.9
Adjusted earnings from continuing operations attributable to Trane Technologies plc	\$1,083.4	\$1,188.7
Free cash flow as a percent of adjusted net earnings (Free cash flow conversion)	158%	115%

RECONCILIATION OF GAAP TO NON-GAAP

(In millions, except per share amounts)	For the year ended December 31, 2020			For the year ended December 31, 2019		
	As Reported	Adjustments	As Adjusted	As Reported	Adjustments	As Adjusted
Net revenues	\$12,454.7	\$ —	\$12,454.7	\$13,075.9	\$ —	\$13,075.9
Operating income	1,532.8	107.8 (a,b)	1,640.6	1,670.1	52.6 (a)	1,722.7
Operating margin	12.3%		13.2%	12.8%		13.2%
Earnings from continuing operations before income taxes	1,288.2	87.1 (a,b,c,d,e)	1,375.3	1,398.9	52.6 (a)	1,451.5
Provision for income taxes	(296.8)	19.1 (f,g)	(277.7)	(238.6)	(9.0) (f,g)	(247.6)
Tax rate	23.0%		20.2%	17.1%		17.1%
Earnings from continuing operations attributable to Trane Technologies plc	\$ 977.2	\$ 106.2 (h)	\$ 1,083.4	\$ 1,145.1	\$ 43.6 (h)	\$ 1,188.7
Diluted earnings per common share						
Continuing operations	\$ 4.02	\$ 0.44	\$ 4.46	\$ 4.69	\$ 0.17	\$ 4.86
Weighted-average number of common shares outstanding						
Diluted	243.1	—	243.1	244.4	—	244.4
Detail of Adjustments:						
(a) Restructuring costs (COGS & SG&A)		75.7			52.6	
(b) Transformation costs (SG&A)		32.1			—	
(c) Legacy legal liability adjustment		(17.4)			—	
(d) Gain from deconsolidation of certain entities under Chapter 11		(0.9)			—	
(e) Gain on M&A transaction		(2.4)			—	

(In millions, except per share amounts)	For the year ended December 31, 2020			For the year ended December 31, 2019		
	As Reported	Adjustments	As Adjusted	As Reported	Adjustments	As Adjusted
(f) Tax impact of adjustments (a,b,c,d,e)		(22.0)			(9.6)	
(g) Separation-related tax costs		41.1			0.6	
(h) Impact of adjustments on earnings from continuing operations attributable to Trane Technologies plc		\$ 106.2			\$ 43.6	
Pre-tax impact of adjustments on cost of goods sold		24.1			37.3	
Pre-tax impact of adjustments on selling & administrative expenses		83.7			15.3	
Pre-tax impact of adjustments on operating income		\$ 107.8			\$ 52.6	

The Company reports its financial results in accordance with generally accepted accounting principles in the United States (GAAP).

This supplemental schedule provides non-GAAP financial information and a quantitative reconciliation of the difference between the non-GAAP financial measures and the financial measures calculated and reported in accordance with GAAP.

The non-GAAP financial measures should be considered supplemental to, not a substitute for or superior to, financial measures calculated in accordance with GAAP. They have limitations in that they do not reflect all of the costs associated with the operations of our businesses as determined in accordance with GAAP. In addition, these measures may not be comparable to non-GAAP financial measures reported by other companies.

As a result, one should not consider these measures in isolation or as a substitute for our results reported under GAAP. We compensate for these limitations by analyzing results on a GAAP basis as well as a non-GAAP basis, prominently disclosing GAAP results and providing reconciliations from GAAP results to non-GAAP results.

***Non-GAAP measures definitions**

Organic bookings are defined as reported orders in the current period adjusted for the impact of currency and acquisitions.

Organic revenue is defined as GAAP net revenues adjusted for the impact of currency and acquisitions.

Currency impacts on net revenues and bookings are measured by applying the prior year's foreign currency exchange rates to the current period's net revenues and bookings reported in local currency. This measure allows for a direct comparison of operating results excluding the year-over-year impact of foreign currency translation.

Adjusted operating income in 2020 is defined as GAAP operating income plus restructuring costs and transformation costs. Adjusted operating income in 2019 is defined as GAAP operating income plus restructuring costs.

Adjusted operating income margin is defined as the ratio of adjusted operating income divided by net revenues

Adjusted earnings from continuing operations attributable to Trane Technologies plc (Adjusted net earnings) in 2020 is defined as GAAP earnings from continuing operations attributable to Trane Technologies plc plus restructuring cost and transformation costs less the legacy legal liability adjustment, the gain on deconsolidation of certain entities under Charter 11 and the gain on M&A transaction, net of tax impacts plus separation-related tax adjustments. In 2019 Adjusted net earnings is defined as GAAP earnings from continuing operations attributable to Trane Technologies plc plus restructuring cost, net of tax impacts plus separation-related tax costs.

Adjusted continuing EPS in 2020 is defined as GAAP continuing EPS plus restructuring costs and transformation costs less the legacy legal liability adjustment, the gain on deconsolidation of certain entities under Charter 11 and the gain on M&A transaction, net of tax impacts plus separation-related tax adjustments. In 2019 Adjusted continuing EPS is defined as GAAP continuing EPS plus restructuring costs, net of tax impacts, plus separation-related tax costs.

Adjusted EBITDA in 2020 is defined as adjusted operating income plus depreciation and amortization expense plus or minus other income / (expense), net less the legacy legal liability adjustment, the gain on deconsolidation of certain entities under Chapter 11 and the gain on M&A transaction. Adjusted EBITDA in 2019 is defined as adjusted operating income plus depreciation and amortization expense plus or minus other income / (expense), net.

Adjusted EBITDA margin is defined as the ratio of adjusted EBITDA divided by net revenues

Free cash flow in 2020 and 2019 is defined as net cash provided by (used in) continuing operating activities, less capital expenditures, plus cash payments for restructuring costs and transformation costs.

Cash Flow Return on Invested Capital (CROIC) is defined as Free cash flow divided by Invested Capital (Gross property, plant and equipment plus accounts and notes receivable, net and inventories less accounts payable)

Please refer to the reconciliation tables included in our historical press releases and other information available on our website for additional information relating to historical non-GAAP measures.

2021

Notice and Proxy Statement

A Letter from Our Board of Directors on the Urgency of Sustainability

Dear Fellow Shareholders:

Urgent global issues demand visionary leadership. As the Trane Technologies Board of Directors, we are committed to bold action as the world contends with unprecedented challenges. Environmental, social and governance (“ESG”) leadership is central to the Trane Technologies business strategy, and a core element of both the company’s management routines and the Board’s ongoing governance processes.

Climate change is accelerating at a rapid rate, urbanization is dramatically reshaping our communities, and natural resources are more constrained than ever before. Trane Technologies excels where these global megatrends and our unique capabilities intersect. Having achieved our aggressive 2020 ESG targets—two years early—we embarked on our 2030 Commitments to ensure that every major facet of our business – from operations to supply chain, innovation and product development, employee and community development, and governance – is prepared for the next decade. This includes the Gigaton Challenge, a commitment to reduce one gigaton of carbon emissions from our customers’ footprints, as well as commitments to achieve carbon neutral operations, zero waste to landfill, gender parity in leadership and workforce diversity reflective of our communities. These commitments address some of our industry’s – and the world’s – biggest challenges.

ESG is embedded in our strategy and in the market opportunities that we pursue. Each key business decision is considered through an ESG lens – assessing the long-term value to society. Our Sustainability, Corporate Governance and Nominating Committee charter reflects the significant focus we have on ESG processes, and how the company’s ESG practices benefit from board knowledge and experience. In addition, the Technology and Innovation Committee provides input to management on strategies and innovations aimed at furthering our sustainability commitments, including the dramatic reduction of our company’s and customers’ carbon footprints. In addition, our Compensation Committee looks for opportunities to tie our strategies to executive incentives. Beginning in 2021 our executive incentive compensation will include environmental sustainability and diversity goals.

Looking ahead, the need for business leadership on ESG-related issues has never been greater. Our 2030 commitments will challenge us to lead by example, collaborate with our customers to drive sustainable innovation, and create opportunity for all in our workplace and communities. The timelines of our commitments are aligned with the timelines of the United Nations Sustainable Development Goals (UN SDGs) to ensure we’re contributing to the collective actions needed to drive global, sustainable progress.

From the top of our organization, and throughout every facet of our business, we hold ourselves to the highest standards of ethical conduct, and that means doing what is right for our business, for our people, for the environment, and for society. Our ESG performance is evident in a comprehensive framework of transparent reporting and disclosures.

Trane Technologies’ actions are predicated on a strong belief that one company can change an industry, and one industry can change the world. That’s why we are aligned around one central purpose: to boldly challenge what’s possible for a sustainable world.

Sincerely,



KIRK E. ARNOLD



ANN C. BERZIN



JOHN BRUTON



JARED L. COHON



GARY D. FORSEE



LINDA P. HUDSON



MICHAEL W. LAMACH



MYLES P. LEE



APRIL MILLER BOISE



KAREN B. PEETZ



JOHN P. SURMA



RICHARD J. SWIFT



TONY L. WHITE

Notice of 2021 Annual General Meeting of Shareholders

Voting Items

Proposals To Be Voted	Board Vote Recommendation	For Further Details
1. To elect 12 directors for a period of one year	"FOR" each director nominee	Page 13
2. To give advisory approval of the compensation of the Company's Named Executive Officers	"FOR"	Page 20
3. To approve the appointment of PricewaterhouseCoopers LLP as independent auditors of the Company and authorize the Audit Committee of the Board of Directors to set the auditors' remuneration	"FOR"	Page 20
4. To renew the existing authority of the directors of the Company to issue shares	"FOR"	Page 22
5. To renew the existing authority of the directors of the Company to issue shares for cash without first offering shares to existing shareholders (Special Resolution)	"FOR"	Page 23
6. To determine the price range at which the Company can re-allot shares that it holds as treasury shares (Special Resolution)	"FOR"	Page 24

Shareholders will also conduct such other business properly brought before the meeting.

By Order of the Board of Directors,

EVAN M. TURTZ

SENIOR VICE PRESIDENT AND GENERAL COUNSEL

Attending the Meeting

If you are a shareholder who is entitled to attend and vote, then you are entitled to appoint a proxy or proxies to attend and vote on your behalf. A proxy is not required to be a shareholder in the Company. If you wish to appoint as proxy any person other than the individuals specified on the proxy card, please contact the Company Secretary at our registered office.

Important Notice regarding the availability of proxy materials for the Annual General Meeting of Shareholders to be held on June 3, 2021.

The Annual Report and Proxy Statement are available at www.proxyvote.com.

The Notice of Internet Availability of Proxy Materials or this Notice of 2021 Annual General Meeting of Shareholders, the Proxy Statement and the Annual Report are first being mailed to shareholders on or about April 23, 2021.

2022 Annual Meeting

Deadline for shareholder proposals for inclusion in the proxy statement:

December 24, 2021

Deadline for business proposals and nominations for director: March 5, 2022



Date and Time

June 3, 2021 (Thursday)
8:00 a.m. EDT



Location

Trane Technologies plc
800-C Beatty Street
Davidson, NC 28036

Shareholders in Ireland may participate in the Annual General Meeting remotely on June 3, 2021 at 1:00 p.m. (Dublin time) telephonically at the Arthur Cox Building, Ten Earlsfort Terrace, Dublin 2, D02 T380, Ireland. See "Information Concerning Voting and Solicitation" of the proxy statement for further information on participating in the Annual General Meeting.



Who Can Vote

Only shareholders of record as of the close of business on April 8, 2021, are entitled to receive notice of and to vote at the Annual General Meeting.

How to Vote

Whether or not you plan to attend the meeting, please provide your proxy by either using the Internet or telephone as further explained in the accompanying proxy statement or filling in, signing, dating, and promptly mailing a proxy card.



By Telephone

In the U.S. or Canada, you can vote your shares by submitting your proxy toll-free by calling 1-800-690-6903.



By Internet

You can vote your shares online at www.proxyvote.com.



By Mail

You can vote by mail by marking, dating, and signing your proxy card or voting instruction form and returning it in the postage-paid envelope.

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Trane Technologies 2020 Performance Highlights

FINANCIAL PERFORMANCE HIGHLIGHTS

Annual Revenue

**\$12.45
BILLION**

↓ Decrease of 4.8% from 2019

Adjusted EBITDA Margin⁽¹⁾

15.4%

↑ Increase of 0.2 percentage points over 2019

Adjusted EBITDA⁽¹⁾

**\$1.92
BILLION**

↓ Decrease of 3.3% from 2019

Free Cash Flow

**\$1.71
BILLION**

↑ Increase of 25.3% from 2019

NON-FINANCIAL PERFORMANCE HIGHLIGHTS



Business

- Successfully completed our Reverse Morris Trust ("RMT") transaction whereby the Company separated its former Industrial segment, which was combined with Gardner Denver Holdings, Inc. and launched Trane Technologies, a focused climate innovation company.
- For the eighth consecutive year, recognized by Fortune Magazine as one of the world's most-admired companies.



Human Capital Management

- Renewed our membership in the CEO Action for Diversity and Inclusion pledge, focusing on our commitment to advance diversity and inclusion in the workplace.
- Renewed our commitment to the Paradigm for Parity Coalition, a pledge to bring gender parity to our corporate leadership structure by 2030. We were the first in our industry to enter the coalition.
- Became a founding Member of the OneTen coalition, committed to hiring, retaining and advancing one million Black Americans over the next ten years.



Sustainability

- We met our 2020 sustainability commitments that were set in 2013 in 2018, two years early, and announced bold 2030 sustainability commitments in 2019.
- We are one of 615 companies worldwide with science-based targets and one of only 47 companies to have its targets verified by SBTi twice (once in 2014 and again in early 2021).
- Listed on the Dow Jones Sustainability North America Index for 10 consecutive years.

For more information regarding our 2020 Financial and Non-Financial Performance, please see Compensation Discussion and Analysis contained in this Proxy Statement.

For more information regarding the Company's commitment to leadership in environmental, social and governance matters and our achievements in these areas, please also see our 2020 Annual Report to Shareholders included in these proxy materials and our 2020 ESG Report available on our website located at www.tranetechnologies.com under the heading "Sustainability."

⁽¹⁾ We report our financial results in our annual report on Form 10-K and our quarterly reports on Form 10-Q in accordance with United States generally accepted accounting principles ("GAAP"). Our financial results described above for Adjusted EBITDA and Adjusted EBITDA Margin have been adjusted to exclude the impact of certain non-routine and other items as described in our earnings releases and are non-GAAP financial measures. These metrics and the related performance targets and results are relevant only to our executive compensation program and should not be used or applied in other contexts. For a description of how the metrics above are calculated from our GAAP financial statements, please see "Annual Incentive Matrix ("AIM") - Determination of Payout" with respect to AIM payments and "Long Term Incentive Program ("LTIP") - 2018 - 2020 Performance Share Units Payout" with respect to Performance Share Program ("PSP") awards.

Sustainability at Trane Technologies

At Trane Technologies, sustainability is core to who we are. Our commitment extends to the environmental and social impacts of our operations, products and services, and workplace.

Here is an overview of our 2030 Sustainability Commitments and our progress against them.

THE GIGATON CHALLENGE

We're reducing one gigaton – one billion metric tons – of carbon emissions (CO₂e) from our customers' footprint by 2030.

How We'll Do It

We're innovating clean technologies, advancing system level energy-efficiency, reducing global food loss and transitioning to next-generation refrigerants.

Our Progress in 2020

7.7 million

metric tons of CO₂e reduced from our customer's carbon footprint equivalent to the annual output of

1,662

wind turbines

LEADING BY EXAMPLE

We're reimagining our supply chain and operations to have a restorative impact on the environment.

How We'll Do It

We're working to achieve carbon neutral operations, zero waste to landfills, and net positive water use, and reduce absolute energy use by 10 percent.

Our Progress in 2020

23%

total reduction in water use in water-stressed regions

39%

39% of electricity demand met with renewables

OPPORTUNITY FOR ALL

We're uplifting our culture and communities through an inclusive approach and a focus on education and career development.

How We'll Do It

We'll achieve workforce diversity reflective of our communities, gender parity in leadership roles, and create pathways to green and STEM careers.

Our Progress in 2020

21.7%

of leadership positions held by women

\$380.4 million

in goods and services spent on diverse-owned businesses

Supporting Employees and Customers during COVID-19

As the coronavirus pandemic took hold, Trane Technologies took quick and deliberate action to care for the health and safety of our people, serve the essential needs of our customers, and maintain balanced attention on the Company's short-term performance and long-term business strategy.

TAKING CARE OF OUR PEOPLE

We immediately invested in safety measures and personal protective equipment to continue operating our facilities, manufacturing plants and services with comprehensive safety protocols. To preserve jobs, we took cost management actions including delay of base salary merit increases and furloughs in select markets. We enhanced benefits and support resources to care for our people and their families who were affected by COVID-19 in many ways. Through it all, we maintained strong employee engagement – with 2020 scores that improved relative to 2019 and are in the top quartile of companies globally. To support our people during the pandemic, we:

- Accelerated the rollout of our global Employee Assistance Program (EAP).
- Provided frequent communications and webinars on topics including mental health, childcare, and education. Provided back-up care and working parent resource enhancements in the U.S.
- Amended our U.S. medical plans to cover COVID-19 testing and telehealth visits at no cost to employees.
- Modified our Short-Term Disability Plan to eliminate the previous waiting period, ensuring benefits begin on first day of absence for COVID-related illness or required quarantine.
- Accelerated our "Future of Work" initiative to create revised Flex Time and Flex Place policies and resources that vary by type of role.
- Provided \$1.4 million in grants to 1,083 employees experiencing hardship due to COVID-19 through the Helping Hand employee relief fund.

INNOVATING TO SERVE CUSTOMERS

Our teams took an agile approach to serving the needs of our customers through this challenging time, prioritizing the needs of essential customers, innovating to meet evolving needs, and bringing experts and new partners to the table to advance market-leading solutions. To support our customers through the pandemic, we:

- Focused immediately on serving essential customers in healthcare, hospitals, laboratories and data centers with indoor environmental quality solutions to remove pathogens from the air and support isolation rooms and other specific needs.
- Introduced a new suite of services to support commercial building owners and operators including a comprehensive Indoor Air Quality Assessment, an Energy Checkup to ensure efficiency and Remote Services to enable remote system diagnosis, service and monitoring.
- Launched the Center for Healthy and Efficient Spaces and convened a team of global experts to accelerate innovation and advocacy on indoor environments.
- Partnered with technology companies like Synexis to bring market-leading innovation to customers to reduce pathogens in air and on surfaces.
- Expanded our portfolio of refrigerated transport solutions to safely and efficiently move refrigerated foods and medicines in communities around the world as e-commerce and home delivery expanded.
- Launched new cold storage and transport solutions to meet the needs of pharmaceutical and transport companies engaged in vaccine distribution, including a Super Freezer that can maintain temperatures as low as -70 degrees Celsius.

Proxy Voting Roadmap

This summary highlights information contained elsewhere in this Proxy Statement. For more complete information about these topics, please review Trane Technologies plc's Annual Report on Form 10-K and the entire Proxy Statement.

ITEM

1

Election of Directors

- Eleven out of 12 Director nominees are independent.
- The Board of Directors is nominating five female directors, one Black director, one Hispanic director and two non-U.S. directors out of a total of 12 directors.
- The tenure and experience of our directors is varied, which brings varying perspectives to our Board functionality.



The Board of Directors recommends a vote **"FOR"** the directors nominated for election.



See page 13 for further information

Director Nominees

Name/Occupation	Director			Other Current Public Boards	Trane Technologies Committees					
	Age	since	Independent		A	C	S	F	T	E
Kirk E. Arnold Executive in Residence of General Catalyst Former Chief Executive Officer, Data Intensity	61	2018	YES	- Ingersoll Rand Inc. - Thomson Reuters - Epiphany Technology Acquisition Corp.		M	M		M	
Ann C. Berzin Former Chairman and CEO of Financial Guaranty Insurance Company	69	2001	YES	- Exelon Corporation - Baltimore Gas & Electric Company	M			C		M
John Bruton Former Prime Minister of the Republic of Ireland and Former European Union Commission Head of Delegation to the United States	73	2010	YES		M			M	M	
Jared L. Cohon President Emeritus of Carnegie Mellon University, University Professor of Civil and Environmental Engineering and of Engineering and Public Policy	73	2008	YES	Unisys		M	M		C	
Gary D. Forsee Former President of University of Missouri System and Former Chairman of the Board and Chief Executive Officer of Sprint Nextel Corporation	71	2007	YES	Ingersoll Rand Inc.		M	C		M	M
Linda P. Hudson Founder and Former Chairman and CEO of The Cardea Group and Former President and CEO of BAE Systems, Inc.	70	2015	YES	- Bank of America - TPI Composites, Inc.		M	M		M	
Michael W. Lamach Chairman and CEO of Trane Technologies plc	57	2010	NO	PPG Industries, Inc.						C
Myles P. Lee Former Director and CEO of CRH plc	67	2015	YES	- Babcock International Group plc - UDG Healthcare plc	M			M		
April Miller Boise Executive Vice President and General Counsel of Eaton Corporation plc	52	2020	YES		M			M		
Karen B. Peetz Chief Administrative Officer of Citigroup Inc.	65	2018	YES						M	
John P. Surma Retired Chairman and CEO of United States Steel Corporation	66	2013	YES	- Marathon Petroleum Corporation - MPLX LP (a publicly traded subsidiary of Marathon Petroleum Corporation) - Public Service Enterprise Group	C			M		M
Tony L. White Former Chairman, President and CEO of Applied Biosystems Inc.	74	1997	YES	- CVS Health Corporation - Ingersoll Rand Inc.		C	M		M	M

A Audit Committee
F Finance Committee

C Compensation Committee
T Technology and Innovation Committee

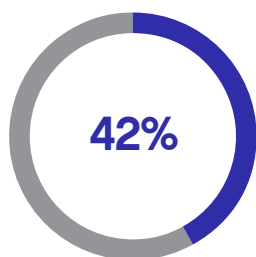
S Sustainability, Corporate Governance & Nominating Committee
E Executive Committee

C Chair
M Member

Board Diversity

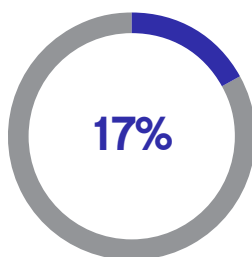
The Company's policy on Board diversity relates to the selection of nominees for the Board of Directors. In selecting a nominee for the Board, the Sustainability, Corporate Governance and Nominating Committee considers the skills, expertise and background that would complement the existing Board and ensure that its members are of sufficiently diverse and independent backgrounds, recognizing that the Company's businesses and operations are diverse and global in nature. The Board of Directors is nominating five female directors (Ms. Arnold, Ms. Berzin, Ms. Hudson, Ms. Miller Boise and Ms. Peetz), one Hispanic director (Mr. White), one Black director (Ms. Miller Boise) and two international directors who are Irish citizens (Mr. Bruton and Mr. Lee) out of a total of 12 directors. Two of our current directors (Mr. Swift and Mr. Bruton) have veteran status. In addition, the tenure and experience of our directors is varied, which brings varying perspectives to our Board functionality.

GENDER



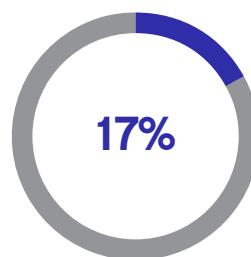
■ Female Directors

RACE AND ETHNICITY



■ Racially and Ethnically Diverse Directors

NATIONALITY



■ International Representation

BOARD SIZE AND INDEPENDENCE



11 out of 12 Director Nominees are Independent

BOARD SKILLS AND EXPERIENCE

	Arnold	Berzin	Bruton	Cohon	Forsee	Hudson	Lamach	Lee	Miller Boise	Peetz	Surma	White
Financial Expert		●			●	●	●	●		●	●	●
Finance/Capital Allocation		●	●				●	●		●	●	
Global Experience		●	●	●	●	●	●	●	●	●	●	●
Technology/Engineering	●			●	●	●	●					
Marketing/Digital	●											●
Services	●				●		●				●	
Human Resources/Compensation					●	●	●		●	●		●
IT/Cybersecurity/Data Management	●					●			●			
Risk Management/Mitigation	●	●	●	●	●	●	●	●	●	●	●	●
ESG/Sustainability	●			●	●	●	●		●	●	●	
Chair/CEO/Business Head	●	●		●	●	●	●	●		●	●	●
Industrial/Manufacturing						●	●	●	●		●	●
Academia/Education	●			●	●							
Government/Public Policy			●	●					●		●	
Financial Services		●	●			●				●		

Director Nomination Process

The Sustainability, Corporate Governance and Nominating Committee identifies individuals qualified to become directors and recommends the candidates for all directorships.

1 BOARD COMPOSITION ASSESSMENT

The Sustainability, Corporate Governance and Nominating Committee reviews the composition of the full Board to identify the qualifications and areas of expertise needed to further enhance the composition of the Board.



2 BOARD RECOMMENDATION

The Sustainability, Corporate Governance and Nominating Committee makes recommendations to the Board concerning the appropriate size and needs of the Board including recommendations based on reviews of diversity and the board's skill and experience matrix.



3 IDENTIFICATION OF CANDIDATES

The Sustainability, Corporate Governance and Nominating Committee with the assistance of management identifies candidates with those qualifications. The board has used a third party search firm for all searches in the last five years and has included a diverse slate of candidates from a gender diversity and racial and ethnic diversity perspective. The Board intends to continue to include diverse candidates from a gender diversity and racial and ethnic diversity perspective in each board member search that it conducts.

In considering candidates, the Sustainability, Corporate Governance and Nominating Committee will take into account all factors it considers appropriate, including breadth of experience, understanding of business and financial issues, ability to exercise sound judgment, diversity, leadership, and achievements and experience in matters affecting business and industry. The Sustainability, Corporate Governance and Nominating Committee considers the entirety of each candidate's credentials and believes that at a minimum each nominee should satisfy the following criteria: highest character and integrity, experience and understanding of strategy and policy-setting, sufficient time to devote to Board matters, and no conflict of interest that would interfere with performance as a director.

Shareholders may recommend candidates for consideration for Board membership by sending the recommendation to the Sustainability, Corporate Governance and Nominating Committee, in care of the Secretary of the Company. Candidates recommended by shareholders are evaluated in the same manner as director candidates identified by any other means.

Corporate Governance Highlights

The Company upholds the highest standards of corporate governance including:

- Substantial majority of independent director nominees (11 of 12)
- Annual election of directors
- Majority vote for directors
- Independent Lead Director
- Board oversight of risk management
- Succession planning at all management levels, including for Board and CEO
- Annual Board and committee self-assessments
- Executive sessions of non-management directors
- Continuing director education
- Executive and director stock ownership guidelines
- Board oversight of enterprise-wide sustainability program and strategy

ITEM

2

Advisory Approval of the Compensation of Our Named Executive Officers

- Our Compensation Committee has adopted executive compensation programs with a strong link between pay and achievement of short and long-term Company goals.
- Shareholders voted 91% in favor of the company's Advisory Approval of the Compensation of our NEOs at our 2020 Annual General Meeting.



The Board of Directors recommends a vote **FOR** this item.



See page **20** for further information

Executive Compensation Highlights

The Compensation Committee (the "Committee") is guided by executive compensation principles that shape the executive compensation programs that the Committee adopts to execute on the Company's strategies and goals.

Executive Compensation Principles

Our executive compensation programs are based on the following principles:

- | | | |
|---------------------------------|---|-----------------------------|
| (i) business strategy alignment | (iii) mix of short and long-term incentives | (v) shareholder alignment |
| (ii) pay for performance | (iv) internal parity | (vi) market competitiveness |

Executive Compensation Program Overview

The Committee has adopted executive compensation programs with a strong link between pay and performance and the achievement of short-term and long-term Company goals. The primary elements of the executive compensation programs are base salary, Annual Incentive Matrix ("AIM") and long-term incentives ("LTI"). The Committee places significant emphasis on variable compensation (AIM and LTI) so that a substantial percentage of the six NEO's target total direct compensation ("TDC") is contingent on the successful achievement of the Company's short-term and long-term performance goals.

Pay for Performance

A strong pay for performance culture is paramount to our success. As a result, each executive's target total direct compensation ("TDC") is tied to Company, business and individual performance against set goals. Company and business performance are measured against pre-established financial, operational and strategic objectives as set by the Committee. Individual performance is measured against pre-established individual goals as well as demonstrated leadership competencies and behaviors consistent with our leadership principles. In addition, a portion of the long-term incentive is earned based on Company cash flow return on invested capital ("CROIC") and shareholder value performance relative to peer companies. Over 90% of our CEO's total direct compensation was performance based compensation in 2020 and over 78% of our other NEO's average total direct compensation was performance based compensation in 2020 – pay that is subject to risk depending on our Company's performance.

2020 Executive Compensation

The summary below shows the 2020 compensation for our CEO and other NEOs, as required to be reported in the Summary Compensation Table pursuant to U.S. Securities and Exchange Commission ("SEC") rules. Please see the notes accompanying the Summary Compensation Table for further information.

Name and Principal Position	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) ⁽¹⁾	All Other Compensation (\$)	Total (\$)
M. W. Lamach Chairman and Chief Executive Officer	1,410,000	500,000	9,262,869	2,500,012	2,397,000	11,591,666	445,939	28,107,486
C. J. Kuehn Senior Vice President and Chief Financial Officer	642,742	150,000	1,667,489	450,012	680,000	445,140	88,607	4,123,990
D. S. Regnery President and Chief Operating Officer	850,000	150,000	2,408,938	650,009	850,000	3,735,597	119,679	8,764,223
M. J. Avedon Executive Vice President, Chief Human Resources, Marketing and Communications Officer	691,250	200,000	1,556,448	420,004	603,500	2,547,784	100,288	6,119,274
P. A. Camuti Executive Vice President and Chief Technology and Strategy Officer	575,000	150,000	1,389,663	375,008	501,500	814,644	77,655	3,883,470
S. K. Carter⁽²⁾ Former Senior Vice President and Chief Financial Officer	196,686	200,000	298	—	194,809	628,837	159,471	1,380,101

⁽¹⁾ Amounts reported in this column reflect the aggregate increase in the actuarial present value of the benefits under the qualified Trane Technologies Pension Plan Number One, the Trane Technologies Supplemental Pension Plan, the Trane Technologies Supplemental Pension Plan II, the Key Management Supplemental Pension program and the Elected Officer Supplemental Pension program, as applicable. The change in pension benefits value is attributable to the additional year of service and age, the annual AIM award and any annual salary increase. Other external factors, outside the influence of the plan design, also impact the values shown in this column. Examples of these factors include changes to mortality tables as well as interest and discount rates. For all the NEOs, the amounts in this column for 2020 were impacted by decreasing lump sum interest rates (down from 2.25% to 1.00%) and discount rates (down from 2.96% to 2.08%) which cause the value of the lump sum distribution under the EOSP and the KMP to increase. For Mr. Lamach, the majority of the change in the pension value is due to these required actuarial valuation changes.

⁽²⁾ Ms. Carter retired on April 1, 2020.

See Compensation Discussion and Analysis for more information about our Committee's executive compensation principles, the programs the Committee has adopted and the decisions that the Committee made during 2020.

ITEM

3

Approval of Appointment of Independent Auditors

- The Audit Committee engages in an annual evaluation of the qualifications, performance and independence of PricewaterhouseCoopers LLP ("PwC").
- Both by virtue of its familiarity with the Company's affairs and its professional competencies and resources, PwC is considered best qualified to perform this important function.
- The Audit Committee and the Board believe that the continued retention of PwC to serve as our independent external auditors is in the best interests of the Company and its investors.



The Board of Directors recommends a vote **"FOR"** this item.



See page **20** for further information

ITEM

4

Renewal of the Directors' Existing Authority to Issue Shares

- The Board of Directors' authority to issue shares under Irish law is fundamental to our business.
- Granting the Board this authority is a routine matter for public companies incorporated in Ireland.



The Board of Directors recommends a vote **"FOR"** this item.



See page **22** for further information

ITEM

5

Renewal of the Directors' Existing Authority to Issue Shares for Cash without First Offering Shares to Existing Shareholders

- The Board of Directors' authority to issue shares for cash without first offering shares to existing shareholders is fundamental to our business.
- Granting the Board this authority is a routine matter for public companies incorporated in Ireland.
- As required under Irish law, this proposal requires the affirmative vote of at least 75% of the votes cast.



The Board of Directors recommends a vote **"FOR"** this item.



See page **23** for further information

ITEM

6

Determine the Price at which the Company Can Re-Allot Shares Held as Treasury Shares

- From time to time the Company may acquire ordinary shares and hold them as treasury shares.
- The Company may re-allot such treasury shares, and under Irish law, our shareholders must authorize the price range at which we may re-allot shares held in treasury.
- As required under Irish law, this proposal requires the affirmative vote of at least 75% of the votes cast.



The Board of Directors recommends a vote **"FOR"** this item.



See page **24** for further information

Proposals Requiring Your Vote

In this Proxy Statement, “Trane Technologies,” the “Company,” “we,” “us” and “our” refer to Trane Technologies plc, an Irish public limited company. This Proxy Statement and the enclosed proxy card, or the Notice of Internet Availability of Proxy Materials, are first being mailed to shareholders of record on April 8, 2021 (the “Record Date”) on or about April 23, 2021.

ITEM

Election of Directors

1

The Company uses a majority of votes cast standard for the election of directors. A majority of the votes cast means that the number of votes cast “for” a director nominee must exceed the number of votes cast “against” that director nominee. Each director of the Company is being nominated for election for a one-year term beginning at the end of the 2021 Annual General Meeting of Shareholders to be held on June 3, 2021 (the “Annual General Meeting”) and expiring at the end of the 2022 Annual General Meeting of Shareholders. Under our Articles of Association, if a director is not re-elected in a director election, the director shall retire at the close or adjournment of the Annual General Meeting. Mr. Swift is retiring at the 2021 Annual General Meeting due to reaching retirement age in accordance with our Corporate Governance Guidelines.



The Board of Directors recommends a vote “FOR” the directors nominated for election listed below.

Nominees for Director



Kirk E. Arnold

Independent Director

Age 61

Director since 2018

Committees

Compensation
Sustainability, Corporate
Governance & Nominating
Technology and Innovation

Principal Occupation

- Executive in Residence of General Catalyst, a venture capital firm backing entrepreneurs, from September 2018–Present.
- Chief Executive Officer of Data Intensity from 2013 to 2017.

Current Public Directorships

- Ingersoll Rand Inc.
- Thomson Reuters
- Epiphany Technology Acquisition Corp.

Other Directorships Held in the Past Five Years

- EnerNoc, Inc.

Other Activities

- Director of The Predictive Index
- Director of Baypath University
- Director of UP Education Network

Skills and Experience



Technology/
Engineering



Marketing/
Digital



Services



IT/Cybersecurity/
Data Management



Risk Management/
Mitigation



ESG /
Sustainability



Chair/CEO/
Business Head



Academia/
Education

Nominee Highlights

Ms. Arnold's vast experience in technology and service leadership brings critical insight to the Company's operations, digital analytics, and technologies. Ms. Arnold has served in executive positions throughout the technology industry including as COO at Avid, a technology provider to the media industry, and CEO and President of Keane, Inc., then a publicly traded billion-dollar global services provider. Ms. Arnold has also held senior leadership roles at Computer Sciences Corporation, Fidelity Investments and IBM. Ms. Arnold's active participation in the technology and business community provides the Company ongoing insight into digital marketing and technology related issues.



Ann C. Berzin
Independent Director

Age 69

Director since 2001

Committees

Audit
Finance (Chair)
Executive

Principal Occupation

- Chairman and Chief Executive Officer of Financial Guaranty Insurance Company (insurer of municipal bonds and structured finance obligations), a subsidiary of General Electric Capital Corporation, from 1992 to 2001.

Current Public Directorships

- Exelon Corporation
- Baltimore Gas & Electric Company

Other Directorships Held in the Past Five Years

- None

Other Activities

- University of Chicago College Advisory Council

Skills and Experience



Financial
Expert



Finance/Capital
Allocation



Global
Experience



Risk Management/
Mitigation



Chair/CEO/
Business Head



Financial Services

Nominee Highlights

Ms. Berzin's extensive experience in finance at a global diversified industrial firm and her expertise in complex investment and financial products and services bring critical insight to the Company's financial affairs, including its borrowings, capitalization, and liquidity. In addition, Ms. Berzin's relationships across the global financial community strengthen the Company's access to capital markets. Her board memberships provide deep understanding of trends in the energy sector, which presents ongoing opportunities and challenges for the Company.



John Bruton
Independent Director

Age 73

Director since 2010

Committees

Audit
Finance
Technology and Innovation

Principal Occupation

- European Union Commission Head of Delegation to the United States from 2004 to 2009.
- Prime Minister of the Republic of Ireland from 1994 to 1997.

Current Public Directorships

- None

Other Directorships Held in the Past Five Years

- None

Other Activities

- Irish Institute for International and European Affairs
- Irish Diaspora Loan Fund Public Limited Company
- PIMCO Global Advisors (Ireland) Limited
- PIMCO Funds: Global Investors Series plc
- PIMCO Select Funds plc

- PIMCO Fixed Income Source ETFs plc
- PIMCO Funds Ireland plc
- PIMCO Specialty Funds Ireland plc
- Terebellum
- Co-Operation Ireland
- Centre for European Policy
- Public Oversight Committee of Deloitte in Ireland

Skills and Experience



Finance/Capital
Allocation



Global
Experience



Risk Management/
Mitigation



Government/
Public Policy



Financial
Services

Nominee Highlights

Mr. Bruton's long and successful career of public service on behalf of Ireland and Europe provides extraordinary insight into critical regional and global economic, social and political issues, all of which directly influence the successful execution of the Company's strategic plan. In particular, Mr. Bruton's leadership role in transforming Ireland into one of the world's leading economies during his tenure, as well as in preparing the governing document for managing the Euro, lend substantial authority to the Company's economic and financial oversight.



Jared L. Cohon
Independent Director

Age 73

Director since 2008

Committees

Compensation
Sustainability, Corporate
Governance and
Nominating
Technology and Innovation
(Chair)

Principal Occupation

- President Emeritus at Carnegie Mellon University, President of Carnegie Mellon University from 1997-2013 and also appointed University Professor of Civil and Environmental Engineering / Engineering and Public Policy.

Current Public Directorships

- Unisys

Other Activities

- BNY Mellon Foundation, Trustee
- Carnegie Corporation, Trustee
- Center for Responsible Shale Gas Development, Director and Chair

Other Directorships Held in the Past Five Years

- Lexmark, Inc.
- Health Effects Institute, Director
- Heinz Endowments, Trustee
- Hillman Family Foundations, Trustee

Skills and Experience



Global
Experience



Technology/
Engineering



Risk Management/
Mitigation



ESG /
Sustainability



Chair/CEO/
Business Head



Academia/
Education



Government/
Public Policy

Nominee Highlights

Dr. Cohon's extensive career in academics, including 16 years as president of an institution known throughout the world for its leadership in the fields of computer science and engineering, offers the Company tremendous insight into the latest developments in areas critical to commercial innovation and manufacturing process improvement. A member of the National Academy of Engineering, Dr. Cohon is a recognized authority on environmental and water resources systems analysis and management. As such, Dr. Cohon also brings unique perspectives on sustainable business practices, both within our own operations and on behalf of our customers and communities. In 2008 and 2009, at the request of Congress, Dr. Cohon chaired the National Research Council Committee that produced the report, "Hidden Costs of Energy: Unpriced Consequences of Energy Production and Use." In 2014, Dr. Cohon was appointed co-chair of the Congressionally-mandated Commission to review and evaluate the National Energy Laboratories. He currently serves as Chair of the National Academies' Board on Energy and Environmental Systems. Finally, Dr. Cohon's more than nine years of service as a member of Trane Inc.'s (formerly American Standard) board of directors provides critical insight into that part of the Company's business.



Gary D. Forsee
Independent Director

Age 71
Director since 2007
Committees
Compensation
Sustainability, Corporate
Governance and
Nominating (Chair)
Executive, Technology
and Innovation

Principal Occupation

- President, University of Missouri System from 2008 to 2011.
- Chairman of the Board (from 2006 to 2007) and Chief Executive Officer (from 2005 to 2007) of Sprint Nextel Corporation (a telecommunications company).

Current Public Directorships

- Ingersoll Rand Inc.

Other Directorships Held in the Past Five Years

- DST Systems Inc.
- Evergy, Inc.

Skills and Experience



Financial Expert



Global Experience



Technology/
Engineering



Services



Human Resources/
Compensation



Risk Management/
Mitigation



ESG /
Sustainability



Chair/CEO/
Business Head



Academia/
Education

Nominee Highlights

In addition to his broad operational and financial expertise, Mr. Forsee's experience as chairman and chief executive officer with one of the largest U.S. firms in the global telecommunications industry offers a deep understanding of the challenges and opportunities within markets experiencing significant technology-driven change. His role as president of a major university system provides insight into the Company's talent development initiatives, which remain a critical enabler of the Company's long-term success. Mr. Forsee's experience serving on the board of an energy services utility also benefits the Company as it seeks to achieve more energy-efficient operations and customer solutions.



Linda P. Hudson
Independent Director

Age 70
Director since 2015
Committees
Compensation
Sustainability, Corporate
Governance and
Nominating
Technology and Innovation

Principal Occupation

- Founder and Former Chairman and Chief Executive Officer of The Cardea Group, a business management consulting firm she founded in 2014 and sold in 2020.
- Former President and Chief Executive Officer of BAE Systems, Inc. from 2009-2014.

Current Directorships

- Bank of America
- TPI Composites, Inc.

Other Directorships Held in the Past Five Years

- The Southern Company

Other Activities

- Director, University of Florida Foundation Inc. and the University of Florida Engineering Leadership Institute
- Advisory Board, the Angeleno Group

Skills and Experience



Financial Expert



Global Experience



Technology/
Engineering



Human
Resources/
Compensation



IT/Cybersecurity/
Data Management



Risk Management/
Mitigation



ESG /
Sustainability



Chair/CEO/
Business Head



Industrial/
Manufacturing



Financial Services

Nominee Highlights

Ms. Hudson's prior role as President and CEO of BAE Systems and her extensive experience in the defense and engineering sectors provides the Company with strong operational insight and understanding of matters crucial to the Company's business. Prior to becoming CEO of BAE Systems, Ms. Hudson was president of BAE Systems' Land & Armaments operating group, the world's largest military vehicle and equipment business. A member of the National Academy of Engineering, Ms. Hudson is a recognized authority on industrial, manufacturing and operational systems. In addition, Ms. Hudson has broad experience in strategic planning and risk management in complex business environments.



Michael W. Lamach
Chairman and CEO

Age 57

Director since 2010

Committees

Executive (Chair)

Principal Occupation

- Chairman of the Company since June 2010.
- Chief Executive Officer of the Company since February 2010.

Current Directorships

- PPG Industries, Inc.

Other Directorships Held in the Past Five Years

- None

Other Activities

- Chair of the Board of the National Association of Manufacturers
- Member of the Business Council
- Duke University Board of Visitors

Skills and Experience



Financial Expert



Finance/Capital Allocation



Global Experience



Technology/Engineering



Services



Human Resources/Compensation



Risk Management/Mitigation



ESG / Sustainability



Chair/CEO/Business Head



Industrial/Manufacturing

Nominee Highlights

Mr. Lamach's extensive career of successfully leading global businesses, including seventeen years with the Company, brings significant experience and expertise to the Company's management and governance. His 36 years of business leadership encompass global industrial systems, controls, security and HVAC systems businesses, representing a broad and diverse range of products and services, markets, channels, applied technologies and operational profiles. In his current role of Chairman and Chief Executive Officer, he led the successful RMT transaction whereby the Company separated its former Industrial segment, which was combined with Gardner Denver Holdings, Inc. Mr. Lamach has been instrumental in driving growth and operational excellence initiatives across the Company's global operations.



Myles P. Lee
Independent Director

Age 67

Director since 2015

Committees

Audit
Finance

Principal Occupation

- Director (from 2003 to 2013) and Chief Executive Officer (from 2009 to 2013) of CRH plc

Current Public Directorships

- Babcock International Group plc
- UDG Healthcare plc

Other Directorships Held in the Past Five Years

- None

Other Activities

- Director, St. Vincent's Healthcare Group

Skills and Experience



Financial Expert



Finance/Capital Allocation



Global Experience



Risk Management/Mitigation



Chair/CEO/Business Head



Industrial/Manufacturing

Nominee Highlights

Mr. Lee's experience as the former head of the largest public or private company in Ireland provides strategic and practical judgment to critical elements of the Company's growth and productivity strategies, expertise in Irish governance matters and significant insight into the building and construction sector. In addition, Mr. Lee's previous service as Finance Director and General Manager of Finance of CRH plc and in a professional accountancy practice provides valuable financial expertise to the Company.



April Miller Boise
Independent Director

Age 52
Director since 2020
Committees

Audit
Finance

Principal Occupation

- Executive Vice President and General Counsel of Eaton Corporation plc from January 2020-Present.
- Senior Vice President, General Counsel / Chief Legal Officer of Meritor from August 2016-December 2019.

Current Public Directorships

- None

Other Directorships Held in the Past Five Years

- Federal Home Loan Bank, Cincinnati

Other Activities

- Trustee, Cleveland Clinic
- Director, City Club of Cleveland

Skills and Experience

- | | | | |
|----------------------|-------------------------------|-----------------------------------|-----------------------------|
| Global Experience | Human Resources/ Compensation | IT/Cybersecurity/ Data Management | Risk Management/ Mitigation |
| ESG / Sustainability | Industrial/ Manufacturing | Government/ Public Policy | |

Nominee Highlights

Ms. Miller Boise adds valuable perspective as we execute our climate-focused strategy and expand our global leadership in sustainability. She brings extensive experience in business strategy, strategic transactions and international growth, in addition to her deep background in corporate governance and inclusive talent management. In particular, Ms. Miller Boise's experience working with companies in relevant industries across the global manufacturing arena including automotive, electrical products and services, commercial transportation, and oil and gas brings relevant insight regarding the manufacturing industry and dynamic end markets around the world.



Karen B. Peetz
Independent Director

Age 65
Director since 2018
Committees
Technology and Innovation

Principal Occupation

- Chief Administrative Officer of Citigroup Inc.
- Former President of BNY Mellon from 2013-2016.

Current Public Directorships

- None

Other Directorships Held in the Past Five Years

- Wells Fargo & Company
- SunCoke Energy

Other Activities

- Director, The Guardian Life Insurance Company of America
- Trustee, John Hopkins University and Medicine
- Director, Global Lyme Alliance

Skills and Experience

- | | | | |
|-----------------------------|----------------------------|--------------------------|-------------------------------|
| Financial Expert | Finance/Capital Allocation | Global Experience | Human Resources/ Compensation |
| Risk Management/ Mitigation | ESG / Sustainability | Chair/CEO/ Business Head | Financial Services |

Nominee Highlights

Ms. Peetz adds deep financial and operational leadership experience in complex, global markets to the Board. In particular, Ms. Peetz's experience serving as president of one of the world's largest custodian banks and asset servicing companies and Chief Administrative Officer of one of the leading global banks brings critical insight to the Company's financial affairs, including its borrowings, capitalization, and liquidity as well as financial management and risk management. Ms. Peetz also has extensive experience leading with respect to governance and corporate responsibility matters that complement the Company's commitment to these issues.



John P. Surma

Independent Director

Age 66

Director since 2013

Committees

Audit (Chair)

Finance

Executive

Principal Occupation

- Chairman (from 2006-2013) and Chief Executive Officer (from 2004-2013) of United States Steel Corporation (a steel manufacturing company).

Current Public Directorships

- Marathon Petroleum Corporation
- MPLX LP (a publicly traded subsidiary of Marathon Petroleum Corporation)
- Public Service Enterprise Group

Other Directorships Held in the Past Five Years

- Concho Resources Inc.

Other Activities

- Director, UPMC

Skills and Experience



Financial Expert



Finance/Capital Allocation



Global Experience



Services



Risk Management/Mitigation



ESG / Sustainability



Chair/CEO/Business Head



Industrial/Manufacturing



Government/Public Policy

Nominee Highlights

Mr. Surma's experience as the former chairman and chief executive officer of a large industrial company provides significant and direct expertise across all aspects of the Company's operational and financial affairs. In particular, Mr. Surma's financial experience, having previously served as the chief financial officer of United States Steel Corporation and as a partner of the audit firm PricewaterhouseCoopers LLP, provides the Board with valuable insight into financial reporting and accounting oversight of a public company. Mr. Surma's board memberships and other activities provide the Board an understanding of developments in the energy sector as the Company seeks to develop more energy-efficient operations and insight into national and international business and trade policy that could impact the Company.



Tony L. White

Independent Director

Age 74

Director since 1997

Committees

Compensation (Chair)

Sustainability, Corporate

Governance and Nominating

Executive

Technology and Innovation

Principal Occupation

- Chairman, President and Chief Executive Officer of Applied Biosystems Inc. (a developer, manufacturer and marketer of life science systems and genomic information products) from 1995 until his retirement in 2008.

Current Directorships

- CVS Health Corporation
- Ingersoll Rand Inc.

Other Directorships Held in the Past Five Years

- C.R. Bard, Inc.

Skills and Experience



Financial Expert



Global Experience



Marketing/Digital



Human Resources/Compensation



Risk Management/Mitigation



Chair/CEO/Business Head



Industrial/Manufacturing

Nominee Highlights

Mr. White's extensive management experience, including 13 years as chairman and chief executive officer of an advanced-technology life sciences firm, provides substantial expertise and guidance across all aspects of the Company's operational and financial affairs. In particular, Mr. White's leadership of an organization whose success was directly connected to innovation and applied technologies aligns with the Company's focus on innovation as a key source of growth. The Company benefits from Mr. White's experience and board memberships focusing on developments related to biotechnology and healthcare delivery systems which offer instructive process methodologies to accelerate our innovation efforts.

ITEM

2

Advisory Approval of the
Compensation of Our Named
Executive Officers

The Board of Directors recommends a vote **FOR** advisory approval of the compensation of our Named Executive Officers as disclosed in the Compensation Discussion and Analysis, the compensation tables, and the related disclosure contained in this proxy statement.

The Company is presenting the following proposal, commonly known as a “Say-on-Pay” proposal, which gives you as a shareholder the opportunity to endorse or not endorse our compensation program for Named Executive Officers by voting for or against the following resolution:

“RESOLVED, that the shareholders approve the compensation of the Company’s Named Executive Officers, as disclosed in the Compensation Discussion and Analysis, the compensation tables, and the related disclosure contained in the Company’s proxy statement.”

While our Board of Directors intends to carefully consider the shareholder vote resulting from the proposal, the final vote will not be binding on us and is advisory in nature.

In considering your vote, please be advised that our compensation program for Named Executive Officers is guided by our design principles, as described in the Compensation Discussion and Analysis section of this Proxy Statement:

- | | | |
|---------------------------------|---|-----------------------------|
| (i) business strategy alignment | (iii) mix of short and long-term incentives | (v) shareholder alignment |
| (ii) pay for performance | (iv) internal parity | (vi) market competitiveness |

By following these design principles, we believe that our compensation program for Named Executive Officers is strongly aligned with the long-term interests of our shareholders.

ITEM

3

Approval of Appointment of
Independent Auditors

The Board of Directors recommends a vote **FOR** the proposal to approve the appointment of PwC as independent auditors of the Company and to authorize the Audit Committee of the Board of Directors to set the auditors’ remuneration.

The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the independent external audit firm retained to audit the Company’s financial statements and internal controls over financial reporting. In executing its responsibilities, the Audit Committee engages in an annual evaluation of the qualifications, performance and independence of PricewaterhouseCoopers LLP (“PwC”). In assessing independence, the Committee reviews the fees paid, including those related to non-audit services. The Audit Committee has sole authority to approve all engagement fees to be paid to PwC. The Audit Committee regularly meets with the lead audit partner without members of management present, and in executive session with only the Audit Committee members present, which provides the opportunity for continuous assessment of the firm’s effectiveness and independence and for consideration of rotating audit firms.

In addition, as part of its normal cadence, the Audit Committee considers whether there should be a regular rotation of the independent registered public accounting firm. The Audit Committee ensures that the mandated rotation of PwC’s lead engagement partner occurs routinely and the Audit Committee and its Chairman are directly involved in the selection of PwC’s lead engagement partner.

The Audit Committee has recommended that shareholders approve the appointment of PwC as our independent auditors for the fiscal year ending December 31, 2021, and authorize the Audit Committee of our Board of Directors to set the independent auditors’ remuneration.

PwC has been acting continuously as our independent auditors for over one hundred years and, both by virtue of its familiarity with the Company’s affairs and its professional competencies and resources, is considered best qualified to perform this important function. The Audit Committee and the Board believe that the continued retention of PwC to serve as our independent external auditors is in the best interests of the Company and its investors.

Representatives of PwC will be present at the Annual General Meeting and will be available to respond to appropriate questions. They will have an opportunity to make a statement if they so desire.

Audit Committee Report

While management has the primary responsibility for the financial statements and the financial reporting process, including the system of internal controls, the Audit Committee reviews the Company's audited financial statements and financial reporting process on behalf of the Board of Directors. The independent auditors are responsible for performing an independent audit of the Company's consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) (the "PCAOB") and to issue a report thereon. The Audit Committee monitors those processes. In this context, the Audit Committee has met and held discussions with management and the independent auditors regarding the fair and complete presentation of the Company's results. The Audit Committee has discussed significant accounting policies applied by the Company in its financial statements, as well as alternative treatments. Management has represented to the Audit Committee that the Company's consolidated financial statements were prepared in accordance with United States generally accepted accounting principles, and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent auditors. The Audit Committee also discussed with the independent auditors the matters required to be discussed by Auditing Standard No. 16, "Communications with Audit Committees" issued by the PCAOB.

In addition, the Audit Committee has received and reviewed the written disclosures and the letter from PwC required by the PCAOB regarding PwC's communications with the Audit Committee concerning independence and discussed with PwC the auditors' independence from the Company and its management in connection with the matters stated therein. The Audit Committee also considered whether the independent auditors' provision of non-audit services to the Company is compatible with the auditors' independence. The Audit Committee has concluded that the independent auditors are independent from the Company and its management.

The Audit Committee discussed with the Company's internal and independent auditors the overall scope and plans for their respective audits. The Audit Committee meets separately with the internal and independent auditors, with and without management present, to discuss the results of their examinations, the evaluations of the Company's internal controls and the overall quality of the Company's financial reporting.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board has approved, that the audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 ("2020 Form 10-K"), for filing with the Securities and Exchange Commission (the "SEC"). The Audit Committee has selected PwC, subject to shareholder approval, as the Company's independent auditors for the fiscal year ending December 31, 2021.

AUDIT COMMITTEE

John P. Surma (Chair)	Myles P. Lee
Ann C. Berzin	April Miller Boise
John Bruton	Richard J. Swift

Fees of the Independent Auditors

The following table shows the fees paid or accrued by the Company for audit and other services provided by PwC for the fiscal years ended December 31, 2020 and 2019:

	2020 (\$)	2019 (\$)
Audit Fees^(a)	10,568,000	12,751,000
Audit-Related Fees^(b)	67,000	7,556,000
Tax Fees^(c)	6,062,000	7,814,000
All Other Fees^(d)	9,000	38,000
Total	16,706,000	28,159,000

- (a) Audit Fees for the fiscal years ended December 31, 2020 and 2019, respectively, were for professional services rendered for the audits of the Company's annual consolidated financial statements and its internal controls over financial reporting, including quarterly reviews, statutory audits, issuance of consents, review of documents filed with the SEC and comfort letter preparation.
- (b) Audit-Related Fees consist of assurance services that are related to performing the audit and review of certain financial statements including employee benefit plan audits. Audit Related Fees for the fiscal year ended December 31, 2019 include employee benefit plan audits and carve out audits related to the Company's RMT transaction with Gardner Denver Holdings, Inc.
- (c) Tax Fees for the fiscal year ended December 31, 2020 and 2019 include consulting and compliance services in the U.S. and non-U.S. locations and tax consulting services relating to the RMT transaction.
- (d) All Other Fees for the fiscal year ended December 31, 2020 and 2019 included license fees for technical accounting software.

The Audit Committee has adopted policies and procedures which require that the Audit Committee pre-approve all non-audit services that may be provided to the Company by its independent auditors. The policy: (i) provides for pre-approval of an annual budget for each type of service; (ii) requires Audit Committee approval of specific projects if not included in the approved budget; and (iii) requires Audit Committee approval if the forecast of expenditures exceeds the approved budget on any type of service. The Audit Committee pre-approved all of the services described under "Audit-Related Fees," "Tax Fees" and "All Other Fees." The Audit Committee has determined that the provision of all such non-audit services is compatible with maintaining the independence of PwC.

ITEM

4

Renewal of the Directors' Existing Authority to Issue Shares



The Board of Directors recommends that you vote **FOR** renewing the Directors' authority to issue shares.

Under Irish law, directors of an Irish public limited company must have authority from its shareholders to issue any shares, including shares which are part of the company's authorized but unissued share capital. Our shareholders provided the Directors with this authorization at our 2020 annual general meeting on June 4, 2020 for a period of 18 months. Because this share authorization period will expire in December 2021, we are presenting this proposal to renew the Directors' authority to issue our authorized shares on the terms set forth below.

We are seeking approval to authorize our Board of Directors to issue up to 33% of our issued ordinary share capital as of April 8, 2021 (the latest practicable date before this proxy statement), for a period expiring 18 months from the passing of this resolution, unless renewed, varied or revoked.

Granting the Board of Directors this authority is a routine matter for public companies incorporated in Ireland and is consistent with Irish market practice. This authority is fundamental to our business and enables us to issue shares, including in connection with our equity compensation plans (where required) and, if applicable, funding acquisitions and raising capital. We are not asking you to approve an increase in our authorized share capital or to approve a specific issuance of shares. Instead, approval of this proposal will only grant the Board of Directors the authority to issue shares that are already authorized under our articles of association upon the terms below. In addition, we note that, because we are a NYSE-listed company, our shareholders continue to benefit from the protections afforded to them under the rules and regulations of the NYSE and the SEC, including those rules that limit our ability to issue shares in specified circumstances. Furthermore, we note that this authorization is required as a matter of Irish law and is not otherwise required for other non-Irish companies listed on the NYSE with whom we compete. Renewal of the Directors' existing authority to issue shares is fully consistent with NYSE rules and listing standards and with U.S. capital markets practice and governance standards.

As required under Irish law, the resolution in respect of this proposal is an ordinary resolution that requires the affirmative vote of a simple majority of the votes cast.

The text of this resolution is as follows:

“That the Directors be and are hereby generally and unconditionally authorized with effect from the passing of this resolution to exercise all powers of the Company to allot relevant securities (within the meaning of Section 1021 of the Companies Act 2014) up to an aggregate nominal amount of \$89,989,448 (89,989,448 shares) (being equivalent to approximately 33% of the aggregate nominal value of the issued ordinary share capital of the Company as of April 8, 2021 (the latest practicable date before this proxy statement)), and the authority conferred by this resolution shall expire 18 months from the passing of this resolution, unless previously renewed, varied or revoked; provided that the Company may make an offer or agreement before the expiry of this authority, which would or might require any such securities to be allotted after this authority has expired, and in that case, the Directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.”

ITEM

5

Renewal of the Directors' Existing Authority to Issue Shares for Cash Without First Offering Shares to Existing Shareholders



The Board of Directors recommends that you vote **FOR** renewing the Directors' authority to issue shares for cash without first offering shares to existing shareholders.

PROPOSALS REQUIRING
YOUR VOTE

Under Irish law, unless otherwise authorized, when an Irish public limited company issues shares for cash, it is required first to offer those shares on the same or more favorable terms to existing shareholders of the company on a pro-rata basis (commonly referred to as the statutory pre-emption right). Our shareholders provided the Directors with this authorization at our 2020 annual general meeting on June 4, 2020 for a period of 18 months. Because this share authorization period will expire in December 2021, we are presenting this proposal to renew the Directors' authority to opt-out of the pre-emption right on the terms set forth below.

We are seeking approval to authorize our Board of Directors to opt out of the statutory pre-emption rights provision in the event of (1) the issuance of shares for cash in connection with any rights issue and (2) any other issuance of shares for cash, if the issuance is limited to up to 5% of our issued ordinary share capital as of April 8, 2021 (the latest practicable date before this proxy statement), for a period expiring 18 months from the passing of this resolution, unless renewed, varied or revoked.

Granting the Board of Directors this authority is a routine matter for public companies incorporated in Ireland and is consistent with Irish market practice. Similar to the authorization sought for Item 4, this authority is fundamental to our business and enables us to issue shares under our equity compensation plans (where required) and if applicable, will facilitate our ability to fund acquisitions and otherwise raise capital. We are not asking you to approve an increase in our authorized share capital. Instead, approval of this proposal will only grant the Board of Directors the authority to issue shares in the manner already permitted under our articles of association upon the terms below. Without this authorization, in each case where we issue shares for cash, we would first have to offer those shares on the same or more favorable terms to all of our existing shareholders. This requirement could undermine the operation of our compensation plans and cause delays in the completion of acquisitions and capital raising for our business. Furthermore, we note that this authorization is required as a matter of Irish law and is not otherwise required for other non-Irish companies listed on the NYSE with whom we compete. Renewal of the Directors' existing authorization to opt out of the statutory pre-emption rights as described above is fully consistent with NYSE rules and listing standards and with U.S. capital markets practice and governance standards.

As required under Irish law, the resolution in respect of this proposal is a special resolution that requires the affirmative vote of at least 75% of the votes cast.

The text of the resolution in respect of this proposal is as follows:

“As a special resolution, that, subject to the passing of the resolution in respect of Item 4 as set out above and with effect from the passing of this resolution, the Directors be and are hereby empowered pursuant to Section 1023 of the Companies Act 2014 to allot equity securities (as defined in Section 1023 of that Act) for cash, pursuant to the authority conferred by Item 5 as if subsection (1) of Section 1022 did not apply to any such allotment, provided that this power shall be limited to:

- a. the allotment of equity securities in connection with a rights issue in favor of the holders of ordinary shares (including rights to subscribe for, or convert into, ordinary shares) where the equity securities respectively attributable to the interests of such holders are proportional (as nearly as may be) to the respective numbers of ordinary shares held by them (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements that would otherwise arise, or with legal or practical problems under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory, or otherwise); and

- b. the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal value of \$13,180,219 (13,180,219 shares) (being equivalent to approximately 5% of the aggregate nominal value of the issued ordinary share capital of the Company as of April 8, 2021 (the latest practicable date before this proxy statement)) and the authority conferred by this resolution shall expire 18 months from the passing of this resolution, unless previously renewed, varied or revoked; provided that the Company may make an offer or agreement before the expiry of this authority, which would or might require any such securities to be allotted after this authority has expired, and in that case, the Directors may allot equity securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.”

ITEM

6

Determine the Price at which the Company Can Re-Allot Shares Held as Treasury Shares



The Board of Directors recommends that shareholders vote **FOR** the proposal to determine the price at which the Company can re-allot shares held as treasury shares.

Our open-market share repurchases (redemptions) and other share buyback activities may result in ordinary shares being acquired and held by the Company as treasury shares. We may reissue treasury shares that we acquire through our various share buyback activities including in connection with our executive compensation program and our director programs.

Under Irish law, our shareholders must authorize the price range at which we may re-allot any shares held in treasury. In this proposal, that price range is expressed as a minimum and maximum percentage of the closing market price of our ordinary shares on the NYSE the day preceding the day on which the relevant share is re-allotted. Under Irish law, this authorization expires 18 months after its passing unless renewed.

The authority being sought from shareholders provides that the minimum and maximum prices at which an ordinary share held in treasury may be re-allotted are 95% and 120%, respectively, of the closing market price of the ordinary shares on the NYSE the day preceding the day on which the relevant share is re-issued, except as described below with respect to obligations under employee share schemes, which may be at a minimum price of nominal value. Any re-allotment of treasury shares will be at price levels that the Board considers in the best interests of our shareholders.

As required under Irish law, the resolution in respect of this proposal is a special resolution that requires the affirmative vote of at least 75% of the votes cast.

The text of the resolution in respect of this proposal is as follows:

“As a special resolution, that the re-allotment price range at which any treasury shares held by the Company may be re-allotted shall be as follows:

- a. the maximum price at which such treasury share may be re-allotted shall be an amount equal to 120% of the “market price”; and
- b. the minimum price at which a treasury share may be re-allotted shall be the nominal value of the share where such a share is required to satisfy an obligation under an employee share scheme or any option schemes operated by the Company or, in all other cases, an amount equal to 95% of the “market price”; and
- c. for the purposes of this resolution, the “market price” shall mean the closing market price of the ordinary shares on the NYSE the day preceding the day on which the relevant share is re-allotted.

FURTHER, that this authority to re-allot treasury shares shall expire at 18 months from the date of the passing of this resolution unless previously varied or renewed in accordance with the provisions of Sections 109 and 1078 of the Companies Act 2014.”

Corporate Governance

Corporate Governance Guidelines

Our Corporate Governance Guidelines, together with the charters of the various Board committees, provide a framework for the corporate governance of the Company. The following is a summary of our Corporate Governance Guidelines and practices. A copy of our Corporate Governance Guidelines, as well as the charters of each of our Board committees, are available on our website at www.tranetechnologies.com under the heading "Company – Corporate Governance."

Role of the Board of Directors

The Company's business is managed under the direction of the Board of Directors. The role of the Board of Directors is to oversee the management and governance of the Company and monitor senior management's performance.

Board Responsibilities

The Board of Directors' core responsibilities include:

- appointing, monitoring, evaluating and compensating senior management;
- assuring that management succession planning is adequate;
- reviewing the Company's financial controls and reporting systems;
- overseeing the Company's management of enterprise risk;
- reviewing the Company's ethical standards and legal compliance programs and procedures; and
- evaluating the performance of the Board of Directors, Board committees and individual directors.

Board Leadership Structure

The positions of Chairman of the Board and CEO at the Company are held by the same person, except in unusual circumstances, such as during a CEO transition. This structure has worked well for the Company. It is the Board of Directors' view that the Company's corporate governance principles, the quality, stature and substantive business knowledge of the members of the Board, as well as the Board's culture of open communication with the CEO and senior management are conducive to Board effectiveness with a combined Chairman and CEO position.

In addition, the Board of Directors has a strong, independent Lead Director and it believes this role adequately addresses the need for independent leadership and an organizational structure for the independent directors. The Board of Directors appoints a Lead Director from among the Board's independent directors. The Lead Director coordinates the activities of all of the Board's independent directors. The Lead Director is the principal liaison with the CEO and ensures that the Board of Directors has an open, trustful relationship with the Company's senior management team. In addition to the duties of all directors, as set forth in the Company's Governance Guidelines, the specific responsibilities of the Lead Director are as follows:

- Chair the meetings of the independent directors;
- Ensure the full participation and engagement of all Board members in deliberations;
- Lead the Board of Directors in all deliberations involving the CEO's employment, including hiring, contract negotiations, performance evaluations, and dismissal and serve as a liaison between the Compensation Committee and the full Board with respect to CEO pay;
- Counsel the CEO on issues of interest/concern to directors including majority and minority viewpoints and encourage all directors to engage the CEO with their interests and concerns;
- Work with the CEO to develop an appropriate schedule of Board meetings and approve such schedule, to ensure that the directors have sufficient time for discussion of all agenda items, while not interfering with the flow of Company operations;
- Work with the CEO and Committee Chairs to develop the Board and Committee agendas and approve the final agendas;

- Keep abreast of key Company activities and advise the CEO as to the quality, quantity and timeliness of the flow of information from Company management that is necessary for the directors to effectively and responsibly perform their duties; although Company management is responsible for the preparation of materials for the Board of Directors, the Lead Director will approve information provided to the Board and may specifically request the inclusion of certain material;
- Engage consultants who report directly to the Board of Directors and assist in recommending consultants that work directly for Board Committees;
- Work in conjunction with the Sustainability, Corporate Governance and Nominating Committee in compliance with Sustainability, Corporate Governance and Nominating Committee processes to interview all Board candidates and make recommendations to the Board of Directors;
- Provide oversight and act as a liaison between management and the Board with respect to succession of the CEO and lead the Board in an annual review of Board and CEO succession plans;
- Assist the Board of Directors and Company officers in assuring compliance with and implementation of the Company's Governance Guidelines; work in conjunction with the Sustainability, Corporate Governance and Nominating Committee to recommend revisions to the Governance Guidelines;
- Call, coordinate and develop the agenda for and chair executive sessions of the Board's independent directors; act as principal liaison between the independent directors and the CEO;
- Work in conjunction with the Sustainability, Corporate Governance and Nominating Committee to identify for appointment the members of the various Board Committees, as well as selection of the Committee chairs;
- Be available for consultation and direct communication with major shareholders;
- Make a commitment to serve in the role of Lead Director for a minimum of three years; and
- Help set the tone for the highest standards of ethics and integrity.

Mr. Forsee will be the Company's Lead Director effective as of the Annual General Meeting, succeeding Mr. Swift who will retire from the board.

Board Risk Oversight

The Board of Directors has oversight responsibility of the processes established to report and monitor systems for material risks applicable to the Company. The Board of Directors has delegated to its various committees the oversight of risk management practices for categories of risk relevant to their functions.

BOARD OF DIRECTORS

- The Board of Directors focuses on the Company's general risk management strategy and the most significant risks facing the Company and ensures that appropriate risk mitigation strategies are implemented by management.
- The full Board has oversight of strategic Human Capital Management risks and opportunities including succession planning, diversity and inclusion, employee engagement, employee health and safety, and development.
- The Board regularly receives reports from each Committee as to risk oversight within their areas of responsibility.



BOARD COMMITTEES

Audit Committee

- Oversees risks associated with the Company's systems of disclosure controls and internal controls over financial reporting, as well as the Company's compliance with legal and regulatory requirements.
- Oversees the Company's cybersecurity programs and risks, including board level oversight for management's actions with respect to:
 - (1) the practices, procedures, and controls to identify, assess, and manage its key cybersecurity programs and risks;
 - (2) the protection, confidentiality, integrity, and availability of the Company's digital information, intellectual property, and compliance-protected data through the associated networks as it relates to connected networks, suppliers, employees, and channel partners; and
 - (3) the protection and privacy of data related to our customers.

Compensation Committee

- Considers risks related to the attraction and retention of talent and risks related to the design of compensation programs and arrangements.

Sustainability, Corporate Governance and Nominating Committee

- Oversees risks associated with board succession, conflicts of interest, corporate governance and sustainability.

Finance Committee

- Oversees risks associated with foreign exchange, insurance, liquidity, credit and debt.



MANAGEMENT

- Identification, assessment, and management of risks through the Company's Enterprise Risk Management program and Committee.
- The Enterprise Risk Management program and Committee is responsible for identifying and managing strategic risks within the Company's risk appetite and providing reasonable assurance regarding the achievement of these objectives.
- Risks are prioritized based upon potential impact, likelihood and vulnerability, an owner is assigned to each risk area to develop a risk mitigation strategy and key risk indicators are utilized to track progress against these objectives. The risk universe is reviewed regularly to ensure the Company is addressing any potential changes in the risk landscape.
- The Company has appointed the Chief Financial Officer ("CFO") as its Chief Risk Officer, and in that role, the Chief Risk Officer periodically reports on risk management policies and practices to the relevant Board Committee or to the full Board so that any decisions can be made as to any required changes in the Company's risk management and mitigation strategies or in the Board's oversight of these. The Chief Risk Officer also reports on specific risks and risk mitigation action plans, including risk indicators to track progress.

SPOTLIGHT: RISK OVERSIGHT**Business Strategy**

One of the primary responsibilities of the Board of Directors is to review and monitor implementation of management's strategic plans. Our Directors have deep experience and expertise in strategic planning and execution and use their experience to engage in active dialogue with management. The Board of Directors evaluates strategic plans through regular discussions as part of Board meetings and during strategic planning sessions dedicated to these topics.

Compensation

As part of its oversight of the Company's executive compensation program, the Compensation Committee considers the impact of the Company's executive compensation program and the incentives created by the compensation awards that it administers on the Company's risk profile. In addition, the Company reviews all of its compensation policies and procedures, including the incentives that they create and factors that may reduce the likelihood of excessive risk taking, to determine whether they present a significant risk to the Company. Based on this review, the Company has concluded that its compensation policies and procedures are not reasonably likely to have a material adverse effect on the Company.

Environmental, Social and Governance Matters

The Sustainability Corporate Governance and Nominating Committee of our Board of Directors oversees risks associated with corporate governance and sustainability, including the development and implementation of policies relating to environmental, social and governance ("ESG") issues. The Sustainability, Corporate Governance and Nominating Committee also monitors the Company's performance against its sustainability and ESG objectives including the impacts of climate change. The Sustainability, Corporate Governance and Nominating Committee also evaluates social and environmental trends and issues in connection with the Company's business activities and makes recommendations to the Board regarding those trends and issues.

Cybersecurity

Our Cybersecurity strategy is overseen by the Audit Committee of our Board of Directors (comprised of all independent directors) and directed by our Chief Information Officer. Our cybersecurity strategy, programs and policies are designed to protect the company's most important information and technology assets from an ever-evolving landscape of threats. Our Audit Committee:

- Maintains appropriate oversight of the Company's IT Cybersecurity Governance, Strategy, and Compliance
- Oversees Management's implementation of cybersecurity programs and risk policies and procedures and oversee management's actions to ensure their effectiveness in maintaining the integrity of the Company's electronic systems and facilities.
- Oversees the Company's efforts to comply with regulatory requirements relating to the matters, including but not limited to the implementation of any remediation or other measures in response to regulatory findings.

Senior management briefs the Audit Committee regarding cybersecurity at least three times per year, and reports to the Board on a regular basis. We have cybersecurity insurance and we regularly review our policy and levels of coverage based on current risks. All salaried employees complete an annual cybersecurity training program, where specific threats and scenarios are highlighted, based on our analysis of current risks to the organization.

Director Compensation and Share Ownership

It is the policy of the Board of Directors that directors' fees be the sole compensation received from the Company by any non-employee director. The Company has a share ownership requirement of five times the annual cash retainer paid to the directors. A director cannot sell any shares of Company stock until he or she attains such level of ownership and any sale thereafter cannot reduce the total number of holdings below the required ownership level. A director is required to retain this minimum level of Company share ownership until his or her resignation or retirement from the Board.

Board Committees

The Board of Directors has the following committees: Audit Committee, Compensation Committee, Sustainability, Corporate Governance and Nominating Committee, Finance Committee, Technology and Innovation Committee and Executive Committee. The Board of Directors consists of a substantial majority of independent, non-employee directors. Only non-employee directors serve on the Audit, Compensation, Sustainability, Corporate Governance and Nominating, Finance and Technology and Innovation Committees. The Board of Directors has determined that each member of each of these committees is "independent" as defined in the NYSE listing standards and the Company's Guidelines for Determining Independence of Directors. Chairpersons and members of these five committees are rotated periodically, as appropriate. The Chairman, who is also the CEO, serves on the Company's Executive Committee and is Chairperson of such Committee. The remainder of the Executive Committee is comprised of the Lead Director and the non-employee director Chairpersons of the Audit, Compensation, Sustainability, Corporate Governance and Nominating and Finance Committees. Committee memberships and chairs are rotated periodically.

Board Diversity

The Company's policy on Board diversity relates to the selection of nominees for the Board of Directors. In selecting a nominee for the Board, the Sustainability, Corporate Governance and Nominating Committee considers the skills, expertise and background that would complement the existing Board and ensure that its members are of sufficiently diverse and independent backgrounds, recognizing that the Company's businesses and operations are diverse and global in nature. The Board of Directors is nominating five female directors (Ms. Arnold, Ms. Berzin, Ms. Hudson, Ms. Miller Boise and Ms. Peetz), one Hispanic director (Mr. White), one Black director (Ms. Miller Boise) and two international directors who are Irish citizens (Mr. Bruton and Mr. Lee) out of a total of 12 directors. Two of our current directors (Mr. Swift and Mr. Bruton) have veteran status. In addition, the tenure and experience of our directors is varied, which brings varying perspectives to our Board functionality.

Board Advisors

The Board of Directors and its committees may, under their respective charters, retain their own advisors to carry out their responsibilities.

Executive Sessions

The Company's independent directors meet privately in regularly scheduled executive sessions, without management present, to consider such matters as the independent directors deem appropriate. These executive sessions are required to be held no less than twice each year.

Board and Board Committee Performance Evaluation

The Sustainability, Corporate Governance and Nominating Committee assists the Board in evaluating its performance and the performance of the Board committees. Each committee also conducts an annual self-evaluation. The effectiveness of individual directors is considered each year when the directors stand for re-nomination.

Director Orientation and Education

The Company has developed an orientation program for new directors and provides continuing education for all directors. In addition, the directors are given full access to management and corporate staff as a means of providing additional information.

Director Retirement

It is the policy of the Board of Directors that each non-employee director must retire at the annual general meeting immediately following their 75th birthday. Directors who change the occupation they held when initially elected must offer to resign from the Board of Directors. At that time, the Sustainability, Corporate Governance and Nominating Committee reviews the continued appropriateness of Board membership under the new circumstances and makes a recommendation to the Board of Directors. Employee directors, including the CEO, must retire from the Board of Directors at the time of a change in their status as an officer of the Company, unless the policy is waived by the Board.

Director Independence

The Board of Directors has determined that all of our current directors and director nominees, except Mr. Lamach, who is an employee of the Company, are independent under the standards set forth in Exhibit I to our Corporate Governance Guidelines, which are consistent with the NYSE listing standards. In determining the independence of directors, the Board evaluated transactions between the Company and entities with which directors were affiliated that occurred in the ordinary course of business and that were provided on the same terms and conditions available to other customers. Since June 2020, Ms. Peetz has served as chief administrative officer of Citigroup Inc. Citigroup or affiliates of Citigroup ("Citigroup") have acted as Joint Lead Arranger, Joint Bookrunner and Syndication Agent in connection with our 2020 refinancing of our \$1 billion revolving credit facility and with respect to our \$1 billion revolving credit facility entered into in April 2018. As agent and lender, Citigroup provides other services under these facilities. There were no amounts outstanding under these facilities as of December 31, 2020. Citigroup was paid an arrangement fee of \$250,000 in connection with the 2020 refinancing and approximately \$668,000 in connection with portfolio management fees relating to upfront and undrawn fees on these facilities. In addition, Citigroup provides certain currency exchange and derivatives services to the Company, which totaled approximately \$850,000 during the fiscal year ended December 31, 2020 and certain treasury and trade solutions relating to cash/bank transactions and trade activity, which totaled approximately \$935,000 during the fiscal year ended December 31, 2020. Our credit facilities were entered into in the ordinary course of business, were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable loans with persons not related to the lender and did not involve more than the normal risk at the time for comparable loans with persons not related to the lender and did not involve more than the normal risk of collectability or present other unfavorable features. Our other transactions with Citigroup were made in the ordinary course of business on standard terms and conditions. Ms. Peetz does not personally participate in or benefit from any aspect of our relationship with Citigroup.

A copy of Exhibit I to our Corporate Governance Guidelines is available on our website, www.tranetechnologies.com, under the heading "Company—Corporate Governance."

Communications with Directors

Shareholders and other interested parties wishing to communicate with the Board of Directors, the non-employee directors or any individual director (including our Lead Director and Compensation Committee Chair) may do so either by sending a communication to the Board and/or a particular Board member, in care of the Secretary of the Company, or by e-mail at board@tranetechnologies.com. Depending upon the nature of the communication and to whom it is directed, the Secretary will: (a) forward the communication to the appropriate director or directors; (b) forward the communication to the relevant department within the Company; or (c) attempt to handle the matter directly (for example, a communication dealing with a share ownership matter).

Management Succession Planning

Our Board of Directors believes that ensuring leadership continuity and strong management capabilities exist to effectively carry out the Company's strategy and are critical responsibilities of the Board. The Board collaborates with the CEO and the Executive Vice President, Human Resources on the succession planning process, including establishing selection criteria that reflect our business strategies, identifying and developing internal candidates. The Board also ensures there are successors available for key positions in the normal course of business and for emergency situations.

The full Board formally reviews, at least annually, the plans for development, retention and replacement of key executives, and most importantly the CEO. In addition, management succession for key leadership positions is discussed regularly by the directors in Board meetings and in executive sessions of the Board of Directors. Directors become familiar with potential successors for key leadership positions through various means including regular talent reviews, presentations to the Board, and informal meetings.

Code of Conduct

The Company has adopted a worldwide Code of Conduct, applicable to all employees, directors and officers, including our CEO, our CFO and our Chief Accounting Officer. The Code of Conduct meets the requirements of a “code of ethics” as defined by Item 406 of Regulation S-K, as well as the requirements of a “code of business conduct and ethics” under the NYSE listing standards. The Code of Conduct covers topics including, but not limited to, conflicts of interest, confidentiality of information, and compliance with laws and regulations. A copy of the Code of Conduct is available on our website located at www.tranetechnologies.com under the heading “Company—Corporate Governance.” Amendments to, or waivers of the provisions of, the Code of Conduct, if any, made with respect to any of our directors and executive officers will be posted on our website.

Anti-Hedging Policy and Other Restrictions

The Company prohibits its directors and executive officers from (i) purchasing any financial instruments designed to hedge or offset any decrease in the market value of Company securities, (ii) engaging in any form of short-term speculative trading in Company securities and (iii) holding Company securities in a margin account or pledging Company securities as collateral for a loan.

Investor Outreach

We believe it is important to understand our shareholders and their concerns and questions about our Company. During 2020, we met with a significant number of our major shareholders and with prospective shareholders to answer questions about our Company and to learn about issues that are important to them.

Sustainability

At Trane Technologies, sustainability is core to who we are. Through the leadership of our chairman and CEO and senior leaders, we have embedded sustainability into every aspect of how we operate and help our customers succeed. Our approach and initiatives are guided by an external Advisory Council on Sustainability and regularly reviewed by our Enterprise Leadership Team and Board of Directors. Day-to-day, our Center for Efficiency and Sustainability (CEES) team surveys the market landscape, continually bringing new ideas and requirements forward. This team is also responsible for tracking and disclosing our progress.

For more information regarding our Company's commitment to leadership in environmental, social and governance matters and our achievements in these areas, please also see A Letter from Our Board of Directors on the Urgency of Sustainability at the beginning of this proxy statement, our 2020 Annual Report to Shareholders included in these proxy materials and our 2020 ESG Report available on our website located at www.tranetechnologies.com under the heading “Sustainability.” For more information regarding our achievements in environmental, social and governance matters, please see “Other Recent Achievements” in the Executive Summary to our Compensation Discussion and Analysis.

Committees of the Board and Attendance

Audit Committee

Meetings in 2020: 9

Members

John P. Surma (Chair)
Ann C. Berzin
John Bruton
Myles P. Lee
April Miller Boise
Richard J. Swift

Key Functions

- Review annual audited and quarterly financial statements, as well as the Company's disclosures under "Management's Discussion and Analysis of Financial Conditions and Results of Operations," with management and the independent auditors.
- Obtain and review periodic reports, at least annually, from management assessing the effectiveness of the Company's internal controls and procedures for financial reporting.
- Review the Company's processes to assure compliance with all applicable laws, regulations and corporate policy.
- Recommend the public accounting firm to be proposed for appointment by the shareholders as our independent auditors and review the performance of the independent auditors.
- Review the scope of the audit and the findings and approve the fees of the independent auditors.
- Approve in advance, subject to and in accordance with applicable laws and regulations, permitted audit and non-audit services to be performed by the independent auditors.
- Satisfy itself as to the independence of the independent auditors and ensure receipt of their annual independence statement.
- Discuss with management and the independent auditors the Company's policies with respect to risk assessment and risk management, including the review and approval of a risk-based audit plan.
- Oversee the Company's cybersecurity programs and risks.

The Board of Directors has determined that each member of the Audit Committee is "independent" for the purposes of the applicable rules and regulations of the SEC, as defined in the NYSE listing standards and the Company's Corporate Governance Guidelines, and has determined that all members other than two meet the qualifications of an "audit committee financial expert," as that term is defined by rules of the SEC. In addition, each member of the Audit Committee qualifies as an independent director, meets the financial literacy and independence requirements of the Securities & Exchange Commission (the "SEC") and the NYSE applicable to audit committee members and possesses the requisite competence in accounting or auditing in satisfaction of the requirements for audit committees prescribed by the Companies Act 2014.

A copy of the charter of the Audit Committee is available on our website, www.tranetechnologies.com, under the heading "Company—Corporate Governance – Board Committees and Charters."

Compensation Committee

Meetings in 2020: 5

Members

Tony L. White (Chair)
Kirk E. Arnold
Jared L. Cohon
Gary D. Forsee
Linda P. Hudson

Key Functions

- Establish our executive compensation strategies, policies and programs.
- Review and approve the goals and objectives relevant to the compensation of the Chief Executive Officer, evaluate the Chief Executive Officer's performance against those goals and objectives and set the Chief Executive Officer's compensation level based on this evaluation. The Compensation Committee Chair presents all compensation decisions pertaining to the Chief Executive Officer to the full Board of Directors (other than Michael W. Lamach).
- Approve compensation of all other elected officers.
- Review and approve executive compensation and benefit programs.
- Administer the Company's equity compensation plans.
- Review and recommend significant changes in principal employee benefit programs.
- Approve and oversee Compensation Committee consultants.

For a discussion concerning the processes and procedures for determining NEO and director compensation and the role of executive officers and compensation consultants in determining or recommending the amount or form of compensation, see "Compensation Discussion and Analysis" and "Compensation of Directors," respectively. The Board of Directors has determined that each member of the Compensation Committee is "independent" as defined in the NYSE listing standards and the Company's Corporate Governance Guidelines. In addition, the Board of Directors has determined that each member of the Compensation Committee qualifies as a "Non-Employee Director" within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934.

A copy of the charter of the Compensation Committee is available on our website, www.tranetechnologies.com, under the heading "Company—Corporate Governance – Board Committees and Charters."

Sustainability, Corporate Governance and Nominating Committee

Meetings in 2020: 5

Members

Gary D. Forsee (Chair)
Kirk E. Arnold
Jared L. Cohon
Linda P. Hudson
Tony L. White

Key Functions

- Identify individuals qualified to become directors and recommend the candidates for all directorships.
- Recommend individuals for election as officers.
- Oversee the Company's sustainability efforts including the development and implementation of policies relating to environmental, social and governance issues.
- Monitor the Company's performance against its sustainability and ESG objectives including the impacts of climate change.
- Review the Company's Corporate Governance Guidelines and make recommendations for changes.
- Consider questions of independence of directors and possible conflicts of interest of directors as well as executive officers.
- Take a leadership role in shaping the sustainability efforts and corporate governance of the Company.

The Board of Directors has determined that each member of the Sustainability, Corporate Governance and Nominating Committee is "independent" as defined in the NYSE listing standards and the Company's Corporate Governance Guidelines.

A copy of the charter of the Sustainability, Corporate Governance and Nominating Committee is available on our website, www.tranetechnologies.com, under the heading "Company—Corporate Governance – Board Committees and Charters."

Finance Committee

Meetings in 2020: 5

Members

Ann C. Berzin (Chair)
John Bruton
Myles P. Lee
April Miller Boise
John P. Surma
Richard J. Swift

Key Functions

- Consider and recommend for approval by the Board of Directors (a) issuances of equity and/or debt securities; or (b) authorizations for other financing transactions, including bank credit facilities.
- Consider and recommend for approval by the Board of Directors the repurchase of the Company's shares.
- Review cash management policies.
- Review periodic reports of the investment performance of the Company's employee benefit plans.
- Consider and recommend for approval by the Board of Directors the Company's external dividend policy.
- Consider and approve the Company's financial risk management activities, including the areas of foreign exchange, commodities, and interest rate exposures, insurance programs and customer financing risks.

The Board of Directors has determined that each member of the Finance Committee is "independent" as defined in the NYSE listing standards and the Company's Corporate Governance Guidelines.

A copy of the charter of the Finance Committee is available on our website, www.tranetechnologies.com, under the heading "Company—Corporate Governance – Board Committees and Charters."

Executive Committee

Meetings in 2020: None

Members

Michael W. Lamach (Chair)
Ann C. Berzin (Chair of the Finance Committee)
Gary D. Forsee
(Chair of the Sustainability, Corporate Governance and Nominating Committee)
John P. Surma (Chair of the Audit Committee)
Richard J. Swift
(Lead Director)
Tony L. White (Chair of the Compensation Committee)

Key Functions

- Aid the Board in handling matters which, in the opinion of the Chairman of the Board or Lead Director, should not be postponed until the next scheduled meeting of the Board (except as limited by the charter of the Executive Committee).

The Board of Directors has determined that each member of the Executive Committee (other than Michael W. Lamach) is "independent" as defined in the NYSE listing standards and the Company's Corporate Governance Guidelines.

A copy of the charter of the Executive Committee is available on our website, www.tranetechnologies.com, under the heading "Company—Corporate Governance – Board Committees and Charters."

Technology and Innovation Committee

Meetings in 2020: 2

Members

Jared L. Cohon (Chair)
Kirk E. Arnold
John Bruton
Gary D. Forsee
Linda P. Hudson
Karen B. Peetz
Richard J. Swift
Tony L. White

Key Functions

- Review the Company's technology and innovation strategy and approach, including its impact on the Company's performance, growth and competitive position.
- Review with management technologies that can have a material impact on the Company, including product and process development technologies, manufacturing technologies and practices, and the utilization of quality assurance programs.
- Assist the Board in its oversight of the Company's investments in technology and innovation, including through acquisitions and other business development activities.
- Review technology trends that could significantly affect the Company and the industries in which it operates.
- Assist the Board in its oversight of the Company's technology and innovation initiatives.
- Oversee the direction and effectiveness of the Company's research and development operations

A copy of the charter of the Technology and Innovation Committee is available on our website, www.tranetechnologies.com, under the heading "Company—Corporate Governance – Board Committees and Charters."

There were five meetings of the Board of Directors in 2020. All directors attended at least 75% or more of the total number of meetings of the Board of Directors and the committees on which he or she served during the year. The Company's non-employee directors held five independent director meetings without management present during the fiscal year 2020. It is the Board's general practice to hold independent director meetings in connection with regularly scheduled Board meetings.

The Company expects all Board members to attend the annual general meeting, but from time to time other commitments prevent all directors from attending the meeting. All of the members of our Board standing for re-election at the 2020 Annual General Meeting on June 4, 2020 attended that meeting by telephone due to COVID travel restrictions.

Compensation Committee Interlocks and Insider Participation

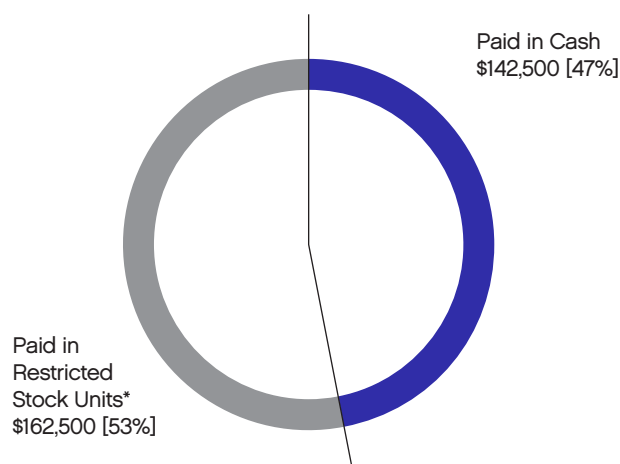
Our Compensation Committee is composed solely of independent directors. During fiscal 2020, no member of our Compensation Committee was an employee or officer or former officer of the Company or had any relationships requiring disclosure under Item 404 of Regulation S-K. None of our executive officers has served on the board of directors or compensation committee of any other entity that has or has had one or more executive officers who served as a member of our Board or our Compensation Committee during fiscal 2020.

Compensation of Directors

Director Compensation

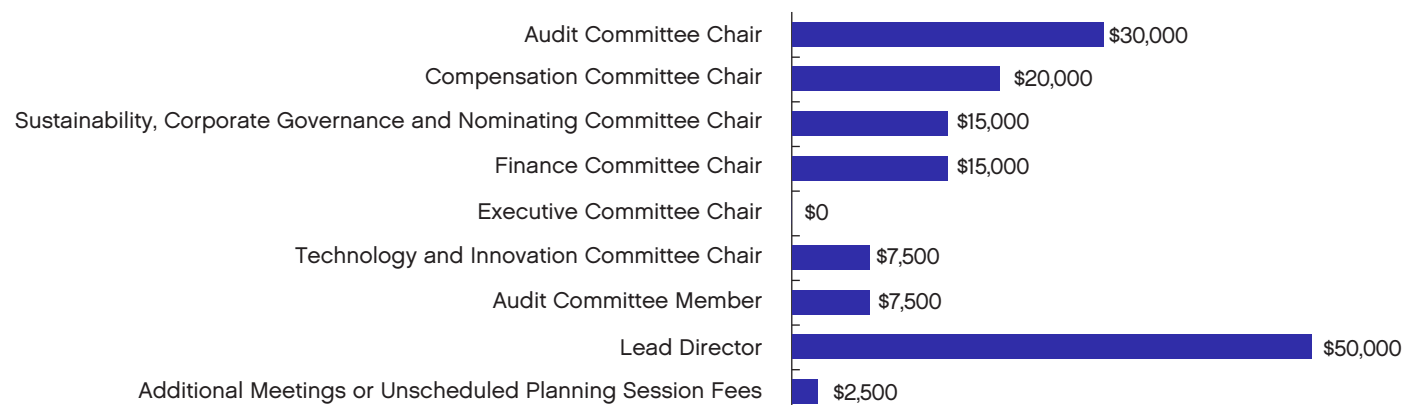
Our director compensation program is designed to compensate non-employee directors fairly for work required for a company of our size and scope and to align their interests with the long-term interests of our shareholders. The program reflects our desire to attract, retain and use the expertise of highly qualified people serving on the Company's Board of Directors. Employee directors do not receive any additional compensation for serving as a director. Our 2020 director compensation program for non-employee directors consisted of the following elements:

ANNUAL RETAINER



* The number of restricted stock units granted is determined by dividing the grant date value of the award, \$162,500, by the closing price of the Company's common stock on the date of grant. A director who retires, resigns or otherwise separates from the Company for any reason receives a pro-rata cash retainer payment for the quarter in which such event occurs based on the number of days elapsed since the end of the immediately preceding quarter and immediately vests in any unvested restricted stock units.

CASH RETAINER FOR COMMITTEE CHAIRS AND MEMBERS, LEAD DIRECTOR AND OTHER ELEMENTS



The Sustainability, Corporate Governance and Nominating Committee periodically reviews the compensation level of our non-employee directors in consultation with the Committee's independent compensation consultant, Korn Ferry, and makes recommendations to the Board of Directors. The current compensation program was established in 2018.

Under our 2018 Incentive Stock Plan, the aggregate amount of stock-based and cash-based awards which may be granted to any non-employee director in respect of any calendar year, solely with respect to his or her service as a member of the Board of Directors, is limited to \$1,000,000.

Share Ownership Requirement

To align the interests of directors with shareholders, the Board of Directors has adopted a share ownership requirement of five times the annual cash retainer paid to the directors. A director cannot sell any shares of Company stock until he or she attains such level of ownership and any sale thereafter cannot reduce the total number of holdings below the required ownership level. A director is required to retain this minimum level of Company share ownership until his or her resignation or retirement from the Board.

2020 Director Compensation

The compensation paid or credited to our non-employee directors for the year ended December 31, 2020, is summarized in the table below.

Name	Fees Earned or Paid in Cash (\$) ^(a)	Equity / Stock Awards (\$)	All Other Compensation (\$)	Total (\$)
K. E. Arnold	142,500	162,514	—	305,014
A. C. Berzin	165,000	162,514	—	327,514
J. Bruton	150,000	162,514	—	312,514
J. L. Cohon	150,000	162,514	—	312,514
G. D. Forsee	157,500	162,514	—	320,014
L. P. Hudson	142,500	162,514	—	305,014
M. P. Lee	150,000	162,514	—	312,514
A. Miller Boise ^(b)	9,294	—	—	9,294
K. B. Peetz	145,714	162,514	—	308,228
J. P. Surma	172,500	162,514	—	335,014
R. J. Swift	200,000	162,514	2,240	364,754
T. L. White	162,500	162,514	—	325,014

^(a) The amounts in this column represent the following: annual cash retainer, the Committee Chair retainers, the Audit Committee member retainer, the Lead Director retainer, and the Board, Committee and other meeting or session fees.

Name	Cash Retainer (\$)	Committee Chair Retainer (\$)	Audit Committee Member Retainer (\$)	Lead Director Retainer Fees (\$)	Board, Committee and Other Meeting or Session Fees (\$)	Total Fees Earned or Paid In Cash (\$)
K. E. Arnold	142,500	—	—	—	—	142,500
A. C. Berzin	142,500	15,000	7,500	—	—	165,000
J. Bruton	142,500	—	7,500	—	—	150,000
J. L. Cohon	142,500	7,500	—	—	—	150,000
G. D. Forsee	142,500	15,000	—	—	—	157,500
L. P. Hudson	142,500	—	—	—	—	142,500
M. P. Lee	142,500	—	7,500	—	—	150,000
A. Miller Boise	9,294	—	—	—	—	9,294
K. B. Peetz	142,500	—	3,214	—	—	145,714
J. P. Surma	142,500	30,000	—	—	—	172,500
R. J. Swift	142,500	—	7,500	50,000	—	200,000
T. L. White	142,500	20,000	—	—	—	162,500

^(b) Ms. Miller Boise joined the Board on December 8.

^(c) Represents RSUs awarded in 2020 as part of each director's annual retainer. The amounts in this column reflect the aggregate grant date fair value of RSU awards granted for the year under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718 and do not reflect amounts paid to or realized by the directors. For a discussion of the assumptions made in determining the ASC 718 values see Note 15, "Share-Based Compensation," to the Company's consolidated financial statements contained in its 2020 Form 10-K.

For each non-employee director, the following table reflects all unvested RSU awards at December 31, 2020:

Name	Number of Unvested RSUs
K. E. Arnold	1,701
A. C. Berzin	1,701
J. Bruton	1,701
J. L. Cohon	1,701
G. D. Forsee	1,701
L. P. Hudson	1,701
M. P. Lee	1,701
A. Miller Boise	—
K. B. Peetz	1,701
J. P. Surma	1,701
R. J. Swift	1,701
T. L. White	1,701

Compensation Discussion and Analysis

The Compensation Discussion and Analysis (“CD&A”) set forth below provides an overview of our executive compensation philosophy and underlying programs, including the objectives of such programs, as well as a discussion of how awards are determined for our Named Executive Officers (“NEOs”). These NEOs include our Chairman and Chief Executive Officer (“CEO”), our Chief Financial Officer (“CFO”), and our three most highly compensated executive officers for the 2020 fiscal year other than the CEO and CFO. In addition, our former CFO is also an NEO for 2020. The NEOs are:

Named Executive Officers	Title
Mr. Michael W. Lamach	Chairman and Chief Executive Officer
Mr. Christopher J. Kuehn⁽¹⁾	Senior Vice President and Chief Financial Officer
Mr. David S. Regnery	President and Chief Operating Officer
Ms. Marcia J. Avedon, Ph.D.	Executive Vice President, Chief Human Resources, Marketing and Communications Officer
Mr. Paul A. Camuti	Executive Vice President and Chief Technology and Strategy Officer
Ms. Susan K. Carter⁽²⁾	Former Senior Vice President and Chief Financial Officer

⁽¹⁾ Mr. Kuehn became Senior Vice President and Chief Financial Officer on March 1, 2020.

⁽²⁾ Ms. Carter retired on April 1, 2020.

I. Executive Summary

On February 29, 2020 we successfully completed the separation of our Industrial segment businesses, approximately 20% of 2019 net revenue, through a Reverse Morris Trust (“RMT”) transaction. Through this transaction, Trane Technologies transformed into a focused climate innovation company, working with our customers to address their sustainability challenges through heating, cooling and transport refrigeration solutions.

2020 presented significant challenges. COVID-19 impacted the company's ability to deliver target levels of revenue and EBITDA. A broad contraction of global markets resulted in decreased demand for products. There was disruption to the supply chain and pressure on costs as the Company, our suppliers and our customers took actions necessary to manage their respective businesses, implement safety and personal protective equipment protocols and maintain financial stability through the crisis. COVID-19 negatively impacted transactional volume relative to plan with decreased demand and cancelled and delayed orders, all of which impacted EBITDA due to a lower revenue base to absorb fixed costs.

As the COVID-19 pandemic expanded globally, the Company prioritized caring for the wellbeing and safety of employees, maintaining a balanced focus on short-term performance and long-term business opportunities, and an emphasis on margin, cash flow and working capital management to provide liquidity. The Company effectively executed and delivered on these priorities.

The Committee considered the effectiveness of the Company's response to COVID-19 in addition to other performance achievements in making compensation decisions. The Company minimized disruption to operations from COVID-19 safely and quickly. Transformation commitments coming out of the RMT transaction were achieved and exceeded. There was significant investment in innovation at an accelerated pace across all businesses including the launch of a cold storage solution in support of COVID-19 vaccine distribution. In addition, the company achieved market share growth across the regions. These achievements delivered value to shareholders as reflected by Total Shareholder Return of 43.51% for the year, significantly outperforming the S&P 500 and the S&P 500 Industrials indices.

Following are additional financial and non-financial performance highlights taken into consideration in making compensation decisions.

2020 Financial Results

The following graphic documents the enterprise financial results realized in 2020 relative to our executive incentive compensation performance targets established for the period and shows other significant non-financial accomplishments that we achieved in 2020.

The Value We Create

FINANCIAL PERFORMANCE HIGHLIGHTS

Annual Revenue

**\$12.45
BILLION**

↓ Decrease of 4.8%
from 2019

Adjusted EBITDA Margin⁽¹⁾

15.4%

↑ Increase of 0.2 percentage
points over 2019

3-Year Adjusted Cash Flow Return on Invested Capital (CROIC) (2018–2020)⁽¹⁾

26.5%

Ranks at the 72nd percentile of the
companies in the S&P 500 Industrials Index

Adjusted EBITDA⁽¹⁾

**\$1.92
BILLION**

↓ Decrease of 3.3%
from 2019

Free Cash Flow

**\$1.71
BILLION**

↑ Increase of 25.3%
from 2019

3-Year Total Shareholder Return (TSR) (2018–2020)⁽¹⁾

101.73%

Ranks at the 95th percentile
of the companies in the S&P 500
Industrials Index

⁽¹⁾ We report our financial results in our annual report on Form 10-K and our quarterly reports on Form 10-Q in accordance with United States generally accepted accounting principles ("GAAP"). Our financial results described above for Adjusted EBITDA and Adjusted EBITDA Margin have been adjusted to exclude the impact of certain non-routine and other items as described in our earnings releases and are non-GAAP financial measures. These metrics and the related performance targets and results are relevant only to our executive compensation program and should not be used or applied in other contexts. For a description of how the metrics above are calculated from our GAAP financial statements, please see "Annual Incentive Matrix ("AIM") - Determination of Payout" with respect to AIM payments and "Long Term Incentive Program ("LTI") – 2018 - 2020 Performance Share Units Payout" with respect to Performance Share Program ("PSP") awards.

Based on our 2020 results for Revenue, Adjusted EBITDA, Adjusted EBITDA Margin and Cash Flow, achievement under the Annual Incentive Matrix ("AIM") financial score was 74.8% of target for the Enterprise. In consideration of the Company's effectiveness in response to the COVID-19 pandemic, achievement of commitments to restructure the Company, streamline processes and reduce costs following the RMT transaction, and strong financial performance relative to peers, the NEOs received AIM payouts at 100% of target levels, see section V - Compensation Program Descriptions and Compensation Decisions for additional details.

Based on our CROIC of 26.5% and TSR of 101.73% during the 2018 - 2020 performance period, Performance Share Units ("PSUs") under our PSP achievement was 194.5% of target.

NON-FINANCIAL PERFORMANCE HIGHLIGHTS



Business

- Successfully completed our RMT transaction. We now operate as Trane Technologies, a focused climate innovation company.
- For the eighth consecutive year, recognized by Fortune Magazine as one of the world's most-admired companies.



Human Capital Management

- Renewed our membership in the CEO Action for Diversity and Inclusion pledge, focusing on our commitment to advance diversity and inclusion in the workplace.
- Renewed our commitment to the Paradigm for Parity Coalition, a pledge to bring gender parity to our corporate leadership structure by 2030. We were the first in our industry to enter the coalition.
- Became a Founding Member of the OneTen coalition, committed to hiring, retaining and advancing one million Black Americans over the next ten years.
- Second Consecutive Year: Forbes, Best Employers for Diversity.
 - Listed on numerous Forbes Indices over the years including being named as one of the world's best employers, Americas' best employers for women and best large employer.
- Maintained strong employee engagement as we sought meaningful ways to enhance the working lives of our employees, who remain committed to our core values and mission. Our overall employee engagement score positions us well into the top quartile of all companies globally.
- For the fourth consecutive year, awarded a perfect score in workplace equality on the Human Rights Campaign Foundation's equality index.



Sustainability

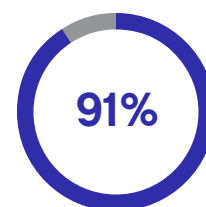
- We met our 2020 sustainability commitments that were set in 2013 in 2018, two years early, and launched bold new 2030 sustainability commitments.
- Listed on the Dow Jones Sustainability North America Index for 10 consecutive years.
- We are one of 615 companies worldwide with science-based targets and one of only 47 companies to have its targets verified by SBTi twice (once in 2014 and again in early 2021).
- Earned recognition for our performance in addressing climate change, engaging employees, stewarding the environment and advancing human rights and citizenship. Examples include:
 - Named in the Thomson Reuters Global Diversity and Inclusion Index for leading the way in embedding diversity and inclusion into company strategy;
 - Received a gold medal award from the World Environmental Center for our work in integrating sustainability into the core of our business;
 - Named on America's Most JUST Companies report, which recognizes American companies who are committed to fair pay, treating customers with respect, producing quality products and minimizing environmental impact;
 - Ranked among the top 100 "Best Corporate Citizens for 2019" by Corporate Responsibility Magazine;
 - Named to the Corporate Knights Global 100 Most Sustainable Corporation Index for the second consecutive year;
 - For the sixth consecutive year, named to the FTSE4Good equity index, which measures companies with strong environmental stewardship, human rights and corporate governance.



For more information regarding our Company's commitment to leadership in environmental, social and governance matters and our achievements in these areas, please also see our 2020 Annual Report to Shareholders included in these proxy materials and our 2020 ESG Report available on our website located at www.tranetechtechnologies.com under the heading "Sustainability."

2020 Say on Pay Vote

In undertaking this review, the Committee considers the views of shareholders as reflected in their annual advisory vote on our executive compensation proposal. Shareholders voted 91% in favor of the Company's Advisory Approval of the Compensation of our NEOs proposal at our 2020 annual general meeting. Based on the Committee's review and the support our executive compensation programs received from shareholders, the Committee determined it would be appropriate to maintain the core elements of our executive compensation programs.



Executive Compensation Program Overview

The Committee has adopted executive compensation programs with a strong link between pay and performance and the achievement of short-term and long-term Company goals. The primary elements of the executive compensation programs are:

	Element ⁽¹⁾	Chairman and CEO	Other NEOs	Description of Element
FIXED PAY AT RISK	Base Salary	10%	22%	Fixed cash compensation.
	Annual Incentive Matrix ("AIM")	17%	21%	Variable cash incentive compensation. Any award earned is based on performance measured against pre-defined annual Revenue, Adjusted EBITDA, Cash Flow and Adjusted EBITDA Margin Percent objectives as set by the Committee, as well as individual performance measured against pre-defined objectives.
	Long-Term Incentives ("LTI")	73%	57%	Variable long-term incentive compensation. Performance is aligned with the Company's stock price and is awarded in the form of stock options, restricted stock units ("RSUs") and Performance Stock Units ("PSUs"). PSUs are only payable if the Company's CROIC and TSR relative to companies in the S&P 500 Industrials Index exceed threshold performance.

⁽¹⁾ See Section V, "Compensation Program Descriptions and Compensation Decisions", for additional discussion of these elements of compensation.

As illustrated, the Committee places significant emphasis on variable compensation (AIM and LTI) so that a substantial percentage of the six NEOs' target total direct compensation ("TDC") is contingent on the successful achievement of the Company's short-term and long-term performance goals.

Good Compensation Governance Practices

What We Do

- ✓ Diversified metrics for our AIM and Performance Share Programs ("PSP") to align with business strategies and shareholder interests
- ✓ Incentive awards tied to the achievement of rigorous pre-determined and measurable performance objectives
- ✓ Significant emphasis on variable compensation in designing our compensation mix
- ✓ Regular competitive benchmarking and compensation reviews
- ✓ Commitment to fair and competitive pay for our employees and the avoidance of discrimination against any protected class or individual
- ✓ Annual advisory vote on executive compensation
- ✓ Independent compensation consultant to advise the Committee
- ✓ Claw-back / recoupment policy
- ✓ Robust stock ownership requirements for our executives
- ✓ Reasonable limits on full-value awards
- ✓ Annual review of risk in executive compensation plans
- ✓ Limit of \$1M dollars on non-employee directors annual compensation

What We Don't Do

- ✗ No tax gross-ups for any change-in-control agreement entered into after May 2009 (only 2 of 16 officers have a tax gross-up provision in an agreement entered into with such officer prior to May 2009)
- ✗ No dividends on unvested restricted stock and no dividend equivalents on unvested restricted stock units or performance units until the underlying awards vest
- ✗ No liberal share recycling practices for options
- ✗ No "Single-trigger" vesting for any cash payments upon a change in control
- ✗ No "Single-trigger" vesting for any time-based equity awards upon a change in control
- ✗ No hedging or pledging of Company stock by directors and executive officers
- ✗ No re-pricing of equity awards

II. Compensation Philosophy and Design Principles

Our executive compensation programs are designed to attract, retain and focus the talent and energy of executive officers (including our NEOs) who are capable of meeting the Company's current and future goals, including the creation of sustainable shareholder value. As we operate in an ever-changing environment, our Committee makes decisions with consideration of economic, technological, regulatory, investor and competitive factors as well as our executive compensation principles. The Committee regularly reviews the philosophy, objectives and elements of our executive compensation programs in relation to our short and long-term business objectives and has determined that there is no undue risk in the compensation programs.

The design principles that govern our executive compensation programs are:

DESIGN PRINCIPLES AND RATIONALE	HOW THIS IS APPLIED TO TRANE TECHNOLOGIES PRACTICE
Business Strategy Alignment Our executive compensation programs provide flexibility to align with changing Company or business strategies. The programs allow for individuals within the Company's businesses to focus on specific financial measures to meet the short and long-term plans of the particular business for which they are accountable.	It is not only possible but also desirable for certain leaders to earn substantial awards in years when their business outperforms against our Annual Operating Plan ("AOP"). Conversely, if a business fails to meet its performance goals, that business' leader may earn a lesser award than their peers in that year. To provide a balanced incentive, all executives have a significant portion of their compensation tied to Company performance.
Pay for Performance A strong pay for performance culture is paramount to our success. As a result, each executive's target total direct compensation ("TDC") is tied to Company, business and individual performance against set goals.	Company and business performance are measured against pre-established financial, operational and strategic objectives as set by the Committee. Individual performance is measured against pre-established individual goals as well as demonstrated leadership competencies and behaviors consistent with our leadership principles. In addition, a portion of the long-term incentive is earned based upon Company cash flow return on invested capital and shareholder value performance relative to peer companies.
Shareholder Alignment Our executive compensation programs align the interests of our executives with those of shareholders by incorporating key financial targets such as revenue growth, Adjusted EBITDA, CROIC and cash flow.	Financial targets should correlate with both share price appreciation over time and the generation of cash flow for the Company. In addition, our long-term incentives are tied to total shareholder returns, increases in value as share price increases, and the effective use of assets to generate cash flow. Other program requirements, including share ownership guidelines for executives and vesting schedules on equity awards, further align executives' and shareholders' interests.
Mix of Short and Long-Term Incentives A proper mix between short and long-term incentives is important to encourage decision making that mitigates risk and balances the need to meet our AOP objectives while also taking into account the long-term interests of the Company and its shareholders.	The mix of pay, including short and long-term incentives, is determined by considering the Company's pay for performance compensation philosophy and strategic objectives as well as competitive market practice.
Internal Parity Each executive's target TDC opportunity is proportionate with the responsibility, scope and complexity of their role within the Company.	Comparable jobs are assigned similar target compensation opportunities.
Market Competitiveness Compensation opportunities must serve to attract and retain high performing executives in a competitive environment for talent.	Target TDC levels are set referencing applicable market compensation benchmarks with consideration of retention and recruiting demands in the industries and markets where we compete for business and executive talent. Each executive's target TDC may be above or below the market benchmark reference based on their experience, proficiency, performance and potential in performing the duties of their position in addition to the competitive market for that individual.

III. Factors Considered in the Determination of Target Total Direct Compensation

Our Committee reviews and evaluates our executive compensation levels and practices against those companies of comparable revenue, industry and/or business fit with which we compete for executive talent. During 2020, these reviews were conducted throughout the year using a variety of methods such as:

- The direct analysis of the proxy statements of other global manufacturers and service providers (refer to peer group below);
- A review of compensation survey data of other global, diversified industrial companies of similar size published by independent consulting firms;
- A review of customized compensation survey data provided by independent consulting firms; and
- Feedback received from external constituencies.

The Committee does not rely on a single source of information when making executive compensation decisions. Many of the companies included in these compensation surveys are also included in the S&P 500 Industrials Index referred to in our 2020 Form 10-K under the caption “Performance Graph.”

The Committee, with the assistance of its independent advisor, develops a peer group that it uses to evaluate executive compensation programs and levels. In 2019, the Committee approved a peer group to reflect the Company's post-transaction size and business as a climate-focused engineered manufacturer and service provider for the global commercial and residential construction and transportation market sectors. This peer group is comprised of the following sixteen global companies.

Ametek	Dover	Honeywell International	Otis Worldwide
Carrier	Eaton plc	Illinois Tool Works	Parker Hannifin Corp
Cummins, Inc.	Emerson Electric	Johnson Controls Inc.	Rockwell Automation
Danaher Corp	Fortive Corporation	Lennox International	TE Connectivity

Ametek, Carrier, Otis Worldwide and Lennox International were added and 3M, Paccar Inc., PPG Industries, Stanley Black & Decker and Textron were removed from the peer group in consideration of the RMT transaction.

In assessing the relationship of CEO compensation to compensation of other executive officers (including our NEOs), the Committee considers overall organization structure and scope of responsibility and also reviews the NEOs' compensation levels relative to the CEO and to one another. This ensures that the target TDC levels are set in consideration of internal pay equity as well as market references and each executive's experience, proficiency, performance and potential in performing the duties of their role. In addition, the long tenure of our CEO (11 years) coupled with the strong performance of the company over this period, are taken into consideration by the Committee when evaluating CEO compensation.

IV. Role of the Committee, Independent Advisor and Committee Actions

Our Committee, which is composed solely of independent directors, oversees our compensation plans and policies, administers our equity-based programs and reviews and approves all forms of compensation relating to our executive officers, including the NEOs.

The Committee exclusively decides the compensation elements and the amounts to be awarded to our CEO. Our CEO does not make any recommendations regarding his own compensation and is not informed of these awards until the decisions have been finalized. Our CEO makes compensation recommendations related to our other NEOs and executive officers. The Committee considers these recommendations when approving the compensation elements and amounts to be awarded to our other NEOs.

Our Committee is responsible for reviewing and approving amendments to our executive compensation and benefit plans. In addition, our Committee is responsible for reviewing our principal broad-based employee benefit plans and making recommendations to our Board of Directors for significant amendments to, or termination of, such plans. The Committee's duties are described in the Committee's Charter, which is available on our website at www.tranetechnologies.com.

Our Committee has the authority to retain an independent advisor for the purpose of reviewing and providing guidance related to our executive compensation and benefit programs. The Committee is directly responsible for the compensation and oversight of the independent advisor. For 2020, the Committee continued to engage Korn Ferry to serve as its independent compensation advisor. Korn Ferry provides the following services to the Committee among others:

- Review and analysis of executive compensation benchmarking data for the CEO and other top executives as needed;
- Review and analysis of the public company peer group used to benchmark the Company's executive pay levels;
- Preparation of ad hoc analyses for the Committee to support decision-making around the executive compensation program; and
- Review and analysis of and advisement on management proposals regarding key elements of the executive compensation program.

Korn Ferry also provided the Sustainability, Corporate Governance and Nominating Committee with advice on director compensation matters including benchmarking data and market trends. The Committee determined that Korn Ferry is independent and does not have a conflict of interest. In making this determination, the Committee considered the factors adopted by the NYSE with respect to independence and conflicts of interest.

V. Compensation Program Descriptions and Compensation Decisions

The following table provides a summary of the elements, objectives, risk mitigation factors and other key features of our TDC program. Each of these elements is described in detail below:

Element	Objective of Element Including Risk Mitigation Factors	Key Features Relative to NEOs
Base Salary	To provide a sufficient and stable source of cash compensation. To avoid encouraging excessive risk-taking by ensuring that an appropriate level of cash compensation is not variable.	Adjustments are determined by the Committee based on an evaluation of the NEO's proficiency in fulfilling their responsibilities, as well as performance against key objectives and behaviors. In 2020, base salary represents 10% of the CEO's target total direct compensation and 22%, on average, for the other NEOs.
Annual Incentive Matrix ("AIM") Program	To serve as an annual cash award tied to the achievement of pre-established performance objectives. Structured to take into consideration the unique needs of the various businesses. Amount of compensation earned cannot exceed a maximum payout of 200% of individual target levels and is also subject to a claw back in the event of a financial restatement in accordance with our clawback policy.	Each NEO has an AIM target expressed as a percentage of base salary. Targets are set based on the compensation levels of similar jobs in comparable companies, as well as on the NEO's experience and proficiency level in performing the duties of the role. Actual AIM payouts are dependent on business, segment and enterprise financial performance and individual performance. The financial metrics used to determine the awards for 2020 were Revenue, Adjusted EBITDA, and Cash Flow, modified (up or down) based on Adjusted EBITDA Margin performance. In 2020, AIM represents 17% of the CEO's target total direct compensation and 21%, on average, for the other NEOs.
LTI: Performance Share Program	To serve as a long-term incentive to outperform, on a relative basis, companies in the S&P 500 Industrials Index. To promote long-term strategic focus and discourage an overemphasis on attaining short-term goals. Structured to align with shareholder interests. Amount earned cannot exceed a maximum payout of 200% of the individual target shares granted and is also subject to a claw back in the event of a financial restatement in accordance with our clawback policy.	Performance share units ("PSUs") granted under the PSP are earned over a 3-year performance period. The number of PSUs earned is based on relative TSR and relative CROIC compared to companies within the S&P 500 Industrials Index (with equal weight given to each metric). Actual value of the PSUs earned depends on our share price at the time of payment. PSUs represent 36.5% of the CEO's target total direct compensation and 28.5%, on average, for the other NEOs.
LTI: Stock Options / Restricted Stock Units ("RSUs")	Aligns the interests of the NEOs and shareholders. Awards provide a balance between performance and retention. Awards are subject to a claw back in the event of a financial restatement in accordance with our clawback policy.	Stock options and RSUs are granted annually, with stock options having an exercise price equal to the fair market value of ordinary shares on the date of grant. Both stock options and RSUs typically vest ratably over three years, at a rate of one-third per year. Stock options expire on the day immediately preceding the 10th anniversary of the grant date (unless employment terminates sooner). In 2020, a balanced mix of stock options and RSUs represents 36.5% of the CEO's target total direct compensation and 28.5%, on average, for the other NEOs.

Base Salary

The table below reflects the base salary adjustments for the NEOs between 2019 and 2020. When determining base salary adjustments, each NEO is evaluated based on their position to the market for their job and on the results achieved and the behaviors demonstrated.

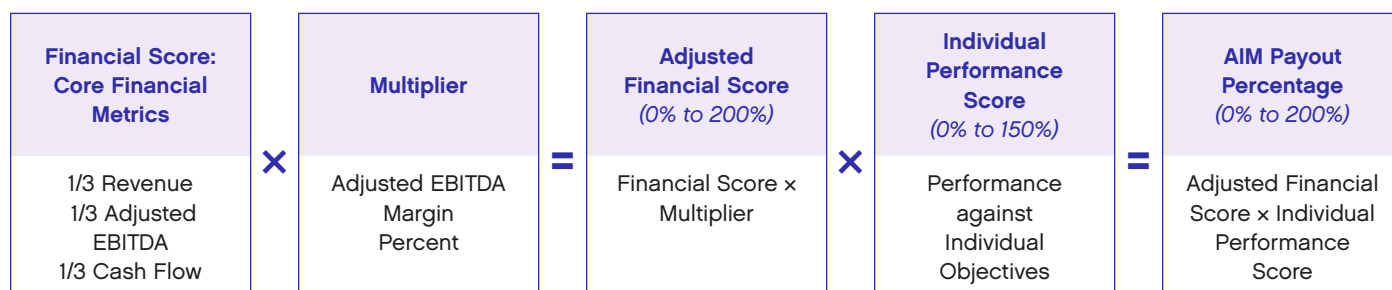
(Dollar Amounts Annualized)	12/31/2019 (\$)	12/31/2020 (\$)
Mr. Michael W. Lamach	1,410,000	1,410,000
Mr. Christopher J. Kuehn	510,000	680,000
Mr. David S. Regnery	775,000	850,000
Ms. Marcia J. Avedon, Ph.D.	685,000	710,000
Mr. Paul A. Camuti	570,000	590,000
Ms. Susan K. Carter	775,000	775,000

Ms. Carter retired on April 1, 2020.

In response to the worsening global Coronavirus crisis, the Company made the decision to delay base salary increases for all salaried employees in the U.S. and Puerto Rico who were scheduled to receive an increase on April 1, 2020. As a result, the merit increases for Ms. Avedon and Mr. Camuti included in their respective base salaries above were delayed until October 1, 2020. Mr. Kuehn received a portion of his base salary increase effective March 1, 2020 in conjunction with his promotion to Chief Financial Officer, but the remaining portion of his base salary increase was delayed until October 1, 2020. Mr. Regnery received an increase effective January 1, 2020 coincident with his promotion to President and Chief Operating Officer. Mr. Lamach, our CEO, did not receive a 2020 base salary increase.

Annual Incentive Matrix (“AIM”)

The AIM program is an annual cash incentive program designed to reward NEOs for Revenue growth, increases in Adjusted EBITDA, the delivery of strong Cash Flow and individual contributions to the Company. We believe that our AIM design provides participants with clarity as to how they can earn a cash incentive based on strong performance relative to each metric. The Committee establishes a target award for each NEO that is expressed as a percentage of base salary. Individual AIM payouts are calculated as the product of a financial performance score and an individual performance score, both of which are based on achievement relative to pre-established performance objectives adopted by the Committee. Individual AIM awards are calculated by multiplying individual AIM targets by an AIM Payout Percentage calculated as illustrated below:



COMPENSATION
DISCUSSION AND ANALYSIS

The AIM incentive opportunity is tied to pre-established goals for three equally-weighted performance metrics (“Core Financial Metrics”): Revenue, Adjusted EBITDA and Cash Flow. These metrics align with our objectives to profitably grow the businesses and improve margins through operational efficiency. Threshold performance for each metric must be achieved in order for any incentive to be payable for that metric. The financial AIM payout is the sum of the calculated payout percentage for each metric, adjusted by an Adjusted EBITDA Margin percentage multiplier (“Multiplier”).

The AIM payout is determined by multiplying the NEO’s target award by the financial performance score and multiplying that result by the individual performance score. AIM payouts cannot exceed 200% of the target award. If the overall AIM payout score is less than 30%, no award is payable.

For 2020 AIM purposes, Mr. Lamach, Mr. Kuehn, Ms. Avedon, Mr. Camuti and Ms. Carter were measured on Enterprise financial metrics. Mr. Regnery was measured on a combination of Enterprise and regional segment metrics (50% Enterprise, 20% Americas segment, 15% EMEA segment and 15% Asia segment).

2020 AIM Revenue, Adjusted EBITDA and Cash Flow performance goals were set based on 2020 financial plans and are summarized with performance relative to those goals in the following table:

	Metric	Threshold Performance	Target Performance	Maximum Performance	2020 Adjusted Performance
Enterprise	Revenue ⁽²⁾	\$12,917.40	\$13,597.30	\$14,277.20	\$12,478.80
	Adjusted EBITDA ⁽²⁾	\$ 1,906.70	\$ 2,118.60	\$ 2,330.50	\$ 1,924.30
	Cash Flow ⁽²⁾	\$ 1,017.60	\$ 1,272.00	\$ 1,526.40	\$ 1,713.30
	Adjusted EBITDA Margin Multiplier ⁽³⁾	14.76%	15.58%	16.32%	15.42%
Americas Segment	Revenue ⁽²⁾	\$ 9,898.90	\$10,419.90	\$10,940.90	\$ 9,728.30
	Adjusted EBITDA ⁽²⁾	\$ 1,678.80	\$ 1,865.30	\$ 2,051.80	\$ 1,676.80
	Cash Flow ⁽²⁾	\$ 1,397.20	\$ 1,746.50	\$ 2,095.80	\$ 1,737.70
	Adjusted EBITDA Margin Multiplier ⁽³⁾	16.96%	17.90%	18.75%	17.24%
EMEA Segment	Revenue ⁽²⁾	\$ 1,768.00	\$ 1,861.00	\$ 1,954.10	\$ 1,633.50
	Adjusted EBITDA ⁽²⁾	\$ 273.10	\$ 303.40	\$ 333.70	\$ 268.10
	Cash Flow ⁽²⁾	\$ 222.20	\$ 277.70	\$ 333.20	\$ 283.00
	Adjusted EBITDA Margin Multiplier ⁽³⁾	15.45%	16.30%	17.08%	16.41%
Asia Segment	Revenue ⁽²⁾	\$ 1,250.60	\$ 1,316.40	\$ 1,382.20	\$ 1,117.00
	Adjusted EBITDA ⁽²⁾	\$ 174.00	\$ 193.30	\$ 212.60	\$ 190.00
	Cash Flow ⁽²⁾	\$ 144.50	\$ 180.60	\$ 216.70	\$ 217.70
	Adjusted EBITDA Margin Multiplier ⁽³⁾	13.91%	14.68%	15.38%	17.01%

⁽¹⁾ 2020 Performance reflects adjustments as summarized below.

⁽²⁾ Financial metrics generate payout of 30% at Threshold performance, 100% at Target performance and 200% at Maximum performance. Results are interpolated between performance levels.

⁽³⁾ The Adjusted EBITDA Margin Multiplier is 75% up to Threshold performance, 100% at Target performance and 150% at Maximum performance. Results are interpolated between performance levels.

The Committee retains the authority to adjust the Company's reported financial results for the impact of changes in accounting principles, extraordinary items and unusual or non-recurring gains or losses, including significant differences from the assumptions contained in the financial plan upon which the incentive targets were established, based on its own review and on recommendations by the CEO. Adjustments to reported financial results are intended to better reflect an executive's actual performance results, align award payments with decisions which support the plan and strategies, avoid unintended inflation or deflation of awards due to unusual or non-recurring items in the applicable period, and emphasize the Company's preference for long-term and sustainable growth. The Committee approved adjustments to 2020 performance results for AIM purposes at the enterprise and segment levels to (a) reflect reallocation of costs across businesses due to post-RMT transaction restructuring, and (b) offset the favorable cash flow impact of a change in interest rate assumption methodology used to calculate Pension Benefit Guaranty Corporation ("PBGC") premiums after the annual targets were set, and (c) adjust for separation-related impacts resulting from the RMT transaction that were not contemplated when performance objectives were set. These adjustments, including restructuring and transformation costs, were reviewed with the Audit Committee prior to approval by the Committee.

One-time expenses directly associated with the RMT transaction were excluded from the year-end 2020 AIM financials, as these items are unusual or infrequent in nature. Performance targets are established and results are measured against financial metrics that have been adjusted from our GAAP results as described below.

The calculated AIM financial score, unadjusted for any COVID-19 considerations, was 74.8% for the NEOs fully aligned to Enterprise performance and 64.8% for Mr. Regnery, who has a portion of his award tied to segment performance.

2020 Considerations in Light of COVID-19:

COVID-19 created challenges in the Company's ability to deliver target levels of revenue and EBITDA. A broad contraction of global markets resulted in decreased demand for products, challenged the supply chain and increased pressure on costs for the Company, all of which negatively impacted EBITDA due to a lower revenue base. The company took actions necessary to implement safety protocols, provide support to our employees and maintain financial stability through the crisis, all while successfully transforming

to the new Trane Technologies. The Committee does not believe that the calculated AIM payout levels reflect the quality of 2020 performance in light of COVID-19, noting the performance results and achievements despite COVID-19 disruption to the global markets and the 2020 business plan.

The Company was effective in its response to the global COVID-19 pandemic, focusing on caring for the wellbeing and safety of employees while maintaining balanced attention on short-term performance and long-term business opportunities. There was significant investment in personal protection equipment and safety measures to bring facilities and all manufacturing plants quickly and safely back to operation. Actions were also taken globally to reduce cost, including delaying merit increases and implementing furloughs or temporary pay reductions in a manner to preserve benefit continuity. In lieu of pay reductions, Mr. Lamach contributed \$500,000 to the Helping Hand Fund to support employees, and members of the Enterprise Leadership Team and the Board of Directors contributed approximately \$315,000 in aggregate.

The Company focused on cash flow and working capital management and delivered Free Cash Flow of \$1.71B, or 158% of net earnings. This provided significant liquidity and allowed the Company to operate from a position of strength to continue investing in the business, maintain its dividend, deploy capital to two acquisitions and resume share repurchases (\$250 million) in the year. The company also delivered strong profitability and cost control in 2020, driving Enterprise EBITDA Margin improvement of approximately 20 basis points and achieving operating leverage of 13%, well within gross margin targets. In 2020, the Company delivered strong shareholder value with 43.5% Total Shareholder Return (TSR), which significantly outperformed the S&P 500 Index (18.4%) and the S&P 500 Industrial Index (11.1%).

In addition, the Company delivered on 2020 commitments to transform the company, streamline processes and reduce costs following the RMT transaction. Notably, the Company pursued its structural and commercial transformation plan without disruption and exceeded financial expectations with \$143M EBITDA improvement as well as achieving \$100M annual operational fixed cost savings targets one year ahead of plan with an additional \$40M savings projected in 2021.

If financial results were adjusted to completely offset the estimated impact of COVID-19, AIM payout for each of the NEOs would have been approximately 154% of Target. The Committee applied its judgement and approved 2020 AIM payout levels for the NEOs at 100% as summarized in the following table.

Name	AIM Target (\$)	AIM Achievement For 2020	AIM Award For 2020 (\$)
Mr. Michael W. Lamach	2,397,000	100%	2,397,000
Mr. Christopher J. Kuehn	680,000	100%	680,000
Mr. David S. Regnery	850,000	100%	850,000
Ms. Marcia J. Avedon, Ph.D.	603,500	100%	603,500
Mr. Paul A. Camuti	501,500	100%	501,500
Ms. Susan K. Carter	194,809	100%	194,809

Ms. Carter retired on April 1, 2020 and therefore the AIM Target and Award are prorated.

In addition to 2020 AIM awards, special bonuses were awarded in March 2020 to recognize individuals whose contributions were critical to the successful completion of the RMT transaction. This transaction encompassed a tax-free spinoff of approximately 20% of the pre-transaction revenue in businesses in over 45 countries and was accomplished on an accelerated 10-month timeline and created significant shareholder value. The Committee approved the payment of \$500,000 for Mr. Lamach, \$200,000 each for Ms. Avedon and Ms. Carter, and \$150,000 each for Messrs. Camuti, Kuehn and Regnery based on its evaluation of their contributions.

2021 AIM PROGRAM CHANGES

For 2021, the AIM program design has been updated to replace the Adjusted EBITDA multiplier with an Environmental, Social and Governance ("ESG") modifier with a range of +/- 20%. This design change was made in recognition of strong margin improvements in 2020 and the desire to align management incentives with our commitment to and strategic focus on sustainability and diversity. Performance relative to ESG objectives will be determined based on established targets and the Committee's judgement of performance relative to four components:

- 1) Internal Greenhouse Gas Emissions Reduction
- 2) External / Customers Carbon Emissions Reduction
- 3) Gender Representation in Management
- 4) Racial/Ethnic Minority Representation (for U.S.-based employees only)

Long-Term Incentive Program (“LTI”)

Our long-term incentive program is comprised of stock options, RSUs and PSUs. This mix of equity-based awards aligns executive interests with the interests of our shareholders from the perspectives of stock price appreciation and relative performance. This approach enables us to develop and implement long-term strategies that we believe are in the best interest of shareholders.

Stock Options/Restricted Stock Units

We grant our NEOs an equal mix of stock options and RSUs. Our Committee believes that this mix provides an effective balance between performance and retention for our NEOs and conserves share usage under our incentive stock plan. Stock options are considered “at risk” since there is no value unless the stock price appreciates during the term of the option period. RSUs, on the other hand, provide stronger retentive value because they have value even if our stock price does not grow during the restricted period. Our Committee reviews our equity mix and grant policies annually to ensure they are aligned with our pay for performance philosophy, our executive compensation objectives and the interests of our shareholders.

Stock option and RSU targets are expressed in dollars. The dollar target is converted to a number of shares based on the fair market value of the Company’s shares on the date that the award is granted.

Both stock options and RSUs generally vest ratably, one third per year, over a three-year period following the grant. Dividend equivalents are accrued on outstanding RSU awards at the same time and at the same rate as dividends paid to shareholders. Dividend equivalents on RSUs are only payable if the underlying RSU award has vested. At the time of vesting, one ordinary share is issued for each RSU and any accrued dividend equivalents are paid in cash.

Performance Share Program (“PSP”)

Our PSP is an equity-based incentive compensation program that provides our NEOs and other key executives with an opportunity to earn PSUs based on our performance relative to the companies in the S&P 500 Industrials Index. PSUs granted in 2020 are earned over a 3-year performance period based equally on our relative average CROIC and relative TSR as compared to the companies within the S&P 500 Industrials Index. The actual number of PSUs earned for grants made in 2020 (which can range from 0% to 200% of target) is based on the following thresholds:

Company Performance Relative to the Companies within the S&P 500 Industrials Index	2020 – 2022 Measurement Period % of Target PSUs Earned*
< 25th Percentile	0%
25th Percentile	25%
50th Percentile	100%
≥ 75th Percentile	200%

* Results are interpolated between percentiles achieved.

PSP target awards for NEOs are expressed as a dollar amount and set in consideration of competitive long-term incentive market values for executives in our peer group with similar roles and responsibilities and our mix of long-term incentives. The dollar target is converted to share equivalent PSUs based on the fair market value of our shares on the date that the award is granted. The number of PSUs earned is based on relative TSR and relative CROIC compared to companies within the S&P 500 Industrials Index (with equal weight given to each metric).

- TSR is measured as the total stock price appreciation and dividends earned during the three years of the performance cycle. To prevent an anomalous short-term change in stock price from having an inappropriate and outsized impact on payout levels, a 30-day average stock price at the beginning and ending periods is used. TSR provides a tool for measuring performance among peers.
- CROIC is measured by dividing Free Cash Flow by gross fixed assets (Plant, Property & Equipment) plus Working Capital (Accounts and Notes Receivable plus Inventory less Accounts and Notes Payable). CROIC is calculated in accordance with GAAP, subject to adjustments for unusual or infrequent items; the impact of any change in accounting principles; goodwill and other intangible asset impairments; and gains or charges associated with discontinued operations or through the acquisition or divestiture of a business. As a result, expense for outstanding PSP awards is recorded using the fixed accounting method.

Our Committee retains the authority and discretion to make downward adjustments to the calculated PSP award payouts or not to grant any award payout regardless of actual performance.

Dividend equivalents are accrued on outstanding PSU awards at the same time and at the same rate as dividends paid to shareholders. Dividend equivalents are only paid upon vesting on the number of PSUs actually earned and vested. Dividend equivalents are payable in cash at the time the shares associated with vested PSUs are distributed unless the NEO elected to defer the shares into our executive deferred compensation plan, in which case the dividend equivalents are also deferred.

2020 Equity Awards

In 2020, the Committee approved the stock option, RSU and target value of PSU awards based on its evaluation of market competitiveness and each NEO's sustained individual performance and demonstrated potential to impact future business results. The values in the table below reflect equity-based awards approved by the Committee. The target values for the PSU awards differ from the corresponding values reported in the Summary Compensation Table and the Grants of Plan-Based Awards Table due to different methodologies used in assigning the economic value of equity-based awards required for accounting and proxy statement reporting purposes. The Committee makes equity award decisions based on grant date expected value while the accounting and proxy statement values are determined in accordance with GAAP requirements. The PSU awards are earned, in part, based on TSR performance relative to the S&P 500 Industrials Index over a three-year performance period which requires valuations to take into account the expected payout distribution from 0-200% of target for accounting and proxy statement purposes.

Name	Stock Option Award (\$)	RSU Award (\$)	Target Value 2020-2022 PSU Award (\$)
Mr. Michael W. Lamach	2,500,000	2,500,000	5,000,000
Mr. Christopher J. Kuehn	450,000	450,000	900,000
Mr. David S. Regnery	650,000	650,000	1,300,000
Ms. Marcia J. Avedon, Ph.D.	420,000	420,000	840,000
Mr. Paul A. Camuti	375,000	375,000	750,000
Ms. Susan K. Carter	N/A	N/A	N/A

Ms. Carter retired on April 1, 2020.

2018 – 2020 Performance Share Units Payout

As discussed above, PSUs for the three-year 2018 - 2020 performance period were earned based on the Company's CROIC and TSR performance relative to the companies in the S&P 500 Industrials Index.

- CROIC is measured as the average of the annual CROIC in each of the three years of the performance cycle. CROIC was 26.5% for the 2018 - 2020 period, which ranked at the 72nd percentile of the companies in the S&P 500 Industrials Index.
- TSR is measured as the total stock price appreciation plus dividends earned during the three years of the performance cycle. To account for stock price volatility, a 30-day average stock price at the beginning and ending periods is used. TSR was 101.73% for the 2018 - 2020 period, which ranked at the 95th percentile of the companies in the S&P 500 Industrials Index.

PSUs for the 2018 - 2020 performance cycle achieved 194.5% of target levels as summarized in the table below.

Performance Metric	Company Performance	Percentile Rank	Metric Payout	Weighting	Payout Level
Relative CROIC	26.5%	72nd	189%	50%	94.5%
Relative TSR	101.73%	95th	200%	50%	100%
Total Award Payout Percentage:					194.5%

VI. Other Compensation and Tax Matters

Retirement Programs and Other Benefits

We maintain qualified and nonqualified defined benefit pension plans for our employees, including the NEOs, to provide for fixed benefits upon retirement based on the individual's age, compensation and number of years of service. These plans include the Pension Plan, the Supplemental Pension Plans and our supplemental executive retirement plans (the Elected Officer Supplemental Pension ("EOSP") or the Key Management Supplemental Pension ("KMP") programs). Refer to the Pension Benefits table and accompanying narrative for additional details on these programs.

We offer a qualified defined contribution (401(k)) plan called the Trane Technologies Employee Savings Plan (the "ESP") to our salaried and non-union hourly U.S. workforce, including the NEOs. The ESP is a plan that provides a dollar-for-dollar Company match on the first six percent of the employee's eligible compensation that the employee contributes to the ESP. The ESP has several investment options and is an important component of our U.S. retirement program.

We also have a nonqualified defined contribution plan. The Trane Technologies Supplemental Employee Savings Plan (the "Supplemental ESP") is an unfunded plan that makes up employer contributions that cannot be made to the ESP due to the Internal Revenue Code limitation on the amount of compensation taken into account under the ESP or due to a deferral election under another non-qualified plan. Supplemental ESP balances are deemed to be invested in the funds selected by the NEOs, which are the same funds available in the ESP, except for a self-directed brokerage account, which is not available in the Supplemental ESP.

In June 2012, our Board of Directors approved significant changes to our broad-based, qualified retirement programs with the intent to move employees from a combined defined benefit/defined contribution approach to a fully defined contribution plan approach over time. Employees active prior to July 1, 2012 were given a choice between continuing to participate in the defined benefit plan until December 31, 2022, or moving to an enhanced version of the ESP effective January 1, 2013. Employees hired or rehired on or after July 1, 2012 were automatically covered under the enhanced version of the ESP. Under the enhanced version of the ESP, employees will receive a basic employer contribution equal to two percent of eligible compensation in addition to the Company's matching contribution while ceasing to accrue benefits under the defined benefit plan. Effective as of December 31, 2022, accruals in the tax-qualified defined benefit plan will cease for all employees. The Committee approved corresponding changes to the applicable nonqualified defined benefit and contribution pension plans. Additional details on the changes can be found in the narrative accompanying the Pension Benefits table.

Our Trane Technologies Executive Deferred Compensation Plan (the "EDCP I") and the Trane Technologies Executive Deferred Compensation Plan II (the "EDCP II" and, together with the EDCP I, the "EDCP") allow eligible employees to defer receipt of a part of their annual salary, AIM award and/or PSP award in exchange for deemed investments in our ordinary shares or in the same funds available in the ESP, except for a self-directed brokerage account. Refer to the Nonqualified Deferred Compensation table for additional details on the EDCP.

We provide an enhanced, long-term disability plan to certain executives. The plan supplements the broad-based group plan and provides an additional monthly maximum benefit if the executive elects to purchase supplemental coverage under the group plan. It has an underlying individual policy that is portable when the executive terminates.

In light of the enactment of Section 409A of the Code as part of the American Jobs Creation Act of 2004, "mirror plans" for several of our nonqualified plans, including the Trane Technologies Supplemental Pension Plan (the "Supplemental Pension Plan I") and the EDCP I, were created. The mirror plans are the Trane Technologies Supplemental Pension Plan II ("Supplemental Pension Plan II" and, together with the Supplemental Pension Plan I, the "Supplemental Pension Plans") and the EDCP II. The purpose of these mirror plans is not to provide additional benefits to participants, but merely to preserve the tax treatment of the plans that were in place prior to December 31, 2004. In the case of the Supplemental Pension Plans, the mirror plan benefits are calculated by subtracting the original benefit value to avoid double-counting the benefit. For the EDCP plans, balances accrued through December 31, 2004 are maintained separately from balances accrued after that date.

We provide our NEOs with other benefits that we believe are consistent with prevailing market practice and those of our peer companies. These other benefits and their incremental cost to the Company are reported in "All Other Compensation" shown in the Summary Compensation Table.

Severance Arrangements

In connection with external recruiting of certain officers, we generally enter into employment arrangements that provide for severance payments upon certain termination events, other than in the event of a change in control (which is covered by separate agreements with the officers). Mr. Lamach and Ms. Avedon have such arrangements in their employment agreements. In 2019 we amended our Major Restructuring Severance Plan, originally adopted in 2012, to provide certain employees, including our NEOs, with certain benefits in the event of a termination of employment without cause or for good reason under a Major Restructuring (as defined in the Post-Employment Section below). Although we do not have a formal severance policy for our executives (other than in the event of a Major Restructuring), we do have guidelines that in most cases would provide for severance in the event of termination without cause. The severance payable under employment agreements for Mr. Lamach and Ms. Avedon and the benefits available in connection with a Major Restructuring and under the severance guidelines are further described in the Post-Employment Benefits section of the proxy statement.

Change-in-Control Provisions

We have entered into change-in-control agreements with our NEOs. Payments are subject to a “double trigger”, meaning that payments would be received only if an officer is terminated without cause or resigns for “good reason” within two years following a change in control. We provide change-in-control agreements to our NEOs to focus them on the best interests of shareholders and assure continuity of management in circumstances that reduce or eliminate job security and might otherwise lead to accelerated departures. Under the 2018 Incentive Stock Plan, time-based awards will only vest and become exercisable or payable, as applicable, on a change in control if they are not assumed, substituted or otherwise replaced in connection with the change in control. If the awards are assumed or continued after the change in control, the Committee may provide that such awards will be subject to automatic vesting acceleration upon a participant's involuntary termination within a designated period following the change in control. Further, under the 2018 Incentive Stock Plan, PSUs will automatically vest upon a change in control of our Company, based on (a) the target level, prorated to reflect the period the participant was in service during the performance period or (b) the actual performance level attained, in each case, as determined by the Committee. Our 2013 Incentive Stock Plan provides for the accelerated vesting of outstanding time-based awards in the event of a change in control of the Company only for awards issued through June 7, 2018. Outstanding PSUs would be prorated based on the target for the actual days worked during the applicable performance period. Refer to the Post-Employment Benefits section of this proxy statement for a more detailed description of the change-in-control provisions.

Tax and Accounting Considerations

Although we consider the tax and accounting consequences of our compensation programs, the forms of compensation we utilize are determined primarily by their effectiveness in creating maximum alignment with our key strategic objectives and the interests of our shareholders.

Timing of Awards

The Committee generally grants our regular annual equity awards after the annual earnings release. The grant date is never selected or changed to increase the value of equity awards for executives. In 2020, the grants were delayed until after the close of the RMT transaction to allow for awards to be granted as stock of Trane Technologies.

Claw-Back/Recoupment Policy

To further align the interests of our employees and our shareholders, we have a claw-back/recoupment policy to ensure that any fraud or intentional misconduct leading to a restatement of our financial statements would be properly addressed. The policy provides that if it is found that an employee committed fraud or engaged in intentional misconduct that resulted, directly or indirectly, in a need to restate our financial statements, then our Committee has the discretion to direct the Company to recover all or a portion of any cash or equity incentive compensation paid or value realized, and/or to cancel any stock-based awards or AIM award granted to an employee on or after February 2, 2010, the effective date of the policy. Our Committee may also request that the Company seek to recover any gains realized on or after the effective date of the policy for equity or cash awards made prior to that date (including AIM, stock options, PSUs and RSUs). Application of the claw-back/recoupment policy is subject to a determination by our Committee that: (i) the cash incentive or equity compensation to be recouped was calculated on, or its realized value affected by, the financial results that were subsequently restated; (ii) the cash incentive or equity award would have been less valuable than what was actually awarded or paid based on the application of the correct financial results; and (iii) the employee to whom the policy applied engaged in fraud or intentional misconduct. This policy will be revised if required under the Dodd-Frank Act if and when final regulations implementing the claw-back policy requirements of that law have been adopted.

Share-Ownership Requirements

We impose share ownership requirements on each of our officers. These share ownership requirements are designed to emphasize share ownership by our officers and to further align their interests with our shareholders. Each officer must achieve and maintain ownership of ordinary shares or ordinary share equivalents at or above a prescribed level. Given significant share price growth since 2017 when share ownership requirements were last assessed, a market benchmark review of share ownership requirement trends and practices was performed in 2020 to ensure that our guidelines were competitively positioned. Based on this review, the Committee updated share ownership requirements effective in 2021.

The requirements are as follows:

Position	2020 Individual Ownership Requirement (Shares and Equivalents)	2021 Individual Ownership Requirement (Shares and Equivalents)
Chairman and Chief Executive Officer	120,000	75,000
President and Chief Operating Officer	50,000	30,000
Chief Financial Officer, Executive Vice Presidents and Senior Vice Presidents	30,000	20,000
Strategic Business Unit Presidents and Chief Accounting Officer	15,000	10,000

Based on the closing price on the record date of \$166.58, these share ownership requirements equate to the following as a multiple of average base salary:

Position	2020 Guideline Average Multiple of Base Salary	2021 Guideline Average Multiple of Base Salary
Chairman and Chief Executive Officer	14x	9x
President & Chief Operating Officer	9x	6x
Chief Financial Officer, Executive Vice Presidents and Senior Vice Presidents	8x	6x
Strategic Business Unit Presidents and Chief Accounting Officer	5x	3x

These ownership requirements have been met by all the NEOs who continue to be employed by the Company as of the record date. Our CEO owns shares valued at over 41 times base salary, our President & COO owns shares valued at over 12 times base salary and our CFO, EVPs and SVPs own shares valued at over 14 times their individual base salary, on average.

Our share-ownership program requires the accumulation of ordinary shares (or ordinary share equivalents) over a five-year period following the date the person becomes subject to share-ownership requirements at the rate of 20% of the required level each year. Executives who are promoted and have their ownership requirement increased have five years to achieve the new level from the date of promotion. Ownership credit is given for actual ordinary shares owned, deferred compensation that is invested in ordinary shares within our EDCP Plan, ordinary share equivalents accumulated in our qualified and nonqualified employee savings plans as well as unvested RSUs. Stock options and unvested PSUs do not count toward meeting the share-ownership target. If executives fall behind their scheduled accumulation level during their applicable accumulation period, or if they fail to maintain their required level of ownership after their applicable accumulation period, their right to exercise stock options will be limited to "buy and hold" transactions and any shares received upon the vesting of RSU and PSU awards must be held until the required ownership level is achieved.

Compensation Committee Report

We have reviewed and discussed with management the Compensation Discussion and Analysis contained in this Proxy Statement. Based on our review and discussion, we recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement as well as the Company's Annual Report on Form 10-K for the year ended December 31, 2020.

COMPENSATION COMMITTEE

Tony L. White (Chair)

Kirk E. Arnold

Jared L. Cohon

Gary D. Forsee

Linda P. Hudson

Executive Compensation

The following table provides summary information concerning compensation paid by the Company or accrued on behalf of our NEOs for services rendered during the years ended December 31, 2020, 2019 and 2018.

Summary Compensation Table

Name and Principal Position	Year	Salary (\$) ^(a)	Bonus (\$) ^(b)	Stock Awards (\$) ^(c)	Option Awards (\$) ^(d)	Non-Equity Incentive Plan Compensation (\$) ^(e)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) ^(f)	All Other Compensation (\$) ^(g)	Total (\$)
M. W. Lamach Chairman and Chief Executive Officer	2020	1,410,000	500,000	9,262,869	2,500,012	2,397,000	11,591,666	445,939	28,107,486
	2019	1,390,000	—	7,957,970	2,540,028	2,775,000	8,960,127	594,003	24,217,128
	2018	1,350,000	—	8,181,039	2,592,247	2,900,000	—	562,199	15,585,485
C. J. Kuehn Senior Vice President and Chief Financial Officer	2020	642,742	150,000	1,667,489	450,012	680,000	445,140	88,607	4,123,990
D. S. Regnery President and Chief Operating Officer	2020	850,000	150,000	2,408,938	650,009	850,000	3,735,597	119,679	8,764,223
	2019	761,250	—	1,887,911	642,630	856,177	2,693,861	159,876	7,001,705
	2018	730,000	—	1,678,263	531,745	971,398	—	106,602	4,018,008
M. J. Avedon Executive Vice President, Chief Human Resources, Marketing and Communications Officer	2020	691,250	200,000	1,556,448	420,004	603,500	2,547,784	100,288	6,119,274
	2019	671,250	—	1,337,076	426,735	712,034	1,785,641	125,019	5,057,755
	2018	643,750	—	1,409,821	446,663	736,527	216,578	102,458	3,555,797
P. A. Camuti Executive Vice President and Chief Technology and Strategy Officer	2020	575,000	150,000	1,389,663	375,008	501,500	814,644	77,655	3,883,470
	2019	557,500	—	955,008	304,818	521,625	609,446	103,530	3,051,927
S. K. Carter Former Senior Vice President and Chief Financial Officer	2020	196,686	200,000	298	—	194,809	628,837	159,471	1,380,101
	2019	761,250	—	2,132,808	680,732	948,963	760,722	186,901	5,471,376
	2018	735,000	—	2,248,810	712,536	939,504	261,347	179,074	5,076,271

^(a) Pursuant to the EDCP II, a portion of a participant's annual salary may be deferred into a number of investment options. In 2020, no NEOs elected to defer salary into the EDCP II.

^(b) Completion recognition bonuses were awarded in March 2020 to recognize individuals whose contributions were critical to the successful completion of the RMT transaction.

^(c) The amounts in this column reflect the aggregate grant date fair value of PSU awards and any RSU awards granted for the year under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718 and do not reflect amounts paid to or realized by the NEOs. For a discussion of the assumptions made in determining the ASC 718 values see Note 15, "Share-Based Compensation," to the Company's consolidated financial statements contained in its 2020 Form 10-K. The ASC grant date fair value of the PSU award is spread over the number of months of service required for the grant to become non-forfeitable, disregarding any adjustments for potential forfeitures. In determining the aggregate grant date fair value of the PSU awards, the awards are valued assuming target level performance achievement. The table below includes the maximum grant date value of the 2020-2022 PSU awards for the persons listed. If the maximum level performance achievement is assumed, the aggregate grant date fair value of the PSU awards would be as follows:

Name	Maximum Grant Date Value of PSU Awards (\$)
M. W. Lamach	13,525,057
C. J. Kuehn	2,434,584
D. S. Regnery	3,516,748
M. J. Avedon	2,272,260
P. A. Camuti	2,028,773
S. K. Carter	N/A

Amounts in this column also include the incremental fair value of certain modifications made to outstanding stock awards in connection with the RMT transaction.

(d) The amounts in this column reflect the aggregate grant date fair value of stock option grants for financial reporting purposes for the year under ASC 718 and do not reflect amounts paid to or realized by the NEOs. For a discussion of the assumptions made in determining the ASC 718 values see Note 15, "Share-Based Compensation," to the Company's consolidated financial statements contained in its 2020 Form 10-K. Please see "2020 Grants of Plan-Based Awards" and "Outstanding Equity Awards at December 31, 2020" for additional detail. Amounts in this column also include the incremental fair value of certain modifications made to outstanding stock awards in connection with the RMT transaction.

(e) This column reflects the amounts earned as annual awards under the AIM program. Unless deferred into the EDCP II, AIM program payments are made in cash. In 2020, Mr. Kuehn and Mr. Regnery elected to defer a percentage (15% and 60% respectively) of their AIM awards into the EDCP II. Amounts shown in this column are not reduced to reflect deferrals of AIM awards into the EDCP II.

(f) Amounts reported in this column reflect the aggregate increase in the actuarial present value of the benefits under the qualified Trane Technologies Pension Plan Number One (the "Pension Plan"), Supplemental Pension Plans, the KMP and EOSP, as applicable. The change in pension benefits value is attributable to the additional year of service and age, the annual AIM award and any annual salary increase.

Other external factors, outside the influence of the plan design, also impact the values shown in this column. Examples of these factors include changes to mortality tables as well as interest and discount rates. For all the NEOs, the amounts in this column for 2020 were impacted by decreasing lump sum interest rates (down from 2.25% to 1.00%) and discount rates (down from 2.96% to 2.08%) which cause the value of the lump sum distribution under the EOSP and the KMP to increase. For Mr. Lamach, the majority of the change in the pension value is due to these required actuarial valuation changes.

There was no above market interest earned by the NEOs in any year.

(g) The following table summarizes the components of this column for fiscal year 2020:

Name	Company Contributions (\$) ⁽¹⁾	Company Cost For Life Insurance (\$)	Company Cost For Long Term Disability (\$)	Retiree Medical Plan (\$) ⁽²⁾	Tax Assistance (\$) ⁽³⁾	Other Benefits (\$) ⁽⁴⁾	Total (\$)
M. W. Lamach	251,100	6,966	1,285	—	119,747	66,841	445,939
C. J. Kuehn	82,718	828	1,496	—	—	3,565	88,607
D. S. Regnery	102,371	3,689	1,456	600	—	11,563	119,679
M. J. Avedon	84,197	3,225	1,824	—	—	11,042	100,288
P. A. Camuti	65,798	2,632	1,911	—	—	7,314	77,655
S. K. Carter	91,652	1,888	566	—	—	65,365	159,471

(1) Represents Company contributions under the Company's ESP and Supplemental ESP plans.

(2) For Mr. Regnery, represents the estimated year-over-year increase in the value of the retiree medical plan, calculated based on the methods used for financial statement reporting purposes. Mr. Regnery is the only NEO eligible for the subsidized retiree medical plan upon retirement.

(3) The amount for Mr. Lamach represents tax equalization payments related to Irish taxes owed on \$335,000, which is the portion of his income that is allocated to his role as a director of the Company. Without these payments, Mr. Lamach would be subject to double taxation on this amount since he is already paying U.S. taxes on this income.

(4) For Mr. Lamach, this amount includes the incremental cost to the Company of personal use of the Company aircraft (whether leased or owned) by the CEO. For security and safety reasons and to maximize his availability for Company business, the Board of Directors requires the CEO to travel on Company-provided aircraft for business and personal purposes, unless commercial travel is deemed a minimal security risk by the Company. The incremental cost to the Company of personal use of the aircraft is calculated: (i) by taking the hourly average variable operating costs to the Company (including fuel, maintenance, on board catering and landing fees) multiplied by the amount of time flown for personal use in the case of leased aircraft; and (ii) by multiplying the flight time by a variable fuel charge and the average fuel price per gallon and adding any ground costs such as landing and parking fees as well as crew charges for travel expenses in the case of the Company owned aircraft. Both methodologies exclude fixed costs that do not change based on usage, such as pilots' and other employees' salaries, management fees and training, hangar and insurance expenses. We impose an annual limit of \$150,000 on the CEO's non-business use of Company-provided aircraft. For 2020, the amount for Mr. Lamach was \$58,453 for personal use of Company-provided aircraft. Under the Company's aircraft use policy, the Compensation Committee has determined that business use includes travel that is related to the Company's business or benefits the Company, such as travel to meetings of other boards on which the CEO sits. In 2020, Mr. Lamach did not incur any charges for such business-related travel.

These amounts also include: (i) the following incremental cost of financial counseling services, which may include tax preparation and estate planning services: Mr. Lamach, \$8,340; Mr. Kuehn, \$750; Ms. Carter \$5,750; Mr. Regnery, \$9,000; Ms. Avedon, \$8,340; and Mr. Camuti \$4,775; (ii) the following costs for medical services provided through an on-site physician under the Executive Health Program: Mr. Lamach, \$48; Mr. Kuehn, \$2,315; Ms. Carter, \$0; Mr. Regnery, \$2,463; Ms. Avedon \$2,602 and Mr. Camuti, \$2,439; (iii) a payment made to Ms. Carter in the amount of \$59,615 for unused vacation at the time of her retirement, and (iv) product rebates and company-branded items that do not exceed \$500 in value.

2020 Grants of Plan-Based Awards

The following table shows all plan-based awards granted to the NEOs during fiscal 2020. In March 2020, we adjusted the numbers of our outstanding stock option, RSU and PSU awards to preserve the intrinsic value of the awards in connection with the RMT transaction as described in the footnotes to the table. This table is supplemental to the Summary Compensation Table and is intended to complement the disclosure of equity awards and grants made under non-equity incentive plans in the Summary Compensation Table. Share information reflects the number of shares granted on a post-RMT transaction basis. For additional information regarding outstanding awards and the impact of modifications made in connection with the RMT transaction, please see the "Outstanding Equity Awards at December 31, 2020" table.

Name	Grant Date	Estimated Future Payouts Under Non-Equity Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)(c)	All Other Option Awards: Number of Securities Underlying Options (#)(c)	Exercise or Base Price of Option Awards (\$/Sh)(d)	Grant Date Fair Value of Stock and Option Awards (\$)(e)(f)
		Threshold (\$)(a)	Target (\$)(a)	Maximum (\$)(a)	Threshold (#)(b)	Target (#)(b)	Maximum (#)(b)				
M. W. Lamach											
2020 Awards											
AIM	2/4/2020	719,100	2,397,000	4,794,000	—	—	—	—	—	—	—
PSUs (2020-2022)	3/9/2020	—	—	—	11,874	47,493	94,986	—	—	—	6,762,528
Options	3/9/2020	—	—	—	—	—	—	—	149,791	105.28	2,500,012
RSUs	3/9/2020	—	—	—	—	—	—	23,747	—	—	2,500,084
Awards prior to 2020											
PSUs (2018-2020)	2/6/2018	—	—	—	17,357	69,427	138,854	—	—	—	88
PSUs (2019-2021)	2/5/2019	—	—	—	15,830	63,320	126,640	—	—	—	85
RSUs	2/6/2018	—	—	—	—	—	—	11,572	—	—	73
RSUs	2/5/2019	—	—	—	—	—	—	21,107	—	—	11
C. J. Kuehn											
2020 Awards											
AIM	2/4/2020	204,000	680,000	1,360,000	—	—	—	—	—	—	—
PSUs (2020-2022)	3/9/2020	—	—	—	2,138	8,549	17,098	—	—	—	1,217,292
Options	3/9/2020	—	—	—	—	—	—	—	26,963	105.28	450,012
RSUs	3/9/2020	—	—	—	—	—	—	4,275	—	—	450,072
Awards prior to 2020											
PSUs (2018-2020)	2/6/2018	—	—	—	980	3,918	7,836	—	—	—	26
PSUs (2019-2021)	2/5/2019	—	—	—	1,030	4,117	8,234	—	—	—	63
RSUs	2/6/2018	—	—	—	—	—	—	653	—	—	10
RSUs	2/5/2019	—	—	—	—	—	—	1,510	—	—	26
D. S. Regnery											
2020 Awards											
AIM	2/4/2020	255,000	850,000	1,700,000	—	—	—	—	—	—	—
PSUs (2020-2022)	3/9/2020	—	—	—	3,088	12,349	24,698	—	—	—	1,758,374
Options	3/9/2020	—	—	—	—	—	—	—	38,946	105.28	650,009
RSUs	3/9/2020	—	—	—	—	—	—	6,175	—	—	650,104
Awards prior to 2020											
PSUs (2018-2020)	10/3/2017	—	—	—	3,572	14,287	28,574	—	—	—	94
PSUs (2018-2020)	2/6/2018	—	—	—	3,561	14,242	28,484	—	—	—	99
PSUs (2019-2021)	2/5/2019	—	—	—	3,641	14,564	29,128	—	—	—	88
RSUs	10/3/2017	—	—	—	—	—	—	14,287	—	—	25
RSUs	2/6/2018	—	—	—	—	—	—	2,375	—	—	72
RSUs	2/5/2019	—	—	—	—	—	—	5,342	—	—	83

Name	Grant Date	Estimated Future Payouts Under Non-Equity Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#) ^(c)	All Other Option Awards: Number of Securities Underlying Options (#) ^(c)	Exercise or Base Price of Option Awards (\$/Sh) ^(d)	Grant Date Fair Value of Stock and Option Awards (\$) ^{(e)(f)}
		Threshold (\$) ^(a)	Target (\$) ^(a)	Maximum (\$) ^(a)	Threshold (#) ^(b)	Target (#) ^(b)	Maximum (#) ^(b)				
M. J. Avedon											
2020 Awards											
AIM	2/4/2020	181,050	603,500	1,207,000	—	—	—	—	—	—	—
PSUs (2020-2022)	3/9/2020	—	—	—	1,995	7,979	15,958	—	—	—	1,136,130
Options	3/9/2020	—	—	—	—	—	—	—	25,165	105.28	420,004
RSUs	3/9/2020	—	—	—	—	—	—	3,990	—	—	420,067
Awards prior to 2020											
PSUs (2018-2020)	2/6/2018	—	—	—	2,991	11,964	23,928	—	—	—	104
PSUs (2019-2021)	2/5/2019	—	—	—	2,660	10,639	21,278	—	—	—	75
RSUs	2/6/2018	—	—	—	—	—	—	1,995	—	—	40
RSUs	2/5/2019	—	—	—	—	—	—	3,547	—	—	33
P. A. Camuti											
2020 Awards											
AIM	2/4/2020	150,450	501,500	1,003,000	—	—	—	—	—	—	—
PSUs (2020-2022)	3/9/2020	—	—	—	1,781	7,124	14,248	—	—	—	1,014,386
Options	3/9/2020	—	—	—	—	—	—	—	22,469	105.28	375,008
RSUs	3/9/2020	—	—	—	—	—	—	3,562	—	—	375,007
Awards prior to 2020											
PSUs (2018-2020)	2/6/2018	—	—	—	1,923	7,692	15,384	—	—	—	63
PSUs (2019-2021)	2/5/2019	—	—	—	1,900	7,599	15,198	—	—	—	110
RSUs	2/6/2018	—	—	—	—	—	—	1,283	—	—	30
RSUs	2/5/2019	—	—	—	—	—	—	2,534	—	—	66
S. K. Carter											
AIM	2/4/2020	58,443	194,809	389,618	—	—	—	—	—	—	—
Awards prior to 2020											
PSUs (2018-2020)	2/6/2018	—	—	—	4,772	19,085	38,170	—	—	—	86
PSUs (2019-2021)	2/5/2019	—	—	—	4,243	16,971	33,942	—	—	—	94
RSUs	2/6/2018	—	—	—	—	—	—	3,182	—	—	90
RSUs	2/5/2019	—	—	—	—	—	—	5,657	—	—	28

- (a) The target award levels established for the AIM program are established annually in February and are expressed as a percentage of the NEO's base salary. Refer to Compensation Discussion and Analysis under the heading "Annual Incentive Matrix Program" for a description of the Compensation Committee's process for establishing AIM program target award levels. The amounts reflected in the "Estimated Future Payouts Under Non-Equity Incentive Plan Awards" columns represent the threshold, target and maximum amounts for awards under the AIM program that were paid in February 2021, based on performance in 2020. Thus, the amounts shown in the "threshold," "target" and "maximum" columns reflect the range of potential payouts when the target award levels were established in February 2020 for all NEOs. The AIM program pays \$0 for performance below threshold. Ms. Carter retired on April 1, 2020 and therefore the 2020 AIM amounts reflect prorated levels. The actual amounts paid pursuant to those awards are reflected in the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table.
- (b) The amounts reflected in the "Estimated Future Payouts Under Equity Incentive Plan Awards" columns represent the threshold, target and maximum amounts for PSU awards. The PSP pays \$0 for performance below threshold. For a description of the Compensation Committee's process for establishing PSP target award levels and the terms of PSU awards, please refer to Compensation Discussion and Analysis under the heading "Long-Term Incentive Program" and the "Post-Employment Benefits" section below. There were no equity-based awards to Ms. Carter in 2020 due to her impending retirement.
- (c) The amounts in these columns reflect the stock option and RSU awards. For a description of the Compensation Committee's process for determining stock option and RSU awards and the terms of such awards, see Compensation Discussion and Analysis under the heading "Long-Term Incentive Program" and the "Post-Employment Benefits" section below. There were no new equity-based awards to Ms. Carter in 2020 due to her impending retirement.
- (d) Stock options were granted under the Company's Incentive Stock Plan of 2018 (the "2018 Plan"), which requires options to be granted at an exercise price equal to or greater than the fair market value of the Company's ordinary shares on the date of grant. The fair market value is defined in the 2018 Plan as the closing price of the Company's ordinary shares listed on the NYSE on the grant date. The closing price on the NYSE of the Company's ordinary shares was \$105.28 on the March 2020 grant date.

- ^(e) Amounts in this column include the grant date fair value of the equity awards, as well as the incremental fair value for awards that were modified during fiscal 2020 (see footnote (f)), calculated in accordance with ASC 718. The Company cautions that the actual amount ultimately realized by each NEO from the stock option awards will likely vary based on a number of factors, including stock price fluctuations, differences from the valuation assumptions used and timing of exercise or applicable vesting. For a description of the assumptions made in valuing the equity awards see Note 15, "Share-Based Compensation" to the Company's consolidated financial statements contained in its 2020 Form 10-K. For PSUs, the grant date fair value has been determined based on achievement of target level performance, which is the performance threshold the Company believes is the most likely to be achieved under the grants.
- ^(f) In connection with the RMT transaction, certain adjustments were made to outstanding equity awards held by our employees, including the NEOs as described in the narrative disclosure preceding the "Outstanding Equity Awards at December 31, 2020" table. The adjustments were designed to preserve the intrinsic value of each form of equity award. Although these adjustments were intended to preserve the intrinsic value of each type of award, in some cases, they constituted a modification under ASC Topic 718, which requires a comparison of fair values immediately before and after the RMT transaction. In certain instances, the fair value of the equity awards calculated in accordance with ASC 718 immediately after the RMT transaction was higher. As a result, the adjustment resulted in incremental compensation costs for these awards which are reported in this column.

Outstanding Equity Awards at December 31, 2020

In connection with the RMT transaction, certain adjustments were made to outstanding equity awards held by our employees, including the NEOs, as described below:

- **Vested stock options** - Outstanding stock options that were vested and exercisable at the time of the RMT transaction were converted into vested and exercisable stock options of the Company. The number of underlying shares and exercise price for each award was adjusted to preserve the overall intrinsic value of the awards immediately prior to the RMT transaction.
- **Unvested stock options** - Unvested stock options held at the time of the RMT transaction were converted into unvested stock options of the participants' employer following the separation. The number of underlying shares and exercise price for each award was adjusted to preserve the overall intrinsic value of the awards immediately prior to the RMT transaction.
- **Restricted stock units** - Outstanding RSUs held at the time of the RMT transaction were converted into RSUs of the participants' employer company following the separation. The number of underlying shares was adjusted to preserve the overall intrinsic value of the awards immediately prior to the RMT transaction.
- **Performance share units** - Active and outstanding PSU awards held at the time of the RMT transaction were converted into active and outstanding PSUs of the Company. Post-transaction, the Company's employees will continue to participate in the plan at target levels with payout based on actual performance at the end of the respective three-year performance period for each award. The number of underlying shares was adjusted to preserve the overall intrinsic value of the awards immediately prior to the RMT transaction.

Name	Grant Date	Option Awards ^(a)			Option Expiration Date ^(c)	Stock Awards ^(a)			
		Number of Securities Underlying Unexercised Options (#) Exercisable ^(b)	Number of Securities Underlying Unexercised Options (#) Unexercisable ^(b)	Option Exercise Price (\$)		Number of Shares or Units of Stock That Have Not Vested (#) ^(d)	Market Value of Shares or Units of Stock That Have Not Vested (\$) ^(e)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) ^(f)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) ^(g)
M. W. Lamach	2/6/2018	142,280	71,140	70.22	2/5/2028	11,572	1,679,792	69,427	10,078,023
	2/5/2019	63,361	126,726	78.97	2/4/2029	21,107	3,063,892	63,320	9,191,531
	3/9/2020	—	149,791	105.28	3/8/2030	23,747	3,447,115	47,493	6,894,084
C. J. Kuehn	2/6/2018	8,025	4,013	70.22	2/5/2028	653	94,789	3,918	568,737
	2/5/2019	4,530	9,061	78.97	2/4/2029	1,510	219,192	4,117	597,624
	3/9/2020	—	26,963	105.28	3/8/2030	4,275	620,559	8,549	1,240,973
D. S. Regnery	2/25/2014	14,651	—	46.64	2/24/2024	—	—	—	—
	2/3/2015	17,585	—	52.28	2/2/2025	—	—	—	—
	2/10/2016	29,450	—	38.99	2/9/2026	—	—	—	—
	2/7/2017	22,497	—	62.53	2/6/2027	—	—	—	—
	10/3/2017	—	—	—	—	—	—	14,287	2,073,901
	2/6/2018	29,185	14,593	70.22	2/5/2028	2,375	344,755	14,242	2,067,369
	2/5/2019	16,029	32,062	78.97	2/4/2029	5,342	775,445	14,564	2,114,110
	3/9/2020	—	38,946	105.28	3/8/2030	6,175	896,363	12,349	1,792,581
	2/7/2017	20,781	—	62.53	2/6/2027	—	—	—	—
M. J. Avedon	2/6/2018	24,515	12,258	70.22	2/5/2028	1,995	289,594	11,964	1,736,694
	2/5/2019	10,645	21,290	78.97	2/4/2029	3,547	514,883	10,639	1,544,357
	3/9/2020	—	25,165	105.28	3/8/2030	3,990	579,188	7,979	1,158,232
	2/7/2017	23,687	—	62.53	2/6/2027	—	—	—	—
P. A. Camuti	2/6/2018	15,760	7,880	70.22	2/5/2028	1,283	186,240	7,692	1,116,571
	2/5/2019	7,603	15,207	78.97	2/4/2029	2,534	367,835	7,599	1,103,071
	3/9/2020	—	22,469	105.28	3/8/2030	3,562	517,060	7,124	1,034,120
	2/7/2017	23,687	—	62.53	2/6/2027	—	—	—	—
S. K. Carter	2/25/2014	19,420	—	46.64	2/24/2024	—	—	—	—
	2/3/2015	42,860	—	52.28	2/2/2025	—	—	—	—
	2/7/2017	57,851	—	62.53	4/1/2025	—	—	—	—
	2/6/2018	39,108	19,554	70.22	4/1/2025	3,182	461,899	14,314	2,077,820
	2/5/2019	16,980	33,963	78.97	4/1/2025	5,657	821,170	7,077	1,027,297

- (a) In March 2020, we adjusted the numbers of our outstanding stock option, RSU and PSU awards to preserve the intrinsic value of the awards in connection with the RMT transaction.
- (b) These columns represent stock option awards. These awards generally become exercisable in three equal annual installments beginning on the first anniversary after the date of grant, subject to continued employment or retirement.
- (c) All options granted to the NEOs expire on the tenth anniversary (less one day) of the grant date.
- (d) This column represents unvested RSUs. RSUs generally become vested in three equal annual installments beginning on the first anniversary after the date of grant, subject to continued employment or retirement.
- (e) The market value was computed based on \$145.16, the closing market price of the Company's ordinary shares on the NYSE at December 31, 2020.
- (f) This column represents the target number of unvested and unearned PSUs. PSUs vest upon the completion of a three-year performance period. The actual number of shares an NEO will receive, if any, is subject to achievement of the performance goals as certified by the Compensation Committee, and continued employment.

2020 Option Exercises and Stock Vested

The following table provides information regarding the amounts received by each NEO upon exercise of stock options, the vesting of RSUs or the vesting of PSUs during the fiscal year ended December 31, 2020:

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$) ^(a)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
M. W. Lamach^(b)	232,115	19,098,190	140,434	20,285,289
C. J. Kuehn^(c)	11,718	782,838	11,490	1,601,187
D. S. Regnery^(d)	14,167	1,223,156	26,160	3,456,699
M. J. Avedon^(b)	39,549	2,932,124	22,459	3,243,590
P. A. Camuti^(b)	15,815	1,245,748	14,558	2,102,255
S. K. Carter^(b)	—	—	35,388	5,110,659

- (a) This column reflects the aggregate dollar amount realized by the NEO upon the exercise of the stock options by determining the difference between the market price of the Company's ordinary shares at exercise and the exercise price of the stock options.
- (b) Reflects the value of the RSUs that vested on February 5, 2020, February 6, 2020, and February 7, 2020 and PSUs that vested on February 18, 2020, based on the fair market value of the Company's ordinary shares on the vesting date as determined in accordance with the relevant plan.
- (c) Reflects the value of the RSUs that vested on January 3, 2020, February 5, 2020, February 6, 2020 and February 7, 2020 and PSUs that vested on February 18, 2020, based on the fair market value of the Company's ordinary shares on the vesting date.
- (d) Reflects the value of the RSUs that vested on February 5, 2020, February 6, 2020, February 7, 2020 and October 3, 2020 and PSUs that vested on February 18, 2020, based on the fair market of the Company's ordinary shares on the vesting date.

2020 Pension Benefits

The NEOs participate in one or more, but not in all, of the following defined benefit plans:

- the Pension Plan;
- the Supplemental Pension Plans; and
- the EOSP or the KMP.

The Pension Plan is a funded, tax qualified, non-contributory (for all but a small subset of participants) defined benefit plan that covers the majority of the Company's salaried and non-union hourly U.S. employees who were hired or re-hired prior to June 30, 2012. The Pension Plan provides for normal retirement at age 65. The formula to determine the lump sum benefit under the Pension Plan is: 5% of final average pay (the five consecutive years with the highest compensation out of the last ten years of eligible compensation) multiplied by years of credited service (as defined in the Pension Plan). A choice for distribution between an annuity and a lump sum option is available. The Pension Plan was closed to new participants after June 30, 2012 and no further benefits will accrue to any Pension Plan participant for service performed after December 31, 2022. In addition, any employee who was a Pension Plan participant on June 30, 2012 was provided the option to waive participation in the Pension Plan effective January 1, 2013, and, in lieu of participation in the Pension Plan, receive an annual non-elective employer contribution equal to 2% of eligible compensation in the ESP.

The Supplemental Pension Plans are unfunded, nonqualified, non-contributory defined benefit restoration plans. The Supplemental Pension Plans restore what is lost in the Pension Plan due to limitations under the Internal Revenue Code (the "Code") on the annual compensation and benefits recognized when calculating benefits under the qualified Pension Plan. The Supplemental Pension Plans cover all employees of the Company who participate in the Pension Plan and who are impacted by the Code compensation and benefits limits. A participant must meet the vesting requirements of the qualified Pension Plan to vest in benefits under the Supplemental Pension Plans. Benefits under the Supplemental Pension Plans are available only as a lump sum distribution after termination and paid in accordance with Section 409A of the Code. As a result of the 2012 changes to the Pension Plan, the Supplemental Pension Plans were closed to employees hired on or after June 30, 2012, and no further benefits will accrue to any Supplemental Plan participant for service performed after December 31, 2022.

The EOSP, which was closed to new participants effective April 2011, is an unfunded, nonqualified, non-contributory defined benefit plan designed to replace a percentage of an officer's final average pay based on his or her age and years of service at the time of retirement. Final average pay is defined as the sum of the officer's current annual base salary plus the average of his or her three highest AIM awards during the most recent six years. No other elements of compensation (other than base salary and AIM awards) are included in final average pay. The EOSP provides a benefit pursuant to a formula in which 1.9% of an officer's final average pay is multiplied by the officer's years of service (up to a maximum of 35 years) and then reduced by the value of other retirement benefits the officer will receive from the Company under certain qualified and nonqualified retirement plans as well as Social Security. If additional years of service were granted to an officer as part of his or her employment agreement, those additional years of service are reflected in the Pension Benefits table below. Vesting occurs, while the officer is employed by the Company, at the earlier of the attainment of age 55 and the completion of 5 years of service or age 62. Unreduced benefits under the EOSP are available at age 62 and benefits are only available as a lump sum after termination and paid in accordance with Section 409A of the Code. Mr. Lamach and Ms. Avedon participate in the EOSP.

The KMP is an unfunded, nonqualified, non-contributory defined benefit plan available to certain key management employees on a highly selective basis. The KMP is designed to replace a percentage of a key employee's final average pay based on his or her age and years of service at the time of retirement. Final average pay is defined as the sum of the key employee's current annual base salary plus the average of the employee's three highest AIM awards during the most recent six years. No other elements of compensation (other than base salary and AIM awards) are included in final average pay. The KMP provides a benefit pursuant to a formula in which 1.7% of a key employee's final average pay is multiplied by years of service (up to a maximum of 30 years) and then reduced by the value of other retirement benefits the key employee will receive that are provided by the Company under certain qualified and nonqualified retirement plans as well as Social Security. Vesting occurs at the earlier of the attainment of age 55 and the completion of 5 years of service or age 65. For employees who begin participating on or after June 2015, there is a minimum 5 year service requirement from date of participation to date of retirement. Benefits are only available as a lump sum after termination and paid in accordance with Section 409A of the Code. Ms. Carter and Messrs. Kuehn, Regnery and Camuti participate in the KMP.

The table below represents the estimated present value of defined benefits for the plans in which each NEO participates.

Name	Plan Name	Number of Years Credited Service (#) ^(a)	Present Value of Accumulated Benefit (\$) ^(b)
M. W. Lamach^(c)	Pension Plan	16.92	311,630
	Supplemental Pension Plan II	16.92	5,026,534
	EOSP	34	45,514,828
C. J. Kuehn	KMP	5.58	1,029,726
S. K. Carter	KMP	6.67	2,879,968
D. S. Regnery^(d)	Pension Plan	35.42	663,518
	Supplemental Pension Plan I	19.42	512,936
	Supplemental Pension Plan II	35.42	2,167,179
	KMP	30	9,825,791
M. J. Avedon^(e)	Pension Plan	13.92	274,633
	Supplemental Pension Plan II	13.92	1,207,027
	EOSP	14	8,371,027
P. A. Camuti	Pension Plan	9.42	181,319
	Supplemental Pension Plan II	9.42	486,422
	KMP	9.42	2,112,371

- (a) Under the EOSP or the KMP, for officers covered prior to May 19, 2009, a full year of service is credited for any year in which they work at least one day. In the Pension Plan, the Supplemental Pension Plans as well as the EOSP and the KMP for officers covered on or after May 19, 2009, the number of years of credited service is based on elapsed time (i.e., credit is given for each month in which a participant works at least one day). The years of credited service used for calculating benefits under all plans are the years of credited service through December 31, 2020. The years of crediting service used for calculating benefits under the Supplemental Pension Plan I are the years of crediting service through December 31, 2004 and the benefits earned under this plan serve as offsets to the benefits earned under the Supplemental Pension Plan II.
- (b) The amounts in this column reflect the estimated present value of each NEO's accumulated benefit under the plans indicated. The calculations reflect the value of the benefits assuming that each NEO was fully vested under each plan. The benefits were computed as of December 31, 2020, consistent with the assumptions described in Note 10, "Pensions and Postretirement Benefits Other than Pensions," to the consolidated financial statements in the 2020 Form 10-K.
- (c) Mr. Lamach's credited years of service exceed his actual years of service by 17 years pursuant to the provisions of his employment arrangement. Crediting additional years of service to a nonqualified pension program such as the EOSP was not uncommon in 2004 when Mr. Lamach joined the Company and was used to compensate him for benefits he was forfeiting at his prior employer. Mr. Lamach's benefit under the EOSP is reduced by the pension benefit he received from his former employer in July 2013, updated with interest. The increase in present value of benefits due to those additional years of credited service is \$25,206,210.
- (d) Under the provisions of the KMP, Mr. Regnery's service is capped at 30 years.
- (e) Ms. Avedon, pursuant to the provisions of her employment arrangement, receives double credit for the first five years of employment (3.8% versus 1.9%) in determining her benefit. The increase in present value of benefits due to this provision is \$2,645,447.

2020 Nonqualified Deferred Compensation

The Company's EDCP is an unfunded, nonqualified plan that permits certain employees, including the NEOs, to defer receipt of up to 50% of their annual salary and up to 100% of their AIM awards and PSP awards. Elections to defer generally must be made prior to the beginning of the calendar year or performance period, as applicable. The Company has established a nonqualified grantor trust with a bank as the trustee to hold certain assets as a funding vehicle for the Company's obligations under the EDCP. These assets are considered general assets of the Company and are available to its creditors in the event of the Company's insolvency. Amounts held in the trust are invested by the trustee using various investment vehicles.

Participants are offered certain investment options (the same investment options available in the Employee Savings Plan other than the self-directed brokerage), and can choose how they wish to allocate their cash deferrals among those investment options. Participants are 100% vested in all amounts deferred, and bear the risk of any earnings and losses on such deferred amounts.

Generally, deferred amounts may be distributed following termination of employment or at the time of a scheduled in-service distribution date chosen by the participant. If a participant has completed five or more years of service at the time of termination, or is terminated due to long-term disability, death or retirement, the distribution is paid in accordance with the participant's election. If a participant terminates without meeting these requirements, the account balance for all plan years will be paid in a lump sum in the year following the year of termination. A participant can elect to receive distributions at termination over a period of 5, 10, or 15 annual installments, or in a single lump sum. A participant can elect to receive scheduled in-service distributions in future years that are at least two years after the end of the plan year for which they are deferring. In-service distributions can be received in two to five annual installments, or if no election is made, in a lump sum. For those participants who have investments in ordinary shares, the distribution of these assets will be in the form of ordinary shares, not cash.

The following table provides information regarding contributions, distributions, earnings and balances for each NEO under our nonqualified deferred compensation plans.

Name	Plan Name	Executive Contributions in Last Fiscal Year (\$) ^(a)	Registrant Contributions in Last Fiscal Year (\$) ^(b)	Aggregate Earnings in Last Fiscal Year (\$) ^(c)	Aggregate Withdrawals/Distributions (\$)	Aggregate Balance At Last Fiscal Year End (\$) ^(d)
M. W. Lamach	EDCP	—	—	3,672,331	—	12,321,660
	Supplemental ESP	—	234,000	1,555,129	—	6,557,689
C. J. Kuehn	EDCP	58,685	—	158,948	—	675,141
	Supplemental ESP	—	59,918	38,716	—	289,647
D. S. Regnery	EDCP	513,706	—	517,261	(135,466)	6,206,100
	Supplemental ESP	—	85,271	144,329	—	1,379,038
M. J. Avedon	EDCP	—	—	2,419,066	—	8,116,518
	Supplemental ESP	—	67,097	136,527	—	1,080,645
P. A. Camuti	EDCP	—	—	2,477,722	—	8,313,297
	Supplemental ESP	—	48,698	66,418	—	551,569
S. K. Carter	Supplemental ESP	—	68,852	100,709	—	851,053

(a) The annual deferrals (salary, AIM & PSP) are all reflected in the Salary column, the Non-Equity Incentive Plan column and the Stock Awards column, respectively of the Summary Compensation Table.

(b) All of the amounts reflected in this column are included in the All Other Compensation column of the Summary Compensation Table.

(c) Amounts in this column include gains and losses on investments, as well as dividends on ordinary shares or ordinary share equivalents. None of the earnings or losses reported in this column are included in the Summary Compensation Table.

(d) The following table reflects the amounts reported in this column as compensation to the NEOs in the Company's Summary Compensation Table in proxy statements for prior years. Each of Messrs. Lamach, Kuehn, Regnery, Ms. Carter, Ms. Avedon and Mr. Camuti first became NEOs and therefore had their compensation reported in the Company's proxy statements beginning with fiscal years 2004 (Lamach), 2020 (Kuehn), 2017 (Regnery), 2010 (Avedon), 2019 (Camuti) and 2014 (Carter).

Name	EDCP (\$)	Supplemental ESP (\$)
M. W. Lamach	1,529,086	2,036,325
C. J. Kuehn	—	—
D. S. Regnery	1,400,441	191,743
M. J. Avedon	376,016	486,140
P. A. Camuti	—	49,044
S. K. Carter	—	542,703

Post-Employment Benefits

The following discussion describes the compensation to which each active NEO would be entitled in the event of termination of such executive's employment.

Employment Arrangements and Severance Not in Connection with a Change in Control

Mr. Lamach and Ms. Avedon are entitled to severance in the event of their involuntary termination without cause pursuant to the terms of their employment agreements. Under the terms of his employment agreement, Mr. Lamach is eligible for 24 months of base annual salary plus a prorated AIM award earned for the year of termination as determined and paid at the conclusion of the full performance year in accordance with the terms of the AIM program. Ms. Avedon is eligible for 12 months of base salary and an AIM award equal to her target.

Although the Company does not have a formal severance policy for officers, NEOs who do not have employment agreements providing for severance and who are terminated by the Company other than for cause will generally be considered for severance benefits up to 12 months' base salary. Depending on the circumstances and timing of the termination, they may also be eligible for a pro-rated portion of their AIM award earned for the year of termination as determined and paid at the conclusion of the full performance year in accordance with the terms of the AIM program.

In addition, the Company's equity award agreements provide for the following treatment upon the occurrence of one of the specified events in the table below:

	Stocks Options	RSUs	PSUs
Retirement	Continue to vest on the same basis as active employees and remain exercisable for a period of up to five years following retirement.	Continue to vest on the same basis as active employees.	Vest pro-rata based on the time worked during the performance period and the achievement of performance goals through the end of the performance period.
Group Termination	Immediately vest in the portion of the awards that would have vested within twelve months of termination and remain exercisable for a period of up to three years following termination of employment.	Immediately vest in the portion of the awards that would have vested within twelve months of termination.	
Job Elimination	Unvested awards are forfeited and vested awards remain exercisable for a period of up to one year following termination.	Unvested awards are forfeited.	
Death or Disability	Immediately vest in unvested awards and vested awards remain exercisable for a period of up to three years following death or disability.	Immediately vest in unvested awards.	Vest pro-rata based on the time worked during the performance period and the achievement of performance goals at target performance, unless termination occurs in the final quarter of the performance period in which case the awards vest based on actual performance.

In the event of a change in control or termination due to a Major Restructuring, severance would be determined pursuant to the terms of the change-in-control agreements or the Major Restructuring Severance Plan described below in lieu of severance under the terms of the employment agreements or the severance guidelines described above.

Change in Control

The Company has entered into a change-in-control agreement with each NEO. The change-in-control agreement provides for certain payments if the employment is terminated by the Company without "cause" (as defined in the change-in-control agreements) or by the NEO for "good reason" (as defined in the change-in-control agreements), in each case, within two years following a change in control of the Company. For officers who first became eligible for a change-in-control agreement on or after May 19, 2009, including Messrs. Kuehn, Regnery and Camuti, the Company eliminated a severance payment based on outstanding PSP awards and eliminated a payment to cover the impact to the executive of certain incremental taxes incurred in connection with the payments made following a change in control.

Following a change in control, each NEO is entitled to continue receiving his or her current base salary and is entitled to an annual bonus in an amount not less than the highest annual bonus paid during the prior three full fiscal years.

If an NEO's employment is terminated "without cause" or by the NEO for "good reason" within two years following a change in control, the NEO is entitled to the following:

- any base salary and annual bonus for a completed fiscal year that had not been paid;
- an amount equal to the NEO's annual bonus for the last completed fiscal year pro-rated for the number of full months employed in the current fiscal year;
- an amount equal to the NEO's base salary pro-rated for any unused vacation days;
- a lump sum severance payment from the Company equal to the three times (for the CEO) or two and one-half times (for other NEOs) the sum of:
 - the NEO's annual salary in effect on the termination date, or, if higher, the annual salary in effect immediately prior to the reduction of the NEO's annual salary after the change in control; and
 - the NEO's target AIM award for the year of termination or, if higher, the average of the AIM award amounts beginning three years immediately preceding the change in control and ending on the termination date; and

- for Mr. Lamach and Ms. Avedon, a lump sum payment equal to three times for Mr. Lamach and two and one-half times for Ms. Avedon of: (a) the cash value of the target amount of the most recent PSU award; or (b) if higher, the average amounts of the last three PSU awards granted and paid to the NEO immediately preceding termination. This payment is in lieu of any rights the individual might have with respect to unvested PSU awards.

A “change in control” is defined as the occurrence of any of the following events: (i) any person unrelated to the Company becomes the beneficial owner of 30% or more of the combined voting power of the Company's voting stock; (ii) the directors serving at the time the change-in-control agreements were executed (or the directors subsequently elected by the shareholders of the Company whose election or nomination was duly approved by at least two-thirds of the then serving directors) fail to constitute a majority of the Board of Directors; (iii) the consummation of a merger or consolidation of the Company with any other corporation in which the Company's voting securities outstanding immediately prior to such merger or consolidation represent 50% or less of the combined voting securities of the Company immediately after such merger or consolidation; (iv) any sale or transfer of all or substantially all of the Company's assets, other than a sale or transfer with a corporation where the Company owns at least 80% of the combined voting power of such corporation or its parent after such transfer; or (v) any other event that the continuing directors determine to be a change in control; provided however, with respect to (i), (iii) and (v) above, there shall be no change in control if shareholders of the Company own more than 50% of the combined voting power of the voting securities of the Company or the surviving entity or any parent immediately following such transaction in substantially the same proportion to each other as prior to such transaction.

In addition to the foregoing, the NEOs would also be eligible to participate in the Company's welfare employee benefit programs for the severance period (three years for the CEO and two and one-half years for the other NEOs). For purposes of determining eligibility for applicable post-retirement welfare benefits, the NEO would be credited with any combination of additional years of service and age, not exceeding 10 years, to the extent necessary to qualify for such benefits. Mr. Regnery is the only active NEO eligible for subsidized retiree medical benefits (only until age 65) due to his age and service as of January 1, 2003, when eligibility for the retiree medical benefit was frozen. The Company would also provide each NEO up to \$100,000 of outplacement services.

In the event of a change in control, participants in the EOSP and KMP would be immediately vested. A termination within two years following a change in control also triggers the payment of an enhanced benefit, whereby three years would be added to both age and service with the Company under the EOSP or KMP. In addition, the “final average pay” under the EOSP or KMP would be calculated as 33.33% of his or her severance benefit under the change-in-control agreement in the case of Mr. Lamach and 40% of the severance benefit under the applicable change-in-control agreement in the case of the other NEOs. These percentages reflect an annualized value of severance payments that would be provided in accordance with their respective agreements.

Under the Company's 2018 Incentive Stock Plan, time-based awards will only vest and become exercisable or payable, as applicable, on a change in control (as defined in the 2018 Incentive Stock Plan) if they are not assumed, substituted or otherwise replaced in connection with the change in control. If the awards are assumed or continued after the change in control, the Committee may provide that such awards will be subject to automatic vesting acceleration upon a participant's involuntary termination within a designated period following the change in control. Further, under the 2018 Incentive Stock Plan, PSUs will automatically vest upon a change in control of our Company, based on (a) the target level, pro-rated to reflect the period the participant was in service during the performance period or (b) the actual performance level attained, in each case, as determined by the Committee.

Major Restructuring

The Company has adopted a Major Restructuring Severance Plan (the “Severance Plan”) that provides a cash severance payment in the event a participant's employment is terminated due to an involuntary loss of job without Cause (as defined in the Severance Plan) or a Good Reason (as defined in the Severance Plan), provided that the termination is substantially related to or a result of a Major Restructuring. The cash severance payment would be equal to two and one-half times (for the CEO) or two times (for other NEOs) (a) current base salary, and (b) current target AIM award. As of December 31, 2020, the value of cash severance for NEOs was: Mr. Lamach, \$9,517,500; Mr. Kuehn, \$2,720,000; Mr. Regnery, \$3,400,000; Ms. Avedon, \$2,627,000; and Mr. Camuti, \$2,183,000.

Participants would also receive a pro-rated portion of their target AIM award, based on actual Company and individual performance during the fiscal year in which termination of employment occurred. Participants in the EOSP or KMP who are not vested in such plans would also receive a cash payment equal to the amount of the benefit to which they would have been entitled if they were vested.

In addition, the Company's equity awards provide that employees who terminate employment due to an involuntary loss of job without Cause (as defined in the applicable award agreement) or for Good Reason (as defined in the applicable award agreement) within one year of completion of a Major Restructuring will, provided that the termination is substantially related to the Major Restructuring, (i) immediately vest in all unvested stock options and may exercise all vested stock options at any time within the following three-year period (five years if retirement eligible) or the remaining term of the stock option, if shorter, (ii) immediately vest in all RSUs, except that retirement eligible participants with at least five years of service would continue their existing vesting schedule, and (iii) receive a prorated payout of outstanding PSUs based on actual performance at the end of performance period. As of December 31, 2020, the value of unvested equity awards was: Mr. Lamach, \$46,394,492; Mr. Kuehn, \$4,292,084; Mr. Regnery, \$12,935,506; Ms. Avedon, \$7,868,646; and Mr. Camuti, \$5,762,000.

A “Major Restructuring” is defined as a reorganization, recapitalization, extraordinary stock dividend, merger, sale, spin-off or other similar transaction or series of transactions, which individually or in the aggregate, has the effect of resulting in the elimination of all, or the majority of, any one or more of the Company's business segments, so long as such transaction or transactions do not constitute a Change in Control (as defined in the applicable plan).

2020 Post-Employment Benefits Table

The following table describes the compensation to which each of the NEOs would be entitled in the event of termination of such executive's employment on December 31, 2020, including termination following a change in control. The potential payments were determined under the terms of our plans and arrangements in effect on December 31, 2020. The table does not include the pension benefits or nonqualified deferred compensation amounts that would be paid to an NEO, which are set forth in the Pension Benefits table and the Nonqualified Deferred Compensation table above, except to the extent that the NEO is entitled to an additional benefit as a result of the termination.

Name	Voluntary Resignation/ Retirement (\$)	Involuntary Without Cause (\$)	Involuntary With Cause (\$)	Change in Control (\$)	Disability (\$)	Death (\$)
M. W. Lamach						
Severance ^(a)	—	2,820,000	—	12,575,000	—	—
Earned but Unpaid AIM Award(s) ^(b)	—	2,397,000	—	2,397,000	—	—
PSP Award Payout ^(c)	18,510,803	18,510,803	—	46,292,309	18,510,803	18,510,803
Value of Unvested Equity Awards ^(d)	27,883,689	27,883,689	—	27,883,689	27,883,689	27,883,689
Enhanced Retirement Benefits ^(e)	—	—	—	9,876,850	—	—
Outplacement ^(f)	—	11,400	—	100,000	—	—
Health Benefits ^(g)	—	—	—	28,319	—	—
Tax Assistance ^(h)	—	—	—	—	—	—
Total	46,394,492	51,622,892	—	99,153,167	46,394,492	46,394,492
C. J. Kuehn						
Severance ^(a)	—	588,461	—	3,400,000	—	—
Earned but Unpaid AIM Award(s) ^(b)	—	680,000	—	680,000	—	—
PSP Award Payout ^(c)	—	—	—	1,380,907	1,381,778	1,381,778
Value of Unvested Equity Awards ^(d)	—	—	—	2,910,306	2,910,306	2,910,306
Enhanced Retirement Benefits ^(e)	—	—	—	1,826,327	—	—
Outplacement ^(f)	—	11,400	—	100,000	—	—
Health Benefits ^(g)	—	—	—	23,612	—	—
Total	—	1,279,861	—	10,321,152	4,292,084	4,292,084
D. S. Regnery						
Severance ^(a)	—	850,000	—	4,250,000	—	—
Earned but Unpaid AIM Award(s) ^(b)	—	850,000	—	850,000	—	—
PSP Award Payout ^(c)	6,149,994	6,149,994	—	6,148,397	6,149,994	6,149,994
Value of Unvested Equity Awards ^(d)	6,785,512	6,785,512	—	6,785,512	6,785,512	6,785,512
Enhanced Retirement Benefits ^(e)	—	—	—	3,863,463	—	—
Outplacement ^(f)	—	11,400	—	100,000	—	—
Health Benefits ^(g)	—	—	—	86,612	—	—
Total	12,935,506	14,646,906	—	22,083,984	12,935,506	12,935,506

Name	Voluntary Resignation/ Retirement (\$)	Involuntary Without Cause (\$)	Involuntary With Cause (\$)	Change in Control (\$)	Disability (\$)	Death (\$)
M. J. Avedon						
Severance ^(a)	—	710,000	—	3,529,441	—	—
Earned but Unpaid AIM Award(s) ^(b)	—	603,500	—	603,500	—	—
PSP Award Payout ^(c)	3,153,601	3,153,601	—	5,340,162	3,153,601	3,153,601
Value of Unvested Equity Awards ^(d)	4,715,045	4,715,045	—	4,715,045	4,715,045	4,715,045
Enhanced Retirement Benefits ^(e)	—	—	—	3,407,041	—	—
Outplacement ^(f)	—	11,400	—	100,000	—	—
Health Benefits ^(g)	—	—	—	23,612	—	—
Tax Assistance ^(h)	—	—	—	—	—	—
Total	7,868,646	9,193,546	—	17,718,801	7,868,646	7,868,646
P. A. Camuti						
Severance ^(a)	—	590,000	—	2,745,936	—	—
Earned but Unpaid AIM Award(s) ^(b)	—	501,500	—	501,500	—	—
PSP Award Payout ^(c)	2,197,722	2,197,722	—	2,196,706	2,197,722	2,197,722
Value of Unvested Equity Awards ^(d)	3,564,278	3,564,278	—	3,564,278	3,564,278	3,564,278
Enhanced Retirement Benefits ^(e)	—	—	—	1,803,801	—	—
Outplacement ^(f)	—	11,400	—	100,000	—	—
Health Benefits ^(g)	—	—	—	23,612	—	—
Total	5,762,000	6,864,900	—	10,935,833	5,762,000	5,762,000

^(a) For the “Involuntary without Cause” column, for those NEOs who do not have a formal separation agreement, the current severance guidelines permit payment of up to one year’s base salary provided that such termination was not eligible for severance benefits under the Major Restructuring Severance Plan. Because of his service, Mr. Kuehn’s severance is equal to 45 weeks rather than 52. For the amounts shown under the “Change in Control” columns, refer to the description of how severance is calculated in the section above, entitled Post-Employment Benefits.

^(b) For the “Involuntary without Cause” column, these amounts represent the AIM awards earned by Mr. Lamach and Ms. Avedon in 2020 and paid pursuant to the terms of their employment agreements and (ii) prorated AIM awards (up to target) that may be paid to the other NEOs depending on the circumstances and timing of the termination. For the amounts under “Change in Control,” these amounts represent the actual award earned for the 2020 performance period, which may be more or less than the target award.

^(c) For the “Involuntary without Cause” column, these amounts represent the cash value of the prorated PSU award payout to the NEOs as a result of their retirement eligibility at December 31, 2020. For the “Change in Control” column for Mr. Lamach and Ms. Avedon, these amounts represent the cash value of the PSU award payout, based on the appropriate multiple. For the “Change in Control” column for Mr. Regnery, Mr. Kuehn and Mr. Camuti, these values represent what would be provided under the terms of the 2013 Plan, which provides a pro-rated payment for all outstanding awards at target, and the 2018 Plan, which provides for either a pro-rated payment for all outstanding awards at target or a payment based on actual performance, as determined by the Committee. For the “Retirement,” “Disability” and “Death” columns, amounts represent the cash value of the prorated portion of their PSUs that vest upon such events assuming performance at target. Amounts for each column are based on the closing stock price of the ordinary shares on December 31, 2020 (\$145.16).

^(d) The amounts shown for “Retirement,” “Involuntary without Cause,” “Change in Control,” “Death” and “Disability” represent (i) the value of the unvested RSUs, which is calculated based on the number of unvested RSUs multiplied by the closing stock price of the ordinary shares on December 31, 2020 (\$145.16), and (ii) the intrinsic value of the unvested stock options, which is calculated based on the difference between the closing stock price of the ordinary shares on December 31, 2020 (\$145.16) and the relevant exercise price. However, only in the event of termination following a “Change in Control” or termination due to “Death” or “Disability” is there accelerated vesting of unvested awards. For “Retirement,” the awards do not accelerate but continue to vest on the same basis as active employees. Messrs. Lamach, Regnery, Camuti and Ms. Avedon are retirement eligible.

^(e) In the event of a change in control of the Company and termination of the NEOs, the present value of the pension benefits under the EQSP, KMP and Supplemental Pension Plan would be paid out as lump sums. While there is no additional benefit to the NEOs as a result of either voluntary retirement/resignation and/or involuntary resignation without cause, there are differences (based on the methodology mandated by the SEC) between the numbers that are shown in the Pension Benefits Table and those that would actually be payable to the NEO under these termination scenarios.

^(f) For the “Involuntary without Cause” column, each NEO is eligible for outplacement services for a twelve month period, not to exceed \$11,400. For the “Change in Control” column, the amount represents the maximum expenses the Company would reimburse the NEO for professional outplacement services.

^(g) Represents the Company cost of health and welfare coverage. The cost for “Change in Control” represents continued active coverage for the severance period. For Mr. Regnery, the value shown includes the cost for retiree coverage.

^(h) Pursuant to the change-in-control agreements for Mr. Lamach and Ms. Avedon, if any payment or distribution by the Company to these NEOs creates certain incremental taxes, they would be entitled to receive from the Company a payment in an amount sufficient to place them in the same after-tax financial position as if such taxes had not been imposed. There is no such incremental tax for a change in control as of December 31, 2020. Therefore, no value is shown in the table above.

CEO Pay Ratio

The ratio of our CEO's total compensation to our median employee's total compensation (the "CEO Pay Ratio") is a reasonable estimate calculated in a manner consistent with Item 402(u) of Regulation S-K. Due to the flexibility afforded by Item 402(u) in calculating the CEO Pay Ratio, the ratio may not be comparable to CEO pay ratios presented by other companies.

We identified our median employee using our global employee population as of October 31, 2020. We have employees in 58 countries including 12,679 non-U.S. employees. As part of our methodology, and in compliance with the pay ratio rule under Item 402(u), we employed the de minimis exemption for non-U.S. employees and excluded all employees in 34 countries totaling 1,038 employees (approximately 3.0% of our total workforce of 34,246). Employees in the following countries were excluded:

Country	Number of Employees	Country	Number of Employees	Country	Number of Employees
Belgium	89	Romania	32	Lebanon	12
Colombia	87	Switzerland	29	Macao	12
Vietnam	76	Qatar	28	South Africa	12
Republic of Korea	70	Greece	26	Guam	10
Poland	68	Portugal	26	Finland	9
Sweden	52	Saudi Arabia	25	Slovakia	8
Turkey	49	Austria	24	Australia	6
Panama	43	Costa Rica	22	Croatia	3
Russian Federation	42	Kuwait	17	Denmark	3
Hungary	40	Peru	15	Luxembourg	2
Israel	39	Dominican Republic	14		
Egypt	34	Hong Kong	14		

Our in-scope employees consisted of our full-time, part-time, seasonal and temporary employees and excluded independent contractors and leased workers. To determine our median employee, we used annual base salary as our consistently applied compensation measure for 2020 (the "2020 CACM"). For commission-based employees, actual earnings were considered their base salary. In identifying our median employee, we further annualized pay for those full-time and part-time employees (but not seasonal and temporary employees) who commenced work during 2020. The median employee identified had anomalous total annual compensation related to facility closure. We therefore substituted an employee with the next lowest annual base pay, which is a practice we will continue if future median employees work in a facility where closure has been announced. We believe that annual base salary provides a reasonable estimate of annual compensation of our employees.

After identifying the median employee, we calculated the median employee's total annual compensation in accordance with the requirements of the Summary Compensation Table. Based on such calculation, our median employee's total compensation was \$57,867, while our CEO's compensation was \$28,107,486. Accordingly, our CEO Pay Ratio was 486:1.

Equity Compensation Plan Information

The following table provides information as of December 31, 2020, with respect to the Company's ordinary shares that may be issued under equity compensation plans:

Plan Category	Number of Securities to Be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in First Column)
Equity compensation plans approved by security holders ⁽¹⁾	7,022,072	\$ 70.53	15,656,139
Equity compensation plans not approved by security holders ⁽²⁾	759,967	—	—
Total	7,782,039	\$ 70.53	15,656,139

⁽¹⁾ Consists of the 2007 Plan, the 2013 Plan and the 2018 Plan.

⁽²⁾ Consists of the EDCP, the Trane Technologies Directors Deferred Compensation Plan (the "DDCP I"), the Trane Technologies Directors Deferred Compensation and Stock Award Plan II (the "DDCP II" and, together with the DDCP I, the "DDCP"), and the Trane Deferred Compensation Plan (the "TDCP"). Plan participants acquire Company shares under these plans as a result of the deferral of salary or directors' fees, AIM awards and PSUs.

Information Concerning Voting and Solicitation

Why Did I Receive This Proxy Statement?

We sent you this Proxy Statement or a Notice of Internet Availability of Proxy Materials ("Notice") because our Board of Directors is soliciting your proxy to vote at the Annual General Meeting. This Proxy Statement summarizes the information you need to know to vote on an informed basis.

Why Are There Two Sets of Financial Statements Covering the Same Fiscal Period?

U.S. securities laws require us to send you our 2020 Form 10-K, which includes our financial statements prepared in accordance with GAAP. These financial statements are included in the mailing of this Proxy Statement. Irish law also requires us to provide you with our Irish Financial Statements for our 2020 fiscal year, including the reports of our Directors and auditors thereon, which accounts have been prepared in accordance with Irish law. The Irish Financial Statements are available on the Company's website at www.tranetechnologies.com under the heading "Investors – Irish Statutory Accounts" and will be laid before the Annual General Meeting.

How Do I Attend the Annual General Meeting?

In light of any COVID-19 measures that may be in place in Ireland and the United States on the date of the Annual General Meeting, we strongly encourage all shareholders not to attend the Annual General Meeting in person and instead to submit proxy forms to ensure they can vote and be represented at the Annual General Meeting without attending in person. Shareholders are encouraged to keep up-to-date with, and follow, the guidance from the Government of Ireland and the Department of Health (of Ireland) and other local health departments as circumstances may change at short notice.

Taking into account the latest guidance from the Government of Ireland, particularly in relation to indoor public gatherings, it is possible the Annual General Meeting may be adjourned to a different time and/ or venue, in each case notification of such adjournment will be given in accordance with Company's constitution. Any announcements of changes or updates to the arrangements for the Annual General Meeting will be made available at www.tranetechnologies.com.

Due to travel restrictions and health concerns, the Directors may participate by telephone instead of attending in person, there may be significantly reduced attendance by company personnel and the meeting will be conducted as efficiently as possible.

In the event that the Annual General Meeting can proceed as normal, **in order to be admitted, you must present a form of personal identification and evidence of share ownership.**

If you are a shareholder of record, evidence of share ownership will be either (1) an admission ticket, which is attached to the proxy card and must be separated from the proxy card and kept for presentation at the meeting if you vote your proxy by mail, or (2) a Notice.

Shareholders in Ireland may participate in the Annual General Meeting remotely on June 3, 2021 at 1:00 p.m. (Dublin time) telephonically at the Arthur Cox Building, Ten Earlsfort Terrace, Dublin 2, D02 T380, Ireland, in order to be admitted, you must present a form of personal identification and evidence of share ownership.

If you own your shares through a bank, broker or other holder of record ("street name holders"), evidence of share ownership will be either (1) your most recent bank or brokerage account statement, or (2) a Notice. If you would rather have an admission ticket, you can obtain one in advance by mailing a written request, **along with proof of your ownership of the Company's ordinary shares**, to:

Secretary
Trane Technologies plc
170/175 Lakeview Dr.
Airside Business Park
Swords, Co. Dublin
Ireland

No cameras, recording equipment, electronic devices, large bags, briefcases or packages will be permitted at the Annual General Meeting.

Who May Vote?

You are entitled to vote if you beneficially owned the Company's ordinary shares at the close of business on April 8, 2021, the Record Date. At that time, there were 239,108,880 of the Company's ordinary shares outstanding and entitled to vote. Each ordinary share that you own entitles you to one vote on all matters to be voted on a poll at the Annual General Meeting.

How Do I Vote?

Shareholders of record can cast their votes by proxy by:

- using the Internet and voting at www.proxyvote.com;
- calling 1-800-690-6903 and following the telephone prompts; or
- completing, signing and returning a proxy card by mail.

If you received a Notice and did not receive a proxy card, you may request one at sendmaterial@proxyvote.com.

The Notice is not a proxy card and it cannot be used to vote your shares.

If you are a shareholder of record and you choose to submit your proxy by telephone by calling the toll-free number on your proxy card, your use of that telephone system and in particular the entry of your pin number/other unique identifier, will be deemed to constitute your appointment, in writing and under hand, and for all purposes of the Companies Act 2014, of the persons named on the proxy card as your proxy to vote your shares on your behalf in accordance with your telephone instructions.

Subject to guidance from the Government of Ireland at the time of the Annual General Meeting, shareholders of record may also vote their shares directly by attending the Annual General Meeting and casting their vote in person or appointing a proxy (who does not have to be a shareholder) to attend the Annual General Meeting and casting votes on their behalf in accordance with their instructions.

Street name holders must vote their shares in the manner prescribed by their bank, brokerage firm or nominee. Street name holders who wish to vote in person at the Annual General Meeting must obtain a legal proxy from their bank, brokerage firm or nominee. Street name holders will need to bring the legal proxy with them to the Annual General Meeting and hand it in with a signed ballot that is available upon request at the meeting. Street name holders will not be able to vote their shares at the Annual General Meeting without a legal proxy and a signed ballot.

Taking the Company's Covid-19 guidance about attending in person into consideration, even if you plan to attend the Annual General Meeting, we recommend that you vote by proxy as described above so that your vote will be counted if you later decide not to attend the meeting.

In order to be timely processed, your vote must be received by 11:59 p.m. Eastern Time on June 2, 2021 (or, if you are a street name holder, such earlier time as your bank, brokerage firm or nominee may require).

How May Employees Vote under Our Employee Plans?

If you participate in the ESP, the Trane Technologies Company Employee Savings Plan for Bargained Employees, the Trane Technologies Retirement Savings Plan for Participating Affiliates in Puerto Rico, or the Trane 401(k) and Thrift Plan, then you may be receiving these materials because of shares held for you in those plans. In that case, you may use the enclosed proxy card to instruct the plan trustees of those plans how to vote your shares, or give those instructions by telephone or over the Internet. They will vote these shares in accordance with your instructions and the terms of the plan. The plan trustees will not disclose to the Company how any individual employee instructed the plan trustees to vote their shares.

To allow plan administrators to properly process your vote, your voting instructions must be received by 11:59 p.m. Eastern Time on May 28, 2021.

If you do not provide voting instructions for shares held for you in any of these plans, the plan trustees will vote these shares in the same ratio as the shares for which voting instructions are provided.

May I Revoke My Proxy?

You may revoke your proxy at any time before it is voted at the Annual General Meeting in any of the following ways:

- by notifying the Company's Secretary in writing: c/o Trane Technologies plc, 170/175 Lakeview Drive., Airside Business Park, Swords, Co. Dublin, Ireland;
- by submitting another properly signed proxy card with a later date or another Internet or telephone proxy at a later date but prior to the close of voting described above; or
- by voting in person at the Annual General Meeting.

Merely attending the Annual General Meeting does not revoke your proxy. To revoke a proxy, you must take one of the actions described above.

How Will My Proxy Get Voted?

If your proxy is properly submitted, your proxy holder (one of the individuals named on the proxy card) will vote your shares as you have directed. If you are a street name holder, the rules of the NYSE permit your bank, brokerage firm or nominee to vote your shares on Items 3, 4, 5 and 6 (routine matters) if it does not receive instructions from you. However, your bank, brokerage firm or nominee may not vote your shares on Items 1 and 2 (non-routine matters) if it does not receive instructions from you ("broker non-votes"). Broker non-votes will not be counted as votes for or against the non-routine matters, but rather will be regarded as votes withheld and will not be counted in the calculation of votes for or against the resolution.

If you are a shareholder of record and you do not specify on the proxy card you send to the Company (or when giving your proxy over the Internet or telephone) how you want to vote your shares, then the Company-designated proxy holders will vote your shares in the manner recommended by our Board of Directors on all matters presented in this Proxy Statement and as the proxy holders may determine in their discretion regarding any other matters properly presented for a vote at the meeting.

What Constitutes a Quorum?

The presence (in person or by proxy) of shareholders entitled to exercise a majority of the voting power of the Company on the Record Date is necessary to constitute a quorum for the conduct of business. Abstentions and broker non-votes are treated as "shares present" for the purposes of determining whether a quorum exists.

What Vote is Required to Approve Each Proposal?

A majority of the votes cast at the Annual General Meeting is required to approve each of Items 1, 2, 3 and 4. A majority of the votes cast means that the number of votes cast "for" an Item must exceed the number of votes cast "against" that Item. Items 5 and 6 are considered special resolutions under Irish law and require 75% of the votes cast for approval.

Although abstentions and broker non-votes are counted as "shares present" at the Annual General Meeting for the purpose of determining whether a quorum exists, they are not counted as votes cast either "for" or "against" the resolution and, accordingly, will not affect the outcome of the vote.

Who Pays the Expenses of This Proxy Statement?

We have hired Alliance Advisors, LLC to assist in the distribution of proxy materials and the solicitation of proxies for a fee estimated at \$15,000 plus out-of-pocket expenses. Proxies will be solicited on behalf of our Board of Directors by mail, in person, by telephone and through the Internet. We will bear the cost of soliciting proxies. We will also reimburse brokers and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for forwarding proxy materials to the persons for whom they hold shares.

How Will Voting on Any Other Matter be Conducted?

Although we do not know of any matters to be presented or acted upon at the Annual General Meeting other than the items described in this Proxy Statement, if any other matter is proposed and properly presented at the Annual General Meeting, the proxy holders will vote on such matters in accordance with their best judgment.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth as of the Record Date, the beneficial ownership of our ordinary shares by (i) each director of the Company, (ii) each executive officer of the Company named in the Summary Compensation Table below, and (iii) all directors and executive officers of the Company as a group:

Name	Ordinary Shares ⁽¹⁾	Notional Shares ⁽²⁾	Options Exercisable Within 60 Days ⁽³⁾
K. E. Arnold	3,506	—	—
A. C. Berzin	31,373	46,329	—
J. Bruton	11,237	—	—
J. L. Cohon	25,744	—	—
G. D. Forsee	30,086	—	—
L. P. Hudson	6,625	—	—
M. P. Lee	7,311	—	—
A. Miller Boise	—	—	—
K. B. Peetz	3,736	—	—
J. P. Surma	10,883	—	—
R. J. Swift	1,701	86,357	—
T. L. White	29,543	65,424	—
M. W. Lamach	182,582	85,500	646,079
C.J. Kuehn	25,939	2,382	72,835
D. S. Regnery	53,123	1,150	241,314
M. J. Avedon	43,709	56,320	131,659
P. A. Camuti	29,998	57,686	106,524
All directors and executive officers as a group (20 persons)⁽⁴⁾	523,669	426,934	1,254,128

⁽¹⁾ Represents (i) ordinary shares held directly; (ii) ordinary shares held indirectly through a trust; (iii) unvested shares, including any RSUs or PSUs, and ordinary shares and ordinary share equivalents notionally held under the TDCP that may vest or are distributable within 60 days of the Record Date; and (iv) ordinary shares held by the trustee under the ESP for the benefit of executive officers. No director or executive officer of the Company beneficially owns 1% or more of the Company's ordinary shares.

⁽²⁾ Represents ordinary shares and ordinary share equivalents notionally held under the DDCP, and the EDCP that are not distributable within 60 days of the Record Date.

⁽³⁾ Represents ordinary shares as to which directors and executive officers had stock options exercisable within 60 days of the Record Date, under the Company's Incentive Stock Plans.

⁽⁴⁾ The Company's ordinary shares beneficially owned by all directors and executive officers as a group (including shares issuable under exercisable options) aggregated approximately 0.74% of the total outstanding ordinary shares. Ordinary shares and ordinary share equivalents notionally held under the DDCP, the EDCP and the TDCP and ordinary share equivalents resulting from dividends on deferred stock awards are not counted as outstanding shares in calculating these percentages because they are not beneficially owned; the directors and executive officers have no voting or investment power with respect to these shares or share equivalents.

The following table sets forth each shareholder which is known by us to be the beneficial owner of more than 5% of the outstanding ordinary shares of the Company based solely on the information filed by such shareholder on Schedule 13D or filed by such shareholder in 2020 for the year ended December 31, 2020 on Schedule 13G under the Securities Exchange Act of 1934:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class ⁽¹⁾
BlackRock, Inc. ⁽²⁾ 55 East 52nd Street New York, New York 10022	17,933,014	7.5%
Vanguard Group ⁽³⁾ 100 Vanguard Blvd. Malvern, PA 19355	17,814,249	7.4%

⁽¹⁾ The ownership percentages set forth in this column are based on the Company's outstanding ordinary shares on the Record Date and assumes that each of the beneficial owners continued to own the number of shares reflected in the table above on such date.

⁽²⁾ Information regarding BlackRock, Inc. and its stockholdings was obtained from a Schedule 13G filed with the SEC on February 1, 2021. The filing indicated that, as of December 31, 2020, BlackRock, Inc. had sole voting power as to 15,311,105 of such shares and sole dispositive power as to 17,933,014 of such shares.

⁽³⁾ Information regarding Vanguard Group Inc. and its stockholdings was obtained from a Schedule 13G filed with the SEC on February 10, 2021. The filing indicated that, as of December 31, 2020, Vanguard Group Inc. had sole voting power as to none of such shares and sole dispositive power as to 16,775,002 of such shares.

Certain Relationships and Related Person Transactions

The Company does not generally engage in transactions in which its executive officers, directors or nominees for directors, any of their immediate family members or any of its 5% shareholders have a material interest. Pursuant to the Company's written related person transaction policy, any such transaction must be reported to management, which will prepare a summary of the transaction and refer it to the Sustainability, Corporate Governance and Nominating Committee for consideration and approval by the disinterested directors. The Sustainability, Corporate Governance and Nominating Committee reviews the material terms of the related person transaction, including the dollar values involved, the relationships and interests of the parties to the transaction and the impact, if any, to a director's independence. The Sustainability, Corporate Governance and Nominating Committee only approves those transactions that are in the best interest of the Company. In addition, the Company's Code of Conduct, which sets forth standards applicable to all employees, officers and directors of the Company, generally proscribes transactions that could result in a conflict of interest for the Company. Any waiver of the Code of Conduct for any executive officer or director requires the approval of the Company's Board of Directors. Any such waiver will, to the extent required by law or the NYSE, be disclosed on the Company's website at www.tranetechnologies.com or on a current report on Form 8-K. No such waivers were requested or granted in 2020.

We have not made payments to directors other than the fees to which they are entitled as directors (described under the heading "Compensation of Directors") and the reimbursement of expenses related to their services as directors. We have made no loans to any director or officer nor have we purchased any shares of the Company from any director or officer.

Since June 2020, Ms. Peetz has served as chief administrative officer of Citigroup Inc. Citigroup or affiliates of Citigroup ("Citigroup") have acted as Joint Lead Arranger, Joint Bookrunner and Syndication Agent in connection with our 2020 refinancing of our \$1 billion revolving credit facility and with respect to our \$1 billion revolving credit facility entered into in April 2018. As agent and lender, Citigroup provides other services under these facilities. There were no amounts outstanding under these facilities as of December 31, 2020. Citigroup was paid an arrangement fee of \$250,000 in connection with the 2020 refinancing and approximately \$668,000 in connection with portfolio management fees relating to upfront and undrawn fees on these facilities. In addition, Citigroup provides certain FX and derivatives services to the Company, which totaled approximately \$850,000 during the fiscal year ended December 31, 2020 and certain treasury and trade solutions relating to cash/bank transactions and trade activity, which totaled approximately \$935,000 during the fiscal year ended December 31, 2020. Our credit facilities were entered into in the ordinary course of business, were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable loans with persons not related to the lender and did not involve more than the normal risk at the time for comparable loans with persons not related to the lender and did not involve more than the normal risk of collectability or present other unfavorable features. Our other transactions with Citigroup were made in the ordinary course of business on standard terms and conditions. Ms. Peetz does not personally participate in or benefit from any aspect of our relationship with Citigroup.

Delinquent Section 16(a) Reports

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors and officers, and persons who beneficially own more than ten percent of the Company's ordinary shares, to file reports of ownership and reports of changes in ownership with the SEC and the NYSE. To the Company's knowledge, based solely on its review of such forms received by the Company and written representations that no other reports were required, all Section 16(a) filing requirements were complied with for the year 2020.

Shareholder Proposals and Nominations

Any proposal by a shareholder intended to be presented at the 2022 Annual General Meeting of shareholders of the Company must be received by the Company at its registered office at 170/175 Lakeview Drive, Airside Business Park, Swords, Co. Dublin, Ireland, Attn: Secretary, no later than December 24, 2021, for inclusion in the proxy materials relating to that meeting. Any such proposal must meet the requirements set forth in the rules and regulations of the SEC, including Rule 14a-8, in order for such proposals to be eligible for inclusion in our 2022 proxy statement.

The Company's Articles of Association set forth procedures to be followed by shareholders who wish to nominate candidates for election to the Board of Directors in connection with Annual General Meetings of shareholders or pursuant to written shareholder consents or who wish to bring other business before a shareholders' general meeting. All such nominations must be accompanied by certain background and other information specified in the Articles of Association. In connection with the 2022 Annual General Meeting, written notice of a shareholder's intention to make such nominations or bring business before the Annual General Meeting must be given to the Secretary of the Company not later than March 5, 2022. If the date of the 2022 Annual General Meeting occurs more than 30 days before, or 60 days after, the anniversary of the 2021 Annual General Meeting, then the written notice must be provided to the Secretary of the Company not later than the seventh day after the date on which notice of such Annual General Meeting is given.

In addition, the Company's Articles of Association separately provide shareholders representing 3% or more of the voting power of the Company's shares with the right, subject to certain terms and conditions, to nominate candidates for election to the Board of Directors and have such candidate included in our proxy materials for the applicable Annual General Meeting ("proxy access"). All such nominations must be accompanied by certain background and other information specified in the Articles of Association. In connection with the 2022 Annual General Meeting, written notice of proxy access nominations must be given to the Secretary of the Company not earlier than November 24, 2021 and not later than later than December 24, 2021. If the date of the 2022 Annual General Meeting occurs more than 30 days before, or 60 days after, the anniversary of the 2021 Annual General Meeting, then the written notice must be provided to the Secretary of the Company not earlier than 120 days prior to the 2022 Annual General Meeting and not later than the close of business on the later of (x) the 90th day prior to the 2022 Annual General Meeting or (y) the 10th day following the day on which public announcement of the date of the 2022 Annual General Meeting is first made.

The Sustainability, Corporate Governance and Nominating Committee will consider all shareholder recommendations for candidates for Board membership, which should be sent to the Committee, care of the Secretary of the Company, at the address set forth above. In addition to considering candidates recommended by shareholders, the Committee considers potential candidates recommended by current directors, Company officers, employees and others. As stated in the Company's Corporate Governance Guidelines, all candidates for Board membership are selected based upon their judgment, character, achievements and experience in matters affecting business and industry. Candidates recommended by shareholders are evaluated in the same manner as director candidates identified by any other means.

In order for you to bring other business before a shareholder general meeting, timely notice must be received by the Secretary of the Company within the time limits described above. The notice must include a description of the proposed item, the reasons you believe support your position concerning the item, and other specified matters. These requirements are separate from and in addition to the requirements you must meet to have a proposal included in our Proxy Statement. The foregoing time limits also apply in determining whether notice is timely for purposes of rules adopted by the SEC relating to the exercise of discretionary voting authority.

If a shareholder wishes to communicate with the Board of Directors for any other reason, all such communications should be sent in writing, care of the Secretary of the Company, or by email at board@tranetechnologies.com.

Householding

SEC rules permit a single set of annual reports and proxy statements to be sent to any household at which two or more shareholders reside if they appear to be members of the same family. Each shareholder continues to receive a separate proxy card. This procedure is referred to as householding. While the Company does not household in mailings to its shareholders of record, a number of brokerage firms with account holders who are Company shareholders have instituted householding. In these cases, a single proxy statement and annual report will be delivered to multiple shareholders sharing an address unless contrary instructions have been received from the affected shareholders. Once a shareholder has received notice from his or her broker that the broker will be householding communications to the shareholder's address, householding will continue until the shareholder is notified otherwise or until the shareholder revokes his or her consent. If at any time a shareholder no longer wishes to participate in householding and would prefer to receive a separate proxy statement and annual report, he or she should notify his or her broker. Any shareholder can receive a copy of the Company's proxy statement and annual report by contacting the Company at its registered office at 170/175 Lakeview Drive, Airside Business Park, Swords, Co. Dublin, Ireland, Attention: Secretary or by accessing it on the Company's website at www.tranetechnologies.com.

Shareholders who hold their shares through a broker or other nominee who currently receive multiple copies of the proxy statement and annual report at their address and would like to request householding of their communications should contact their broker.

Dated: April 23, 2021

2020

Financials

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

FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2020

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 No. 001-34400

TRANE TECHNOLOGIES PLC

(Exact name of registrant as specified in its charter)

Ireland

(State or other jurisdiction of incorporation or organization)

98-0626632

(I.R.S. Employer Identification No.)

170/175 Lakeview Dr.
Airside Business Park
Swords Co. Dublin
Ireland

(Address of principal executive offices)

Registrant's telephone number, including area code: +(353) (0) 18707400

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Ordinary Shares, Par Value \$1.00 per Share	TT	New York Stock Exchange

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

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

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

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§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:

Large accelerated filer	☒	Accelerated filer	☐	Emerging growth company	☐
Non-accelerated filer	☐	Smaller reporting 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No ☐

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

The aggregate market value of ordinary shares held by nonaffiliates on June 30, 2020 was approximately \$21.2 billion based on the closing price of such stock on the New York Stock Exchange.

The number of ordinary shares outstanding as of February 1, 2021 was 238,428,700.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's proxy statement to be filed within 120 days of the close of the registrant's fiscal year in connection with the registrant's Annual General Meeting of Shareholders to be held June 3, 2021 are incorporated by reference into Part II and Part III of this Form 10-K.

TRANE TECHNOLOGIES PLC
Form 10-K
For the Fiscal Year Ended December 31, 2020

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Cautionary Statement for Forward Looking Statements

Certain statements in this report, other than purely historical information, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “forecast,” “outlook,” “intend,” “strategy,” “plan,” “may,” “could,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” or the negative thereof or variations thereon or similar terminology generally intended to identify forward-looking statements.

Forward-looking statements may relate to such matters as projections of revenue, margins, expenses, tax provisions, earnings, cash flows, benefit obligations, share or debt repurchases or other financial items; any statements of the plans, strategies and objectives of management for future operations, including those relating to any statements concerning expected development, performance or market share relating to our products and services; any statements regarding future economic conditions or our performance including our future performance statements related to the continued impact of the COVID-19 global pandemic; any statements regarding pending investigations, claims or disputes; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. These statements are based on currently available information and our current assumptions, expectations and projections about future events. While we believe that our assumptions, expectations and projections are reasonable in view of the currently available information, you are cautioned not to place undue reliance on our forward-looking statements. You are advised to review any further disclosures we make on related subjects in materials we file with or furnish to the Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made and are not guarantees of future performance. They are subject to future events, risks and uncertainties - many of which are beyond our control - as well as potentially inaccurate assumptions, that could cause actual results to differ materially from our expectations and projections. We do not undertake to update any forward-looking statements.

Factors that might affect our forward-looking statements include, among other things:

- impacts of the COVID-19 global pandemic on our business operations, financial results and financial position and on the world economy;
- overall economic, political and business conditions in the markets in which we operate;
- trade protection measures such as import or export restrictions and requirements, the imposition of tariffs and quotas or revocation or material modification of trade agreements;
- competitive factors in the industries in which we compete;
- our ability to develop new products and services and the acceptance of these products in the markets that we serve;
- other capital market conditions, including availability of funding sources, interest rate fluctuations and other changes in borrowing costs;
- currency exchange rate fluctuations, exchange controls and currency devaluations;
- the outcome of any litigation, governmental investigations, claims or proceedings;
- the outcome of Chapter 11 proceedings for our deconsolidated subsidiaries Aldrich Pump LLC (Aldrich) and Murray Boiler LLC (Murray);
- the impact of potential information technology, system failures, data security breaches or other cybersecurity issues;
- evolving data privacy and protection laws;
- intellectual property infringement claims and the inability to protect our intellectual property rights;
- changes in laws and regulations;
- health epidemics or pandemics or other contagious outbreaks;
- climate change, changes in weather patterns, natural disasters and seasonal fluctuations;
- availability of and fluctuations in the prices of key commodities;
- the outcome of any tax audits or settlements;
- the strategic acquisition or divestiture of businesses, product lines and joint ventures;
- impairment of our goodwill, indefinite-lived intangible assets and/or our long-lived assets;

-
- changes in tax laws and requirements (including tax rate changes, new tax laws, new and/or revised tax law interpretations and any legislation that may limit or eliminate potential tax benefits resulting from our incorporation in a non-U.S. jurisdiction, such as Ireland); and
 - work stoppages, union negotiations, labor disputes and similar issues

Some of the significant risks and uncertainties that could cause actual results to differ materially from our expectations and projections are described more fully in Part I, Item 1A "Risk Factors." You should read that information in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of this report and our Consolidated Financial Statements and related notes in Part II, Item 8 "Financial Statements and Supplementary Data" of this report. We note such information for investors as permitted by the Private Securities Litigation Reform Act of 1995.

Part I

Item 1. Business

OVERVIEW

Trane Technologies plc (formerly known as Ingersoll-Rand plc), a public limited company incorporated in Ireland in 2009, and its consolidated subsidiaries (collectively, we, our, the Company) is a global climate innovator that brings efficient and sustainable climate solutions to buildings, homes and transportation driven by strategic brands Trane® and Thermo King® and an environmentally responsible portfolio of products and services. We generate revenue and cash primarily through the design, manufacture, sale and service of a diverse portfolio of climate control products and services for Heating, Ventilation and Air Conditioning (HVAC) and transport solutions.

To achieve our mission of being a world leader in creating comfortable, sustainable and efficient environments, we continue to focus on growth by increasing our recurring revenue stream from parts, services, controls, used equipment and rentals; and to continuously improve efficiencies and capabilities of our operations and products and services for our customers. We also continue to focus on operational excellence strategies as a central theme to improving our earnings and cash flow.

SEPARATION OF INDUSTRIAL SEGMENT BUSINESSES

On February 29, 2020 (Distribution Date), we completed our Reverse Morris Trust transaction (the Transaction) with Gardner Denver Holdings, Inc. (Gardner Denver, which changed its name to Ingersoll Rand Inc. after the Transaction) whereby we distributed Ingersoll-Rand U.S. HoldCo, Inc., which contained our former Industrial segment (Ingersoll Rand Industrial), through a pro rata distribution (the Distribution) to our shareholders of record as of February 24, 2020. Ingersoll Rand Industrial then merged into a wholly-owned subsidiary of Gardner Denver. Upon close of the Transaction, our existing shareholders received approximately 50.1% of the shares of Gardner Denver common stock on a fully-diluted basis and Gardner Denver stockholders retained approximately 49.9% of the shares of Gardner Denver on a fully diluted basis. As a result, our shareholders received .8824 shares of Gardner Denver common stock with respect to each share owned as of February 24, 2020. In connection with the Transaction, Ingersoll-Rand Services Company, an affiliate of Ingersoll Rand Industrial, borrowed an aggregate principal amount of \$1.9 billion under a senior secured first lien term loan facility (Term Loan), the proceeds of which were used to make a special cash payment of \$1.9 billion to a subsidiary of ours. The obligations under the Term Loan were retained by Ingersoll-Rand Services Company, which following the Transaction is a wholly-owned subsidiary of Gardner Denver.

In connection with the Transaction, we entered into several agreements covering supply, administrative and tax matters to provide or obtain services on a transitional basis for varying periods after the Distribution Date. The agreements cover services such as manufacturing, information technology, human resources and finance. Income and expenses under these agreements were not material. In accordance with several customary transaction-related agreements between us and Gardner Denver, the parties are in a process to determine final adjustments to working capital, cash and indebtedness amounts as of the Distribution Date, as well as another process to determine funding levels related to pension plans, non-qualified deferred compensation plans and retiree health benefits. As of December 31, 2020, both are ongoing in accordance with the transaction-related agreements. Upon finalization of these agreements, any adjustments will be recognized within *Retained earnings*.

REPORTABLE SEGMENTS

Prior to the separation of our Industrial segment on February 29, 2020, we announced a new organizational model and business segment structure designed to enhance our regional go-to-market capabilities, aligning the structure with our strategy and increased focus on climate innovation. Under the revised structure, we created three new regional operating segments from the former climate segment, which also serve as our reportable segments.

- Our Americas segment innovates for customers in the North America and Latin America regions. The Americas segment encompasses commercial heating and cooling systems, building controls, and energy services and solutions; residential heating and cooling; and transport refrigeration systems and solutions. This segment had 2020 net revenues of \$9.7 billion.
- Our EMEA segment innovates for customers in the Europe, Middle East and Africa region. The EMEA segment encompasses heating and cooling systems, services and solutions for commercial buildings, and transport refrigeration systems and solutions. This segment had 2020 net revenues of \$1.6 billion.
- Our Asia Pacific segment innovates for customers throughout the Asia Pacific region. The Asia Pacific segment encompasses heating and cooling systems, services and solutions for commercial buildings and transport refrigeration systems and solutions. This segment had 2020 net revenues of \$1.1 billion.

This model is designed to create deep customer focus and relevance in markets around the world. Each segment reports through separate management teams and regularly reviews their operating results with the Chief Executive Officer, our Chief Operating Decision Maker (CODM) determined in accordance with applicable accounting guidance. All prior period comparative segment information has been recast to reflect the current reportable segments.

PRODUCTS AND SERVICES

Our principal products and services include the following:

Aftermarket and OEM parts and supplies	Hybrid-powered trailer refrigeration
Air conditioners	Ice energy storage solutions
Air exchangers	Indoor air quality assessments and related products for HVAC and Transport solutions
Air handlers	Industrial refrigeration
Airside and terminal devices	Installation contracting
Auxiliary power units	Large commercial unitary
Building management systems	Light commercial unitary
Bus and rail HVAC systems	Motor replacements
Chillers	Multi-pipe HVAC systems
Coils and condensers	Package heating and cooling systems
Container refrigeration systems and gensets	Performance contracting
Control systems	Rail refrigeration systems
Cryogenic refrigeration systems	Refrigerant reclamation
Diesel-powered refrigeration systems	Repair and maintenance services
Ductless systems	Rental services
Electric-powered trailer refrigeration systems	Self-powered truck refrigeration systems
Electric-powered truck refrigeration systems	Service agreements
Energy management services	Temporary heating and cooling systems
Facility management services	Thermostats/controls
Furnaces	Trailer refrigeration systems
Geothermal systems	Transport heater products
Heat pumps	Unitary systems (light and large)
Home automation	Variable Refrigerant Flow
Humidifiers	Vehicle-powered truck refrigeration systems
Hybrid and non-diesel transport refrigeration solutions	Water source heat pumps

These products are sold primarily under our name and under our tradenames including Trane®, Thermo King® and American Standard®.

COMPETITIVE CONDITIONS

Our products and services are sold in highly competitive markets throughout the world. Due to the diversity of these products and services and the variety of markets served, we encounter a wide variety of competitors that vary by product line and services. They include well-established regional or specialized competitors, as well as larger U.S. and non-U.S. corporations or divisions of larger companies.

The principal methods of competition in these markets relate to price, quality, delivery, service and support, technology and innovation. We believe that we are one of the leading manufacturers in the world of HVAC systems and services and transport temperature control products.

DISTRIBUTION

Our products are distributed by a number of methods, which we believe are appropriate to the type of product. U.S. sales are made through branch sales offices, distributors and dealers across the country. Non-U.S. sales are made through numerous subsidiary sales and service companies with a supporting chain of distributors throughout the world.

OPERATIONS BY GEOGRAPHIC AREA

Approximately 28% of our net revenues in 2020 were derived outside the U.S. and we sold products in more than 100 countries. Therefore, the attendant risks of manufacturing or selling in a particular country, such as currency devaluation, nationalization and establishment of common markets, may have an adverse impact on our non-U.S. operations.

CUSTOMERS

We have no customer that accounted for more than 10% of our consolidated net revenues in 2020, 2019 or 2018. No material part of our business is dependent upon a single customer or a small group of customers; therefore, the loss of any one customer would not have a material adverse effect on our results of operations or cash flows.

RAW MATERIALS

We manufacture many of the components included in our products, which requires us to employ a wide variety of commodities. Principal commodities, such as steel, copper and aluminum, are purchased from a large number of independent sources around the world, primarily within the region where the products are manufactured. We believe that available sources of supply will generally be sufficient for the foreseeable future. There have been no commodity shortages which have had a material adverse effect on our businesses.

SEASONALITY

Demand for certain of our products and services is influenced by weather conditions. For instance, sales in our commercial and residential HVAC businesses historically tend to be seasonally higher in the second and third quarters of the year because this represents spring and summer in the U.S. and other northern hemisphere markets, which are the peak seasons for sales of air conditioning systems and services. Therefore, results of any quarterly period may not be indicative of expected results for a full year and unusual weather patterns or events could negatively or positively affect certain segments of our business and impact overall results of operations.

RESEARCH AND DEVELOPMENT

We engage in research and development activities in an effort to introduce new products, enhance existing product effectiveness, improve ease of use and reliability as well as expand the various applications for which our products may be appropriate. We also continually evaluate developing technologies in areas that we believe will enhance our business for possible investment or acquisition. In addition, we have a strong focus on sustaining activities, which include costs incurred to reduce production costs, improve existing products, create custom solutions for customers and provide support to our manufacturing facilities. We anticipate that we will continue to make significant expenditures for research and development and sustaining activities as we look to maintain and improve our competitive position.

PATENTS AND LICENSES

Our intellectual property rights are important to our business and include numerous patents, trademarks, copyrights, trade secrets, proprietary technology, technical data, business processes, and other confidential information. Although in aggregate we consider our intellectual property rights to be valuable to our operations, we do not believe that our business is materially dependent on a single intellectual property right or any group of them. In our opinion, engineering, production skills and experience are more responsible for our market position than our intellectual property rights.

BACKLOG

Our approximate backlog of orders, believed to be firm, at December 31, was as follows:

IN MILLIONS	2020	2019
Americas	\$ 1,788.0	\$ 1,592.4
EMEA	426.2	336.9
Asia Pacific	680.6	584.0
Total	\$ 2,894.8	\$ 2,513.3

These backlog figures are based on orders received and only include amounts associated with our equipment and contracting and installation performance obligations. A major portion of our products are built in advance of order and either shipped or assembled from stock. As a result, we expect to ship a majority of the December 31, 2020 backlog during 2021. However, orders for specialized machinery or specific customer application are submitted with extensive lead times and are often subject to revision and deferral, and to a lesser extent cancellation or termination. To the extent projects are delayed, the timing of our revenue could be affected.

ENVIRONMENTAL MATTERS

We continue to be dedicated to environmental and sustainability programs to minimize the use of natural resources, and reduce the utilization and generation of hazardous materials from our manufacturing processes and to remediate identified environmental concerns. As to the latter, we are currently engaged in site investigations and remediation activities to address environmental cleanup from past operations at current and former manufacturing facilities.

We are sometimes a party to environmental lawsuits and claims and have received notices of potential violations of environmental laws and regulations from the Environmental Protection Agency and similar state authorities. We have also been identified as a potentially responsible party (PRP) for cleanup costs associated with off-site waste disposal at federal Superfund and state remediation sites. For all such sites, there are other PRPs and, in most instances, our involvement is minimal.

In estimating our liability, we have assumed that we will not bear the entire cost of remediation of any site to the exclusion of other PRPs who may be jointly and severally liable. The ability of other PRPs to participate has been taken into account, based on our understanding of the parties' financial condition and probable contributions on a per site basis. Additional lawsuits and claims involving environmental matters are likely to arise from time to time in the future.

For a further discussion of our potential environmental liabilities, see Note 22 to the Consolidated Financial Statements.

ASBESTOS-RELATED MATTERS

On June 18, 2020 (Petition Date), our indirect wholly-owned subsidiaries Aldrich Pump LLC (Aldrich) and Murray Boiler LLC (Murray) each filed a voluntary petition for reorganization under Chapter 11 of Title 11 of the United States Code (the Bankruptcy Code) in the United States Bankruptcy Court for the Western District of North Carolina in Charlotte (the Bankruptcy Court). As a result of the Chapter 11 filings, all asbestos-related lawsuits against Aldrich and Murray have been stayed due to the imposition of a statutory automatic stay applicable in Chapter 11 bankruptcy cases. Only Aldrich and Murray have filed for Chapter 11 relief. Neither Aldrich's wholly-owned subsidiary, 200 Park, Inc. (200 Park), Murray's wholly-owned subsidiary, ClimateLabs LLC (ClimateLabs), Trane Technologies plc nor its other subsidiaries (the Trane Companies) are part of the Chapter 11 filings.

The goal of these Chapter 11 filings is an efficient and permanent resolution of all current and future asbestos claims through court approval of a plan of reorganization, which would establish, in accordance with section 524(g) of the Bankruptcy Code, a trust to pay all asbestos claims. Such a resolution, if achieved, would likely include a channeling injunction to enjoin asbestos claims resolved in the Chapter 11 cases from being filed or pursued against us or our affiliates. The Chapter 11 cases remain pending as of December 31, 2020.

Prior to the Petition Date, certain of our wholly-owned subsidiaries and former companies were named as defendants in asbestos-related lawsuits in state and federal courts. In many of the lawsuits, a large number of other companies have also been named as defendants. The vast majority of those claims allege injury caused by exposure to asbestos contained in certain historical products, primarily pumps, boilers and railroad brake shoes. None of our existing or previously-owned businesses were a producer or manufacturer of asbestos.

See also the discussion under Part I, Item 3, "Legal Proceedings," and in Note 22 to the Consolidated Financial Statements.

HUMAN CAPITAL MANAGEMENT

Our people and culture management are critical to achieving our operational, financial and strategic goals. Further information is available in our Environmental Social and Governance (ESG) report available on our website.

As of December 31, 2020, we employed approximately 35,000 people in nearly 60 countries including approximately 12,500 outside of the U.S. As of December 31, 2020, 25.3% of our global employees were women and 35.5% of our employees in the United States were racially and ethnically diverse. In 2020, 31.2% of our new hires globally were women and 47.9% of new hires in the United States were racially and ethnically diverse. Approximately 21.7% of leadership and management positions were held by women as of December 31, 2020.

Culture and Purpose

In 2020, as Trane Technologies, we refined and reaffirmed dimensions of our culture as a climate innovator dedicated to our purpose of *boldly challenging what's possible for a sustainable world*. We engaged thousands of employees in surveys and online focus groups to define the core Leadership Behaviors for all employees to live our new purpose.

Since its launch in 2006, our annual employee engagement survey has enabled employees to share their experiences and perceptions of our Company. Employees provided ratings and written comments for continuous improvement. In 2020, 90% of our workforce participated in our annual engagement survey and our overall employee engagement score positions us well into the top quartile of all companies globally.

Diversity and Inclusion

Our commitment to Diversity and Inclusion is core to our purpose and our 2030 sustainability commitments. We are proud members of Paradigm for Parity (a coalition of more than 100 corporations who have committed to closing the gender gap in corporate leadership) and OneTen (a coalition dedicated to hiring one million Black Americans in the next ten years to achieve economic mobility). In addition, our CEO is a 2018 signatory to the CEO Action for Diversity and Inclusion pledge (the largest CEO-driven business commitment to advance diversity and inclusion within the workplace).

We offer company-sponsored forums to promote diversity and inclusion in the workplace including:

- Bridging Connections – a safe forum created to allow our employees to speak from the heart about a variety of topics without fear of retribution.
- Unity Squads – site-based committees of employees that foster diversity and inclusion by celebrating cultural heritage milestones and offering cross-cultural awareness programs, open to all employees.
- Black Leader Forum – a half day intensive session bringing together company leaders to learn, further a sense of community, and build upon our strategic intent to advance Black leaders.
- Employee Resources Groups (ERGs) – Trane Technologies sponsors eight ERGs (the Women's Employee Network, the Black Employee Network, the Veterans Employee Resource Group, the Asian Employee Resource Group, the Global Organization of Latinos, the LGBT+ Employee Resource Group, the InterGenerational Employee Network, and Visibility). All ERGs are voluntary, open and inclusive organizations that offer employees a sense of belonging, networking and learning opportunities.

Learning and Development

We offer learning and career development opportunities that enhance our employees' skills and abilities and ensure contemporary technical and functional skills and competencies such as innovation, collaboration and leadership. Examples of these programs include:

- **Team Leader Development Program** – An eight-week experiential development program that engages, teaches and empowers front-line plant leaders to apply continuous improvement methods, make sound business decisions, solve problems, and serve as a coach of direct workers.
- **Graduate Training Program (GTP)** – A five-month development program designed to prepare university graduate engineers for a rewarding career in technical sales. The program prepares sales engineers to sell Trane's complex HVAC systems and energy services. The program, started in 1926, is recognized as the industry's most comprehensive training program and provides intensive technical, business, sales, and leadership training. GTP accelerates careers and provides the skills needed to help us lower the energy intensity of the world.
- **Accelerated Development Program (ADP)** – An early career rotational program focused on both functional and leadership development, designed to build a pipeline of strong talent for key roles in the organization. Participants rotate to multiple geographic locations and business units during the 2.5 year program, while experiencing diverse assignments, and receiving dedicated functional training and developmental experiences. Established in 1979, the ADP holds a rich history of developing early talent and spans six functions and four regions.
- **Women's Leadership Program** – An award-winning cohort program that enables high-potential women around the world to gain individual insights and skills through mentoring and peer networking, and to build their leadership competencies and business acumen through action-learning projects and exposure to senior leaders.
- **Engaging Your Employees** – Approximately 4,000 Trane managers have completed this program since its launch. During 2020, we delivered 14 virtual Engaging Your Employees workshops to approximately 311 managers globally.
- **Professional development** – We have numerous online learning courses in professional development skills as varied as working virtually, resiliency, Microsoft Teams, unconscious bias, effective communication, alert driving, sustainability, and strategic capability initiatives such as product management and other programs that support our strategy of being a world class lean enterprise.
- **Compliance Training** – Our Compliance Training curriculum covers key topics that are important to protect our Company, our people and our customers. Topics include certification in our Code of Conduct, Information Security, Understanding and Preventing Sexual Harassment and Human Trafficking Prevention. All salaried employees globally complete our annual compliance curriculum.

Employee Volunteerism

In 2020, due to the restrictions of the COVID-19 global pandemic many of our employees sought out virtual volunteering opportunities, and more than 15,000 of our people contributed more than 20,000 volunteer hours in support of building sustainable futures in our communities. Our support for those in need also included our own colleagues support for one another. Due to the impacts of the pandemic, we accelerated our employee fundraising efforts and employees donated \$1.4 million to our Helping Hand Fund (our employee crisis relief program). These funds provided approximately 1,100 employees with emergency relief grants for themselves and their families. We also developed a new Global Volunteer Time program, providing all salaried employees a full work day (8 hours) per calendar year to volunteer with non-profit organizations. This program will be piloted for hourly employees at select locations around the world in 2021, with an expected full global implementation in 2022.

Health, Safety and Well-Being

Trane Technologies believes in supporting the total health and safety of our employees. It was even more critical in 2020, given COVID-19. Therefore, we expanded the support we offered, by:

- Providing 100% of our employees around the world access to at least one company-sponsored wellness activity.
- Accelerating the rollout of our global Employee Assistance Program (EAP). Each year, we expand our EAP to five to six countries. This year, we accelerated rollout of our global EAP to 25 remaining countries (final country pending Works Council approvals). Employees received frequent communications on resources, targeted to crisis concerns such as mental health, childcare, and education.

- Amending the U.S. medical plans to cover COVID-19 testing and telehealth visits at no cost to employees.
- Modifying our Short-Term Disability Plan to eliminate previous waiting period, by ensuring benefits started on first day of absence for COVID-related illness or required quarantine.
- Amending the defined contribution plans for U.S. employees to allow for COVID-19 related distributions and a delay for loan repayments without penalties.
- Providing back-up care and working parent resource enhancements in the U.S.
- Accelerating our "Future of Work" initiative to create revised Flex Time and Flex Place policies and resources that vary by type of role, continued work-from-home arrangements, and other approaches to ensuring productivity while being supportive to employee needs.

In 2020 we continued our multi-year, world class safety record with Lost-time Incident Rate of 0.07 and Recordable Rate of 0.79. In response to the pandemic, we quickly developed a pandemic response team that developed over 50 elements of standard work such as travel restrictions, active screenings, 100% requirement for face masks, etc. In our factories, we reconfigured over 5,000 work stations to meet the social distancing guidelines. We also completed over 30,000 observations of our service technicians and manufacturing employees to ensure all employees were following our COVID-19 protocols.

Competitive Pay and Benefits

Our compensation programs and policies are based on a strong connection to our strategy, to attract and retain a talented workforce and to meet the needs of employees globally. We are committed to competitive wages and benefits and equal pay for equal work, regardless of background. We have rigorous pay practices to ensure we compensate our employees fairly, equitably and competitively. In addition, our incentive compensation programs are tied to our 2030 Commitments. Beginning in 2021, management incentive compensation will include environmental sustainability and workforce diversity goals, in addition to financial goals.

Our proxy statement provides more detail on the competitive compensation programs we offer.

AVAILABLE INFORMATION

We have used, and intend to continue to use, the homepage, the investor relations and the "News" section of our website (www.tranetechnologies.com), among other sources such as press releases, public conference calls and webcasts, as a means of disclosing additional information, which may include future developments related to the COVID-19 global pandemic and/or material non-public information. We encourage investors, the media, and others interested in our Company to review the information it makes public in these locations on its website.

We file annual, quarterly, and current reports, proxy statements, and other documents with the Securities and Exchange Commission under the Securities Exchange Act of 1934.

This Annual Report on Form 10-K, as well as our quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to all of the foregoing reports, are made available free of charge on our Internet website (www.tranetechnologies.com) as soon as reasonably practicable after such reports are electronically filed with or furnished to the Securities and Exchange Commission. The Board of Directors of our Company have also adopted and posted in the Investor Relations section of our website the Corporate Governance Guidelines and charters for each of the Board's standing committees. The contents of our website are not incorporated by reference in this report.

EXECUTIVE OFFICERS OF THE REGISTRANT

The following is a list of our executive officers as of February 9, 2021.

NAME AND AGE	DATE OF SERVICE AS AN EXECUTIVE OFFICER	PRINCIPAL OCCUPATION AND OTHER INFORMATION FOR PAST FIVE YEARS
Michael W. Lamach (57)	2/16/2004	Chairman of the Board (since June 2010) and Chief Executive Officer and Director (since February 2010)
Christopher J. Kuehn (48)	6/1/2015	Senior Vice President and Chief Financial Officer (since March 2020); Vice President and Chief Accounting Officer (June 2015 to February 2020)
David S. Regnery (58)	8/5/2017	President and Chief Operating Officer (since January 1, 2020); Executive Vice President (September 2017 to December 2019); Vice President, President of Commercial HVAC, North America and EMEA (2013-2017)
Marcia J. Avedon (59)	2/7/2007	Executive Vice President, Chief Human Resources, Marketing and Communications Officer (since January 1, 2020); Senior Vice President, Human Resources, Communications and Corporate Affairs (June 2013 to December 2019)
Paul A. Camuti (59)	8/1/2011	Executive Vice President and Chief Technology and Strategy Officer (since January 1, 2020); Senior Vice President, Innovation and Chief Technology Officer (August 2011 to December 2019)
Evan M. Turtz (52)	4/3/2019	Senior Vice President and General Counsel (since April 2019); Secretary (since October 2013); Vice President (2008-2019); Deputy General Counsel, Industrial, General Counsel, CTS (2016-2019); Deputy General Counsel-Labor and Employment (2008-2016)
Keith A. Sultana (51)	10/12/2015	Senior Vice President, Supply Chain and Operational Services (since January 2020); Senior Vice President, Global Operations and Integrated Supply Chain (October 2015-December 2019); Vice President, Global Procurement (January 2015 to October 2015)
Heather R. Howlett (43)	3/1/2020	Vice President and Chief Accounting Officer (since March 2020); Vice President and Corporate Controller (August 2019 to February 2020); Vice President and Corporate Controller, Catalent, Inc. (2015 to August 2019)

No family relationship exists between any of the above-listed executive officers of our Company. All officers are elected to hold office for one year or until their successors are elected and qualified.

Item 1A. Risk Factors

Our business, financial condition, results of operations, and cash flows are subject to a number of risks that could cause the actual results and conditions to differ materially from those projected in forward-looking statements contained in this Annual Report on Form 10-K. The risks set forth below are those we consider most significant. We face other risks, however, that we do not currently perceive to be material which could cause actual results and conditions to differ materially from our expectations. You should evaluate all risks before you invest in our securities. If any of the risks actually occur, our business, financial condition, results of operations or cash flows could be adversely impacted. In that case, the trading price of our ordinary shares could decline, and you may lose all or part of your investment.

RISKS RELATED TO ECONOMIC CONDITIONS

The COVID-19 global pandemic and resulting adverse economic conditions have already adversely impacted our business and could have a more material adverse impact on our business, financial condition and results of operations.

We continue to closely monitor the impact of the COVID-19 global pandemic on all aspects of our business and geographies, including how it has and will impact our customers, team members, suppliers, vendors, business partners and distribution channels. The COVID-19 global pandemic has created significant volatility, uncertainty and economic

disruption, which may continue to affect our business operations and may materially and adversely affect our results of operations, cash flows and financial position.

While our business is largely categorized as “essential” by the U.S. Department of Homeland Security, the COVID-19 global pandemic has caused certain disruptions to and shutdowns of our business and operations and could cause material disruptions to and shutdowns of our business and operations in the future as a result of, among other things, quarantines, worker absenteeism as a result of illness or other factors, social distancing measures and other travel, health-related, business or other restrictions. Our business and operations have been impacted globally, resulting in lower revenue, supply chain delays and unfavorable foreign currency exchange rate movements. The COVID-19 global pandemic has also adversely impacted, and may continue to adversely impact, our suppliers and their manufacturers and our customers. Some of our purchases are from sole or limited source suppliers for reasons of cost effectiveness, uniqueness of design, or product quality. The effects of the COVID-19 global pandemic may exacerbate supply chain issues with these suppliers. Any delay in receiving critical supplies could have a material adverse effect on our results of operations, financial condition and cash flows.

As a result of the effects of the COVID-19 global pandemic, our costs have increased (including the costs to address the health and safety of our employees), our ability to obtain products or services from suppliers has been and may be adversely impacted, and our ability to operate at certain impacted locations has been and may be impacted, and, as a result, our business, financial condition and results of operations have been adversely impacted and could be materially adversely affected if the current outbreak and spread of the COVID-19 global pandemic continues.

The COVID-19 global pandemic also resulted in severe disruptions and volatility in financial markets which had a material adverse impact on some of our customers and suppliers. A recurrence in volatility due to a resurgence in the COVID-19 global pandemic could impact our access to capital and credit markets. Notwithstanding the recent introduction of vaccines to combat the COVID-19 global pandemic and measures taken by governments to provide economic stimulus, the severity of the pandemic's impact on economies in the United States and around the world, the potential length of the economic recovery and the longer term economic impacts are uncertain. The current and potential further outbreaks and spread of the COVID-19 global pandemic or other future pandemics could cause a delayed recovery, a prolonged recession or future economic disruptions, which could have a further adverse impact on our financial condition and operations.

The impact of the COVID-19 global pandemic may also exacerbate other risks discussed in Item 1A. Risk Factors in our Annual Report on Form 10-K, any of which could have a material effect on us. This situation is continuing to evolve rapidly and additional impacts may arise that we are not aware of currently.

Our global operations subject us to economic risks.

Our global operations are dependent upon products manufactured, purchased and sold in the U.S. and internationally. These activities are subject to risks that are inherent in operating globally, including:

- changes in local laws and regulations or imposition of currency restrictions and other restraints;
- limitation of ownership rights, including expropriation of assets by a local government, and limitation on the ability to repatriate earnings;
- sovereign debt crises and currency instability in developed and developing countries;
- trade protection measures such as import or export restrictions and requirements, the imposition of burdensome tariffs and quotas or revocation or material modification of trade agreements;
- difficulty in staffing and managing global operations;
- difficulty of enforcing agreements, collecting receivables and protecting assets through non-U.S. legal systems;
- national and international conflict, including war, civil disturbances and terrorist acts; and
- recessions, economic downturns, slowing economic growth and social and political instability.

These risks could increase our cost of doing business internationally, increase our counterparty risk, disrupt our operations, disrupt the ability of suppliers and customers to fulfill their obligations, limit our ability to sell products in certain markets and have a material adverse impact on our results of operations, financial condition, and cash flows.

We face significant competition in the markets that we serve.

The markets that we serve are highly competitive. We compete worldwide with a number of other manufacturers and distributors that produce and sell similar products. There has been consolidation and new entrants (including non-traditional competitors) within our industries and there may be future consolidation and new entrants which could result in increased competition and significantly alter the dynamics of the competitive landscape in which we operate. Due to our global footprint we are competing worldwide with large companies and with smaller, local operators who may have customer, regulatory or economic advantages in the geographies in which they are located. In addition, some of our competitors may employ pricing and other strategies that are not traditional. While we understand our markets and competitive landscape, there is always the risk of disruptive technologies coming from companies that are not traditionally manufacturers or service providers of our products.

Our growth is dependent, in part, on the development, commercialization and acceptance of new products and services.

We must develop and commercialize new products and services in a rapidly changing technological and business environment in order to remain competitive in our current and future markets and in order to continue to grow our business. The development and commercialization of new products and services require a significant investment of resources and an anticipation of the impact of new technologies and the ability to compete with others who may have superior resources in specific technology domains. We cannot provide any assurance that any new product or service will be successfully commercialized in a timely manner, if ever, or, if commercialized, will result in returns greater than our investment. Investment in a product or service could divert our attention and resources from other projects that become more commercially viable in the market. We also cannot provide any assurance that any new product or service will be accepted by our current and future markets. Failure to develop new products and services that are accepted by these markets could have a material adverse impact on our competitive position, results of operations, financial condition, and cash flows.

Some of the markets in which we operate are cyclical and seasonal and demand for our products and services could be adversely affected by downturns in these industries.

Demand for most of our products and services depends on the level of new capital investment and planned maintenance expenditures by our customers. The level of capital expenditures by our customers fluctuates based on planned expansions, new builds, repairs, commodity prices, general economic conditions, availability of credit, inflation, interest rates, market forecasts, tax and regulatory developments, trade policies, fiscal spending and sociopolitical factors among others.

Our commercial and residential HVAC businesses provide products and services to a wide range of markets, including significant sales to the commercial and residential construction markets. Weakness in either or both of these construction markets may negatively impact the demand for our products and services.

Demand for our commercial and residential HVAC business is also influenced by weather conditions. For instance, sales in our commercial and residential HVAC businesses historically tend to be seasonally higher in the second and third quarters of the year because, in the U.S. and other northern hemisphere markets, spring and summer are the peak seasons for sales of air conditioning systems and services. The results of any quarterly period may not be indicative of expected results for a full year and unusual weather patterns or events could negatively or positively affect our business and impact overall results of operations.

Decrease in the demand for our products and services could have a material adverse impact on our results of operations and cash flow.

The capital and credit markets are important to our business.

Instability in U.S. and global capital and credit markets, including market disruptions, limited liquidity and interest rate volatility, or reductions in the credit ratings assigned to us by independent rating agencies could reduce our access to capital markets or increase the cost of funding our short and long term credit requirements. In particular, if we are unable to access capital and credit markets on terms that are acceptable to us, we may not be able to make certain investments or fully execute our business plans and strategies.

Our suppliers and customers are also dependent upon the capital and credit markets. Limitations on the ability of customers, suppliers or financial counterparties to access credit at interest rates and on terms that are acceptable to them could lead to insolvencies of key suppliers and customers, limit or prevent customers from obtaining credit to finance purchases of our products and services and cause delays in the delivery of key products from suppliers.

In addition, changes in regulatory standards or industry practices, such as the transition away from LIBOR as a benchmark for short-term interest rates, could create incremental uncertainty in obtaining financing or increase the cost of borrowing for us, our suppliers or our customers.

Currency exchange rate fluctuations and other related risks may adversely affect our results.

We are exposed to a variety of market risks, including the effects of changes in currency exchange rates. See Part II Item 7A, "Quantitative and Qualitative Disclosure About Market Risk."

We have operations throughout the world that manufacture and sell products in various international markets. As a result, we are exposed to movements in exchange rates of various currencies against the U.S. dollar as well as against other currencies throughout the world.

Many of our non-U.S. operations have a functional currency other than the U.S. dollar, and their results are translated into U.S. dollars for reporting purposes. Therefore, our reported results will be higher or lower depending on the weakening or strengthening of the U.S. dollar against the respective foreign currency.

We use derivative instruments to hedge those material exposures that cannot be naturally offset. The instruments utilized are viewed as risk management tools, and are not used for trading or speculative purposes. To minimize the risk of counter party non-performance, derivative instrument agreements are made only through major financial institutions with significant experience in such derivative instruments.

We also face risks arising from the imposition of exchange controls and currency devaluations. Exchange controls may limit our ability to convert foreign currencies into U.S. dollars or to remit dividends and other payments by our foreign subsidiaries or businesses located in or conducted within a country imposing controls. Currency devaluations result in a diminished value of funds denominated in the currency of the country instituting the devaluation.

RISKS RELATED TO LITIGATION

Material adverse legal judgments, fines, penalties or settlements could adversely affect our results of operations or financial condition.

We are currently and may in the future become involved in legal proceedings and disputes incidental to the operation of our business or the business operations of previously-owned entities. Our business may be adversely affected by the outcome of these proceedings and other contingencies (including, without limitation, contract claims or other commercial disputes, product liability, product defects and asbestos-related matters) that cannot be predicted with certainty. Moreover, any insurance or indemnification rights that we may have may be insufficient or unavailable to protect us against the total aggregate amount of losses sustained as a result of such proceedings and contingencies. As required by generally accepted accounting principles in the United States, we establish reserves based on our assessment of contingencies. Subsequent developments in legal proceedings and other events could affect our assessment and estimates of the loss contingency recorded as a reserve and we may be required to make additional material payments, which could have a material adverse impact on our liquidity, results of operations, financial condition, and cash flows.

The Aldrich and Murray Chapter 11 cases involve various risks and uncertainties that could have a material effect on us.

On June 18, 2020, our indirect wholly-owned subsidiaries Aldrich Pump LLC (Aldrich) and Murray Boiler LLC (Murray) each filed a voluntary petition for reorganization under Chapter 11 of Title 11 the United States Code (the Bankruptcy Code) in the United States Bankruptcy Court for the Western District of North Carolina in Charlotte (the Bankruptcy Court). The goal of these Chapter 11 filings is an efficient and permanent resolution of all current and future asbestos claims through court approval of a plan of reorganization, which would establish, in accordance with section 524(g) of the Bankruptcy Code,

a trust to pay all asbestos claims. Such a resolution, if achieved, would likely include a channeling injunction to enjoin asbestos claims resolved in the Chapter 11 cases from being filed or pursued against us or our affiliates. The Chapter 11 cases remain pending.

Certain of our subsidiaries have entered into funding agreements with Aldrich and Murray (collectively the Funding Agreements), pursuant to which those subsidiaries are obligated, among other things, to fund the costs and expenses of Aldrich and Murray during the pendency of the Chapter 11 cases to the extent distributions from their respective subsidiaries are insufficient to do so and to provide an amount for the funding for a trust established pursuant to section 524(g) of the Bankruptcy Code, to the extent that the other assets of Aldrich and Murray are insufficient to provide the requisite trust funding.

There are a number of risks and uncertainties associated with these Chapter 11 cases, including, among others, those related to:

- the ultimate determination of the asbestos liability of Aldrich and Murray to be satisfied under a Chapter 11 plan;
- the outcome of negotiations with the committee of asbestos personal injury claimants appointed in the Chapter 11 cases, the future claimants' representative appointed in the Chapter 11 cases and other participants in the Chapter 11 cases, including insurers, concerning, among other things, the size and structure of a potential section 524(g) trust to pay the asbestos liability of Aldrich and Murray and the means for funding that trust;
- the actions of representatives of the asbestos claimants, including opposition to the extension of the Bankruptcy Court order temporarily staying asbestos-related claims against us and other potential actions in opposition to, or otherwise inconsistent with, the efforts by Aldrich and Murray to diligently prosecute the Chapter 11 cases and ultimately seek Bankruptcy Court approval of a plan of reorganization;
- the decisions of the Bankruptcy Court relating to numerous substantive and procedural aspects of the Chapter 11 case, including with regard to the extension of the Bankruptcy Court order temporarily staying asbestos-related claims against us and other efforts by Aldrich and Murray to diligently prosecute the Chapter 11 cases and ultimately seek Bankruptcy Court approval of a plan of reorganization, whether such decisions are in response to actions of representatives of the asbestos claimants or otherwise; and
- the decisions of appellate courts regarding approval of a plan of reorganization or relating to orders of the Bankruptcy Court that may be appealed.

The ability of Aldrich and Murray to successfully reorganize and resolve their asbestos liabilities will depend on various factors, including their ability to reach agreements with representatives of the asbestos claimants on the terms of a plan of reorganization that satisfies all applicable legal requirements and to obtain the requisite court approvals of such plan, and remains subject to the risks and uncertainties described above. We cannot ensure that Aldrich and Murray can successfully reorganize, nor can we give any assurances as to the amount of the ultimate obligations under the Funding Agreements or the resulting impact on our financial condition, results of operations or future prospects. We are also unable to predict the timing of any of the foregoing matters or the timing for a resolution of the Chapter 11 cases, all of which could have an impact on us.

It also is possible that, in the Chapter 11 cases, various parties will seek to bring claims against us and other related parties, including by raising allegations that we are liable for the asbestos-related liabilities of Aldrich and Murray. Although we believe we have no such responsibility for liabilities of Aldrich and Murray, except indirectly through our obligation to provide funding to Aldrich and Murray under the terms of the Funding Agreements, we cannot provide assurances that such claims will not be pursued.

In sum, the outcome of the Chapter 11 cases is uncertain and there is uncertainty as to what extent we may have to contribute to a section 524(g) trust under the Funding Agreements.

RISKS RELATED TO CYBERSECURITY AND TECHNOLOGY

We are subject to risks relating to our information technology systems.

We rely extensively on information technology systems, some of which are supported by third party vendors including cloud services, to manage and operate our business. We invest in new information technology systems designed to improve our operations. We have had failures of these systems in the past and may have failures of these systems in the future. If these systems cease to function properly, if these systems experience security breaches or disruptions or if these systems do not provide the anticipated benefits, our ability to manage our operations could be impaired, which could have a material adverse impact on our results of operations, financial condition, and cash flows.

Security breaches or disruptions of the technology systems, infrastructure or products of the Company or our vendors could negatively impact our business and financial results.

Our information technology systems, networks and infrastructure and technology embedded in certain of our control products have been and may be subject to cyber attacks and unauthorized security intrusions. It is possible for such vulnerabilities to remain undetected for an extended period. Like other large companies, certain of our information technology systems and the systems of our vendors have been subject to computer viruses, malicious code, unauthorized access, phishing attempts, denial-of-service attacks and other cyber attacks and we expect that we and our vendors will be subject to similar attacks in the future. The methods used to obtain unauthorized access, disable or degrade service, or sabotage information technology systems are constantly changing and evolving. Despite having instituted security policies and business continuity plans, and implementing and regularly reviewing and updating processes and procedures to protect against unauthorized access and requiring similar protections from our vendors, the ever-evolving threats mean we must continually evaluate and adapt our systems and processes and ask our vendors to do the same, and there is no guarantee that such steps will be adequate to safeguard against all data security breaches or misuses of data. Hardware, software or applications we develop or obtain from third parties may contain defects in design or deployment or other problems that could unexpectedly result in security breaches or disruptions. Our systems, networks and certain of our control products and those of our vendors may also be vulnerable to system damage, malicious attacks from hackers, employee errors or misconduct, viruses, power and utility outages, and other catastrophic events. Any of these incidents could cause significant harm to our business by negatively impacting our business operations, compromising the security of our proprietary information or the personally identifiable information of our customers, employees and business partners, exposing us to litigation or other legal actions against us or the imposition of penalties, fines, fees or liabilities. Such events could have a material adverse impact on our results of operations, financial condition and cash flows and could damage our reputation which could adversely affect our business. Our insurance coverage may not be adequate to cover all the costs related to a cybersecurity attack or disruptions resulting from such attacks. Customers are increasingly requiring cybersecurity protections and mandating cybersecurity standards in our products, and we may incur additional costs to comply with such demands.

Data privacy and protection laws are evolving and present increasing compliance challenges.

The regulatory environment surrounding data privacy and protection is increasingly demanding, with the frequent imposition of new and changing requirements across businesses and geographic areas. We are required to comply with complex regulations when collecting, transferring and using personal data, which increases our costs, affects our competitiveness and can expose us to substantial fines or other penalties.

Intellectual property infringement claims of others and the inability to protect our intellectual property rights could harm our competitive position.

Our intellectual property rights are important to our business and include numerous patents, trademarks, copyrights, trade secrets, proprietary technology, technical data, business processes, and other confidential information. Although in aggregate we consider our intellectual property rights to be valuable to our operations, we do not believe that our business is materially dependent on a single intellectual property right or any group of them. In our opinion, engineering, production skills and experience are more responsible for our market position than our patents and/or licenses.

Nonetheless, this intellectual property may be subject to challenge, infringement, invalidation or circumvention by third parties. Despite extensive security measures, our intellectual property may be subject to misappropriation through unauthorized access of our information technology systems, employee theft, or theft by private parties or foreign actors,

including those affiliated with or controlled by state actors. Our business and competitive position could be harmed by such events. Our ability to protect our intellectual property rights by legal recourse or otherwise may be limited, particularly in countries where laws or enforcement practices are inadequate or undeveloped. Our inability to enforce our IP rights under any of these circumstances could have an impact on our competitive position and business.

RISKS RELATED TO REGULATORY MATTERS

Our reputation, ability to do business and results of operations could be impaired by improper conduct by any of our employees, agents or business partners.

We are subject to regulation under a wide variety of U.S. federal and state and non-U.S. laws, regulations and policies, including laws related to anti-corruption, anti-bribery, export and import compliance, anti-trust and money laundering, due to our global operations. We cannot provide assurance our internal controls will always protect us from the improper conduct of our employees, agents and business partners. Any violations of law or improper conduct could damage our reputation and, depending on the circumstances, subject us to, among other things, civil and criminal penalties, material fines, equitable remedies (including profit disgorgement and injunctions on future conduct), securities litigation and a general loss of investor confidence, any one of which could have a material adverse impact on our business prospects, financial condition, results of operations, cash flows, and the market value of our stock.

Our operations are subject to regulatory risks.

Our U.S. and non-U.S. operations are subject to a number of laws and regulations, including among others, laws related to the environment and health and safety. We have made, and will be required to continue to make, significant expenditures to comply with these laws and regulations. Any violations of applicable laws and regulations could lead to significant penalties, fines or other sanctions. Changes in current laws and regulations could require us to increase our compliance expenditures, cause us to significantly alter or discontinue offering existing products and services or cause us to develop new products and services. Altering current products and services or developing new products and services to comply with changes in the applicable laws and regulations could require significant research and development investments, increase the cost of providing the products and services and adversely affect the demand for our products and services. The U.S. federal government and various states and municipalities have enacted or may enact legislation intended to deny government contracts to U.S. companies that reincorporate outside of the U.S. or have reincorporated outside of the U.S. or may take other actions negatively impacting such companies. If we are unable to effectively respond to changes to applicable laws and regulations, interpretations of applicable laws and regulations, or comply with existing and future laws and regulations, our competitive position, results of operations, financial condition and cash flows could be materially adversely impacted.

Global climate change and related regulations could negatively affect our business.

Refrigerants are essential to many of our products and there is concern regarding the global warming potential of such materials. As such, national, regional and international regulations and policies are being implemented to curtail their use. As regulations reduce the use of the current class of widely used refrigerants, our next generation solutions are being adopted globally, with sales in more than 30 countries to date. Our climate commitment requires us to offer a full line of next generation, lower global warming potential products by 2030 without compromising safety or energy efficiency. Additionally, while we met our commitment to reduce energy consumption and the greenhouse gas footprint of our operations by 35 percent by 2020, on a normalized basis, our 2030 commitment requires a much more stringent absolute energy use reduction by 10 percent. While we are committed to pursuing these sustainability objectives, there can be no assurance that our commitments will be successful, that our products will be accepted by the market, that proposed regulation or deregulation will not have a negative competitive impact or that economic returns will match the investment that we are making in new product development.

Concerns regarding global climate change have resulted in the Kigali amendment to the Montreal Protocol, pursuant to which countries have agreed to a scheduled phase down of certain high global warming potential refrigerants. Countries may pass regulations that are even more restrictive than this international accord. Some countries, including the U.S., have not yet ratified the amendment, lowering customer demand for next generation products in these countries. There continues to be a lack of consistent climate legislation, which creates economic and regulatory uncertainty. Such regulatory uncertainty extends to future incentives for energy efficient buildings and vehicles and costs of compliance, which may impact the demand for our products, obsolescence of our products and our results of operations.

RISKS RELATED TO OUR BUSINESS OPERATIONS

Commodity shortages and price increases could adversely affect our financial results.

We rely on suppliers to secure commodities, particularly steel and non-ferrous metals, required for the manufacture of our products. A disruption in deliveries from our suppliers or decreased availability of commodities could have an adverse effect on our ability to meet our commitments to customers or increase our operating costs. We believe that available sources of supply will generally be sufficient for our needs for the foreseeable future. Nonetheless, the unavailability of some commodities could have a material adverse impact on our results of operations and cash flows.

Volatility in the prices of these commodities or the impact of inflationary increases could increase the costs of our products and services. We may not be able to pass on these costs to our customers and this could have a material adverse impact on our results of operations and cash flows. Conversely, in the event there is deflation, we may experience pressure from our customers to reduce prices. There can be no assurance that we would be able to reduce our costs (through negotiations with suppliers or other measures) to offset any such price concessions which could adversely impact results of operations and cash flows. While we may use financial derivatives or supplier price locks to hedge against this volatility, by using these instruments we may potentially forego the benefits that might result from favorable fluctuations in prices and could experience lower margins in periods of declining commodity prices. In addition, while hedging activity may minimize near-term volatility of the commodity prices, it would not protect us from long-term commodity price increases.

Some of our purchases are from sole or limited source suppliers for reasons of cost effectiveness, uniqueness of design, or product quality. If these suppliers encounter financial or operating difficulties, we might not be able to quickly establish or qualify replacement sources of supply.

Our business strategy includes acquiring companies, businesses, product lines, plants and assets, entering into joint ventures and making investments that complement our existing businesses. We also occasionally divest businesses that we own. We may not identify acquisition or joint venture candidates or investment opportunities at the same rate as the past. Acquisitions, dispositions, joint ventures and investments that we identify could be unsuccessful or consume significant resources, which could adversely affect our operating results.

We continue to analyze and evaluate the acquisition and divestiture of strategic businesses and product lines, technologies and capabilities, plants and assets, joint ventures and investments with the potential to strengthen our industry position, to enhance our existing set of product and services offerings, to increase productivity and efficiencies, to grow revenues, earnings and cash flow, to help us stay competitive or to reduce costs. There can be no assurance that we will identify or successfully complete transactions with suitable candidates in the future, that we will consummate these transactions at rates similar to the past or that completed transactions will be successful. Strategic transactions may involve significant cash expenditures, debt incurrence, operating losses and expenses that could have a material adverse effect on our business, financial condition, results of operations and cash flows. Such transactions involve numerous other risks, including:

- diversion of management time and attention from daily operations;
- difficulties integrating acquired businesses, technologies and personnel into our business without high costs;
- difficulties in obtaining and verifying the financial statements and other business and other due diligence information of acquired businesses;
- inability to obtain required regulatory approvals and/or required financing on favorable terms;
- potential loss of key employees, key contractual relationships or key customers of either acquired businesses or our business;
- assumption of the liabilities and exposure to unforeseen or undisclosed liabilities of acquired businesses and exposure to regulatory sanctions;
- inheriting internal control deficiencies;
- dilution of interests of holders of our common shares through the issuance of equity securities or equity-linked securities; and
- in the case of joint ventures and other investments, interests that diverge from those of our partners without the ability to direct the management and operations of the joint venture or investment in the manner we believe most appropriate to achieve the expected value.

Any acquisitions, divestitures, joint ventures or investments may ultimately harm our business, financial condition, results of operations and cash flows. There are additional risks related to our Reverse Morris Trust transaction, see page 15 under "Risks Related to the Transactions" for more information.

We may be required to recognize impairment charges for our goodwill and other indefinite-lived intangible assets.

At December 31, 2020, the net carrying value of our goodwill and other indefinite-lived intangible assets totaled \$5.3 billion and \$2.6 billion, respectively. In accordance with generally accepted accounting principles, we assess these assets annually during the fourth quarter for impairment or when there is a significant change in events or circumstances that indicate that the fair value of an asset is more likely than not less than the carrying amount of the asset. Significant negative industry or economic trends, disruptions to our business, unexpected significant changes or planned changes in use of the assets, divestitures and sustained market capitalization declines may result in recognition of impairments to goodwill or other indefinite-lived assets. Any charges relating to such impairments could have a material adverse impact on our results of operations in the periods recognized.

Natural disasters, epidemics or other unexpected events may disrupt our operations, adversely affect our results of operations and financial condition, and may not be fully covered by insurance.

The occurrence of one or more unexpected events including hurricanes, fires, earthquakes, floods and other forms of severe weather, health epidemics or pandemics or other contagious outbreaks or other unexpected events in the U.S. or in other countries in which we operate or are located could adversely affect our operations and financial performance. Natural disasters, power outages, health epidemics or pandemics or other contagious outbreaks or other unexpected events could result in physical damage to and complete or partial closure of one or more of our plants, temporary or long-term disruption of our operations by causing business interruptions or by impacting the availability and cost of materials needed for manufacturing. Existing insurance arrangements may not provide full protection for the costs that may arise from such events, particularly if such events are catastrophic in nature or occur in combination. The occurrence of any of these events could increase our insurance and other operating costs or harm our sales in affected areas.

Our business may be adversely affected by work stoppages, union negotiations, labor disputes and other matters associated with our labor force.

Certain of our employees are covered by collective bargaining agreements or works councils. We experience from time to time work stoppages, union negotiations, labor disputes and other matters associated with our labor force and some of these events could result in significant increases in our cost of labor, impact our productivity or damage our reputation. Additionally, a work stoppage at one of our suppliers could materially and adversely affect our operations if an alternative source of supply were not readily available. Stoppages by employees of our customers could also result in reduced demand for our products.

RISKS RELATING TO TAX MATTERS

Changes in tax or other laws, regulations or treaties, changes in our status under U.S. or non-U.S. laws or adverse determinations by taxing or other governmental authorities could increase our tax burden or otherwise affect our financial condition or operating results, as well as subject our shareholders to additional taxes.

The realization of any tax benefit related to our operations and corporate structure could be impacted by changes in tax or other laws, treaties or regulations or the interpretation or enforcement thereof by the U.S. or non-U.S. tax or other governmental authorities. Enacted comprehensive tax reform legislation in December 2017 known as the Tax Cuts and Jobs Act (the Act) made broad and complex changes to the U.S. tax code. As part of the migration from a worldwide system of taxation to a modified territorial system for corporations, the Act imposed a transition tax on certain unrepatriated earnings of non-U.S. subsidiaries and an additional annual U.S. tax on the earnings of certain non-U.S. subsidiaries. The Act also imposed new and substantial limitations on, and/or the elimination of, certain tax deductions (including interest) and credits (including foreign tax credits) that could adversely impact our effective tax rate or operating cash flows.

Notwithstanding this change in U.S. tax law, we continue to monitor for other tax changes, U.S. and non-U.S. related, which can also adversely impact our overall tax burden. From time to time, proposals have been made and/or legislation has been introduced to change the tax laws, regulations or interpretations thereof of various jurisdictions or limit tax treaty benefits that if enacted or implemented could materially increase our tax burden and/or effective tax rate and could have a material adverse impact on our financial condition and results of operations. Moreover, the Organisation for Economic Co-operation and Development has released proposals to create an agreed set of international rules for fighting base erosion and profit shifting, including Pillar One and Pillar Two, such that tax laws in countries in which we do business could change on a prospective or retroactive basis, and any such changes could adversely impact us. Finally, the European Commission has been very active in investigating whether various tax regimes or private tax rulings provided by a country to particular taxpayers may constitute State Aid. We cannot predict the outcome of any of these potential changes or investigations in any of the jurisdictions, but if any of the above occurs and impacts us, this could materially increase our tax burden and/or effective tax rate and could have a material adverse impact on our financial condition and results of operations.

While we monitor proposals and other developments that would materially impact our tax burden and/or effective tax rate and investigate our options, we could still be subject to increased taxation on a going forward basis no matter what action we undertake if certain legislative proposals or regulatory changes are enacted, certain tax treaties are amended and/or our interpretation of applicable tax or other laws is challenged and determined to be incorrect. In particular, any changes and/or differing interpretations of applicable tax law that have the effect of disregarding the shareholders' decision to reorganize in Ireland, limiting our ability to take advantage of tax treaties between jurisdictions, modifying or eliminating the deductibility of various currently deductible payments, or increasing the tax burden of operating or being resident in a particular country could subject us to increased taxation.

In addition, tax authorities periodically review tax returns filed by us and can raise issues regarding our filing positions, timing and amount of income or deductions, and the allocation of income among the jurisdictions in which we operate. These examinations on their own, or any subsequent litigation related to the examinations, may result in additional taxes or penalties against us. If the ultimate result of these audits differ from our original or adjusted estimates, they could have a material impact on our tax provision.

RISKS RELATED TO OUR REVERSE MORRIS TRUST TRANSACTION

On February 29, 2020 (the Distribution Date), we completed our Reverse Morris Trust transaction (the Transaction) with Gardner Denver Holdings, Inc. (Gardner Denver, which changed its name to Ingersoll Rand Inc. after the Transaction) whereby we distributed Ingersoll-Rand U.S. HoldCo, Inc., which contained our former Industrial segment (Ingersoll Rand Industrial), through a pro rata distribution (the Distribution) to our shareholders of record as of February 24, 2020. Ingersoll Rand Industrial then merged with a wholly-owned subsidiary of Gardner Denver. Upon close of the Transaction, our existing shareholders received approximately 50.1% of the shares of Gardner Denver common stock on a fully-diluted basis and Gardner Denver stockholders retained approximately 49.9% of the shares of Gardner Denver on a fully diluted basis. As a result, our shareholders received 0.8824 shares of Gardner Denver common stock with respect to each share of our stock owned as of February 24, 2020. In connection with the Transaction, Ingersoll-Rand Services Company, an affiliate of Ingersoll Rand Industrial, borrowed an aggregate principal amount of \$1.9 billion under a senior secured first lien term loan facility (the Term Loan), the proceeds of which were transferred to one of our wholly-owned subsidiaries. The obligations under the Term Loan were retained by Ingersoll-Rand Services Company, which following the Transaction is a wholly-owned subsidiary of Ingersoll Rand Inc. Following the Transaction, our Company was renamed Trane Technologies plc and trades under the symbol "TT" on the NYSE.

If the Distribution is determined to be taxable for Irish tax purposes, significant Irish tax liabilities may arise for our shareholders.

We received an opinion from Irish Revenue regarding certain tax matters associated with the Distribution, as well as a legal opinion from our Irish counsel Arthur Cox, regarding certain Irish tax consequences for shareholders of the Distribution. For our shareholders that are not resident or ordinarily resident in Ireland for Irish tax purposes and that do not hold their shares in connection with a trade or business carried on by such shareholders through an Irish branch or agency, we consider, based on both opinions taken together, that no adverse Irish tax consequences for such shareholders should have arisen. These opinions relied on certain facts and assumptions and certain representations. Notwithstanding the opinion from Irish Revenue, Irish Revenue could ultimately determine on audit that the Distribution is

taxable for Irish tax purposes, for example, if it determines that any of these facts, assumptions or representations are not correct or have been violated. A legal opinion represents the tax adviser's best legal judgment and is not binding on Irish Revenue or the courts and Irish Revenue or the courts may not agree with the legal opinion. In addition, the legal opinion is based on current law and cannot be relied upon if current law changes with retroactive effect. If the Distribution ultimately is determined to be taxable for Irish tax purposes, certain of our shareholders and we could have significant Irish tax liabilities as a result of the Distribution, and there could be a material adverse impact on our business, financial condition, results of operations and cash flows in future reporting periods.

If the Distribution together with certain related transactions do not qualify as tax-free under Sections 355 and 368(a) of the Code, including as a result of subsequent acquisitions of stock of the Company or Ingersoll Rand Inc., then the Company and our shareholders may be required to pay substantial U.S. federal income taxes, and Ingersoll Rand Inc. may be obligated to indemnify the Company for such taxes imposed on the Company.

We received an opinion from our U.S. tax counsel Paul, Weiss, Rifkind, Wharton & Garrison LLP (Paul Weiss) substantially to the effect that, for U.S. federal income tax purposes, the Distribution together with certain related transactions undertaken in anticipation of the Distribution and taking into account the merger of Ingersoll Rand Industrial with the wholly-owned subsidiary of Gardner Denver will qualify as a tax-free transaction under Sections 368(a), 361 and 355 of the Code, with the result that we and our shareholders will not recognize any gain or loss for U.S. federal income tax purposes as a result of the spin-off. The opinion of our counsel was based on, among other things, certain representations and assumptions as to factual matters made by Gardner Denver, Ingersoll Rand Industrial and the Company. The failure of any factual representation or assumption to be true, correct and complete in all material respects could adversely affect the validity of the opinion of counsel. An opinion of counsel represents counsel's best legal judgment, is not binding on the Internal Revenue Service (IRS) or the courts, and the IRS or the courts may not agree with the opinion. In addition, the opinion will be based on current law, and cannot be relied upon if current law changes with retroactive effect. If the Distribution, and/or related internal transactions in anticipation of the Distribution ultimately are determined to be taxable, we could incur significant U.S. federal income tax liabilities, which could cause a material adverse impact on our business, financial condition, results of operations and cash flows in future reporting periods, although if this determination resulted from certain actions taken by Ingersoll Rand Industrial or Ingersoll Rand Inc., Ingersoll Rand Inc. would be required to bear the cost of any resultant tax liability pursuant to the terms of the Tax Matters Agreement.

The Distribution will be taxable to the Company pursuant to Section 355(e) of the Code if there is a 50% or greater change in ownership of either the Company or Ingersoll Rand Industrial, directly or indirectly (including through such a change in ownership of Ingersoll Rand Inc.), as part of a plan or series of related transactions that include the Distribution. A Section 355(e) change of ownership would not make the Distribution taxable to our shareholders, but instead may result in corporate-level taxable gain to certain of our subsidiaries. Because our shareholders will collectively be treated as owning more than 50% of the Ingersoll Rand Inc. common stock following the merger, the merger alone should not cause the Distribution to be taxable to our subsidiaries under Section 355(e). However, Section 355(e) might apply if other acquisitions of stock of the Company before or after the merger, or of Ingersoll Rand Inc. before or after the merger, are considered to be part of a plan or series of related transactions that include the Distribution together with certain related transactions. If Section 355(e) applied, certain of our subsidiaries might recognize a very substantial amount of taxable gain, although if this applied as a result of certain actions taken by Ingersoll Rand Industrial, Ingersoll Rand Inc. or certain specified Ingersoll Rand Inc. stockholders, Ingersoll Rand Inc. would be required to bear the cost of any resultant tax liability under Section 355(e) pursuant to the terms of the Tax Matters Agreement.

If the merger does not qualify as a tax-free reorganization under Section 368(a) of the Code, our shareholders may be required to pay substantial U.S. federal income taxes.

We have received an opinion from Paul Weiss, and Ingersoll Rand Inc. has received an opinion from their counsel Simpson Thacher & Bartlett LLP, substantially to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code with the result that U.S. holders of Ingersoll Rand Industrial common stock who received Gardner Denver common stock in the merger will not recognize any gain or loss for U.S. federal income tax purposes (except with respect to cash received in lieu of fractional shares of Gardner Denver common stock). These opinions were based upon, among other things, certain representations and assumptions as to factual matters made by Ingersoll Rand Inc., the Company, Ingersoll Rand Industrial and the merger subsidiary used by Ingersoll Rand Inc. The failure of any factual representation or assumption to be true, correct and complete in all material respects could

adversely affect the validity of the opinions. An opinion of counsel represents counsel's best legal judgment, is not binding on the IRS or the courts, and the IRS or the courts may not agree with the opinion. In addition, the opinions will be based on current law, and cannot be relied upon if current law changes with retroactive effect. If the merger were taxable, U.S. holders of Ingersoll Rand Industrial would be considered to have made a taxable sale of their Ingersoll Rand Industrial common stock to Ingersoll Rand Inc., and such U.S. holders of Ingersoll Rand Industrial would generally recognize taxable gain or loss on their receipt of Ingersoll Rand Inc. common stock in the merger.

RISKS RELATED TO OUR IRISH DOMICILE

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

The United States currently does not have a treaty with Ireland providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. As such, there is some uncertainty as to whether the courts of Ireland would recognize or enforce judgments of U.S. courts obtained against us or our directors or officers based on U.S. federal or state civil liability laws, including the civil liability provisions of the U.S. federal or state securities laws, or hear actions against us or those persons based on those laws.

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

Irish law allows shareholders to authorize share capital which then can be issued by a board of directors without shareholder approval. Also, subject to specified exceptions, Irish law grants statutory pre-emptive rights to existing shareholders to subscribe for new issuances of shares for cash, but allows shareholders to authorize the waiver of the statutory pre-emptive rights with respect to any particular allotment of shares. Under Irish law, we must have authority from our shareholders to issue any shares, including shares that are part of the Company's authorized but unissued share capital. In addition, unless otherwise authorized by its shareholders, when an Irish company issues shares for cash to new shareholders, it is required first to offer those shares on the same or more favorable terms to existing shareholders on a pro-rata basis. If we are unable to obtain these authorizations from our shareholders, or are otherwise limited by the terms of our authorizations, our ability to issue shares or otherwise raise capital could be adversely affected.

Dividends received by our shareholders may be subject to Irish dividend withholding tax.

In certain circumstances, we are required to deduct Irish dividend withholding tax (currently at the rate of 25%) from dividends paid to our shareholders. In the majority of cases, shareholders resident in the United States will not be subject to Irish withholding tax, and shareholders resident in a number of other countries will not be subject to Irish withholding tax provided that they complete certain Irish dividend withholding tax forms. However, some shareholders may be subject to withholding tax, which could have an adverse impact on the price of our shares.

Dividends received by our shareholders could be subject to Irish income tax.

Dividends paid in respect of our shares will generally not be subject to Irish income tax where the beneficial owner of these dividends is exempt from dividend withholding tax, unless the beneficial owner of the dividend has some connection with Ireland other than his or her shareholding in Trane Technologies plc.

Our shareholders who receive their dividends subject to Irish dividend withholding tax will generally have no further liability to Irish income tax on the dividends unless the beneficial owner of the dividend has some connection with Ireland other than his or her shareholding in Trane Technologies plc.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

As of December 31, 2020, we owned or leased a total of approximately 26 million square feet of space worldwide. Manufacturing and assembly operations are conducted in 35 plants across the world. We also maintain various warehouses, offices and repair centers throughout the world. The majority of our plant facilities are owned by us with the remainder under long-term lease arrangements. We believe that our plants have been well maintained, are generally in good condition and are suitable for conducting our business.

The locations by segment of our principal plant facilities at December 31, 2020 were as follows:

AMERICAS	EMEA	ASIA PACIFIC
Arecibo, Puerto Rico	Barcelona, Spain	Bangkok, Thailand
Brampton, Ontario	Bari, Italy	Taicang, China
Charlotte, North Carolina	Charmes, France	Wujiang, China
Clarksville, Tennessee	Essen, Germany	Zhongshan, China
Columbia, South Carolina	Galway, Ireland	
Curitiba, Brazil	Golbey, France	
Fairlawn, New Jersey	King Abdullah Economic City, Saudi Arabia	
Fort Smith, Arkansas	Kolin, Czech Republic	
Fremont, Ohio		
Grand Rapids, Michigan		
Hastings, Nebraska		
La Crosse, Wisconsin		
Lexington, Kentucky		
Lynn Haven, Florida		
Monterrey, Mexico		
Newberry, South Carolina		
Pueblo, Colorado		
Rushville, Indiana		
St. Paul, Minnesota		
Trenton, New Jersey		
Tyler, Texas		
Vidalia, Georgia		
Waco, Texas		

Item 3. Legal Proceedings

In the normal course of business, we are involved in a variety of lawsuits, claims and legal proceedings, including commercial and contract disputes, employment matters, product liability and product defect claims, asbestos-related claims, environmental liabilities, intellectual property disputes, and tax-related matters. In our opinion, pending legal matters are not expected to have a material adverse impact on our results of operations, financial condition, liquidity or cash flows.

ASBESTOS-RELATED MATTERS

On the Petition Date, Aldrich and Murray each filed a voluntary petition for reorganization under Chapter 11 of the Bankruptcy Code. As a result of the Chapter 11 filings, all asbestos-related lawsuits against Aldrich and Murray have been stayed due to the imposition of a statutory automatic stay applicable in Chapter 11 bankruptcy cases. Only Aldrich and Murray have filed for Chapter 11 relief. Neither Aldrich's wholly-owned subsidiary, 200 Park, Murray's wholly-owned subsidiary, ClimateLabs, Trane Technologies plc nor the Trane Companies are part of the Chapter 11 filings.

The goal of these Chapter 11 filings is an efficient and permanent resolution of all current and future asbestos claims through court approval of a plan of reorganization, which would establish, in accordance with section 524(g) of the Bankruptcy Code, a trust to pay all asbestos claims. Such a resolution, if achieved, would likely include a channeling injunction to enjoin asbestos claims resolved in the Chapter 11 cases from being filed or pursued against us or our affiliates. The Chapter 11 cases remain pending as of December 31, 2020.

Prior to the Petition Date, certain of our wholly-owned subsidiaries and former companies were named as defendants in asbestos-related lawsuits in state and federal courts. In virtually all of the suits, a large number of other companies have also been named as defendants. The vast majority of those claims allege injury caused by exposure to asbestos contained in certain historical products, primarily pumps, boilers and railroad brake shoes. None of our existing or previously-owned businesses were a producer or manufacturer of asbestos.

See also the discussion in Note 22 to the Consolidated Financial Statements.

Item 4. Mine Safety Disclosures

None.

Part II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Information regarding the principal market for our ordinary shares and related shareholder matters is as follows:

Our ordinary shares are traded on the New York Stock Exchange under the symbol TT. As of February 1, 2021, the approximate number of record holders of ordinary shares was 2,656.

ISSUER PURCHASES OF EQUITY SECURITIES

The following table provides information with respect to purchases by us of our ordinary shares during the quarter ended December 31, 2020:

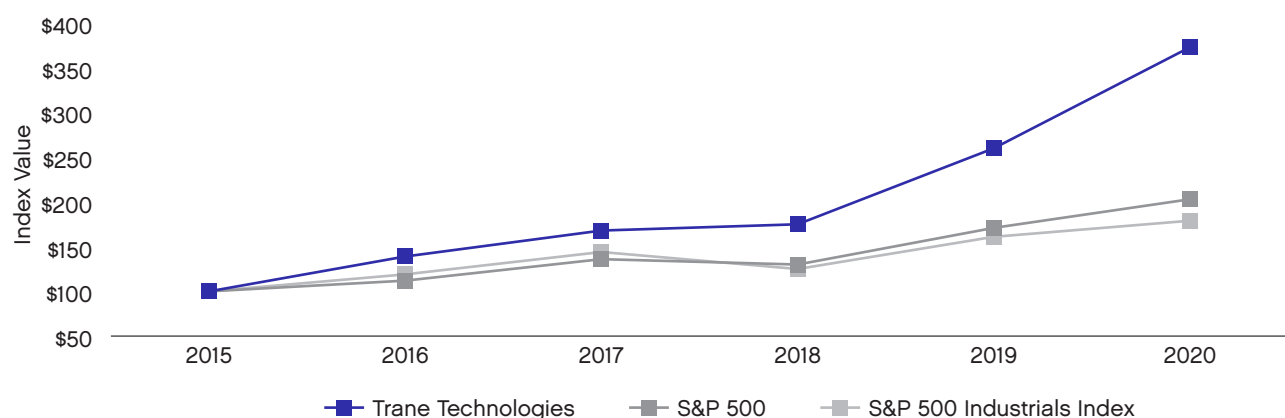
PERIOD	TOTAL NUMBER OF SHARES PURCHASED (000'S) ^{(a)(b)}	AVERAGE PRICE PAID PER SHARE ^{(a)(b)}	TOTAL NUMBER OF SHARES PURCHASED AS PART OF PROGRAM (000'S) ^(a)	APPROXIMATE DOLLAR VALUE OF SHARES STILL AVAILABLE TO BE PURCHASED UNDER THE PROGRAM (\$000'S) ^(a)
October 1 - October 31	6.9	\$ 122.56	—	\$ 749,959
November 1 - November 30	832.2	143.05	832.2	\$ 630,910
December 1 - December 31	922.9	142.06	921.9	\$ 499,956
Total	1,762.0	\$ 142.45	1,754.1	

^(a) Share repurchases are made from time to time in accordance with management's capital allocation strategy, subject to market conditions and regulatory requirements. In October 2018, our Board of Directors authorized the repurchase of up to \$1.5 billion of our ordinary shares under a share repurchase program (2018 Authorization) upon completion of the prior authorized share repurchase program. During the fourth quarter of 2020, we repurchased and canceled approximately \$250 million of our ordinary shares leaving approximately \$500 million remaining under the 2018 Authorization.

^(b) We may also reacquire shares outside of the repurchase program from time to time in connection with the surrender of shares to cover taxes on vesting of share based awards. We reacquired 6,925 shares in October and 1,045 shares in December in transactions outside the repurchase programs.

PERFORMANCE GRAPH

The following graph compares the cumulative total shareholder return on our ordinary shares with the cumulative total return on (i) the Standard & Poor's 500 Stock Index and (ii) the Standard & Poor's 500 Industrial Index for the five years ended December 31, 2020. The graph assumes an investment of \$100 in our ordinary shares (adjusted for the Transaction), the Standard & Poor's 500 Stock Index and the Standard & Poor's 500 Industrial Index on December 31, 2015 and assumes the reinvestment of dividends.



COMPANY/INDEX	2015	2016	2017	2018	2019	2020
Trane Technologies	100	139	168	175	260	373
S&P 500	100	112	136	130	171	203
S&P 500 Industrials Index	100	119	144	125	161	179

Item 6. Selected Financial Data

In connection with the completion of the Transaction, we do not beneficially own any Ingersoll Rand Industrial shares of common stock and no longer consolidate Ingersoll Rand Industrial in our financial statements. As a result, the following *Selected Financial Data* presents the results of Ingersoll Rand Industrial as a discontinued operation for periods prior to the Distribution date.

In millions, except per share amounts:

AT AND FOR THE YEARS ENDED DECEMBER 31,	2020	2019	2018	2017	2016
Net revenues	\$ 12,454.7	\$ 13,075.9	\$ 12,343.8	\$ 11,167.5	\$ 10,545.0
Net earnings (loss) attributable to Trane Technologies plc ordinary shareholders:					
Continuing operations	977.2	1,145.1	1,007.8	1,072.8	1,222.2
Discontinued operations	(122.3)	265.8	329.8	229.8	254.0
Total assets	18,156.7	20,492.3	17,914.9	18,173.3	17,397.4
Total debt	5,272.1	5,573.2	4,091.2	4,064.0	4,070.1
Total Trane Technologies plc shareholders' equity	6,407.7	7,267.6	7,022.7	7,140.3	6,643.8
Earnings (loss) per share attributable to Trane Technologies plc ordinary shareholders:					
Basic:					
Continuing operations	\$ 4.07	\$ 4.74	\$ 4.08	\$ 4.21	\$ 4.72
Discontinued operations	(0.51)	1.10	1.33	0.90	0.98
Diluted:					
Continuing operations	\$ 4.02	\$ 4.69	\$ 4.03	\$ 4.16	\$ 4.67
Discontinued operations	(0.50)	1.08	1.32	0.89	0.98
Dividends declared per ordinary share	\$ 2.12	\$ 2.12	\$ 1.96	\$ 1.70	\$ 1.36

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from the results discussed in the forward-looking statements. Factors that might cause a difference include, but are not limited to, those discussed under Item 1A. Risk Factors in this Annual Report on Form 10-K. The following section is qualified in its entirety by the more detailed information, including our financial statements and the notes thereto, which appears elsewhere in this Annual Report.

This section discusses 2020 and 2019 items and year-to-year comparisons between 2020 and 2019. Discussions of 2018 items and year-to-year comparisons between 2019 and 2018 have been excluded in this Form 10-K and can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of our Annual Report on Form 10-K for year ended December 31, 2019.

OVERVIEW

ORGANIZATIONAL

Trane Technologies plc is a global climate innovator. We bring efficient and sustainable climate solutions to buildings, homes and transportation driven by strategic brands Trane® and Thermo King® and an environmentally responsible portfolio of products and services. Prior to the separation of our Industrial segment on February 29, 2020, we announced a new organizational model and business segment structure designed to enhance our regional go-to-market capabilities, aligning the structure with our strategy and increased focus on climate innovation. Under the revised structure, we created three new regional operating segments from the former climate segment, which also serve as our reportable segments.

- Our Americas segment innovates for customers in the North America and Latin America regions. The Americas segment encompasses commercial heating and cooling systems, building controls, and energy services and solutions; residential heating and cooling; and transport refrigeration systems and solutions.
- Our EMEA segment innovates for customers in the Europe, Middle East and Africa regions. The EMEA segment encompasses heating and cooling systems, services and solutions for commercial buildings, and transport refrigeration systems and solutions.
- Our Asia Pacific segment innovates for customers throughout the Asia Pacific region. The Asia Pacific segment encompasses heating and cooling systems, services and solutions for commercial buildings and transport refrigeration systems and solutions.

This model is designed to create deep customer focus and relevance in markets around the world. All prior period comparative segment information has been recast to reflect the current reportable segments.

SEPARATION OF INDUSTRIAL SEGMENT BUSINESS

On February 29, 2020 (Distribution Date), we completed our Reverse Morris Trust transaction (the Transaction) with Gardner Denver Holdings, Inc. (Gardner Denver, which changed its name to Ingersoll Rand Inc. after the Transaction) whereby we distributed Ingersoll-Rand U.S. HoldCo, Inc., which contained our former Industrial segment (Ingersoll Rand Industrial), through a pro rata distribution (the Distribution) to our shareholders of record as of February 24, 2020. Ingersoll Rand Industrial then merged into a wholly-owned subsidiary of Gardner Denver. Upon close of the Transaction, our existing shareholders received approximately 50.1% of the shares of Gardner Denver common stock on a fully-diluted basis and Gardner Denver stockholders retained approximately 49.9% of the shares of Gardner Denver on a fully diluted basis. As a result, our shareholders received .8824 shares of Gardner Denver common stock with respect to each share owned as of February 24, 2020. In connection with the Transaction, Ingersoll-Rand Services Company, an affiliate of Ingersoll Rand Industrial, borrowed an aggregate principal amount of \$1.9 billion under a senior secured first lien term loan facility (Term Loan), the proceeds of which were used to make a special cash payment of \$1.9 billion to a subsidiary of ours. The obligations under the Term Loan were retained by Ingersoll-Rand Services Company, which following the Transaction is a wholly-owned subsidiary of Gardner Denver.

In connection with the Transaction, we entered into several agreements covering supply, administrative and tax matters to provide or obtain services on a transitional basis for varying periods after the Distribution Date. The agreements cover services such as manufacturing, information technology, human resources and finance. Income and expenses under these agreements were not material. In accordance with several customary transaction-related agreements between us and Gardner Denver, the parties are in a process to determine final adjustments to working capital, cash and indebtedness amounts as of the Distribution Date, as well as another process to determine funding levels related to pension plans, non-qualified deferred compensation plans and retiree health benefits. As of December 31, 2020, both are ongoing in accordance with the transaction-related agreements. Upon finalization of these agreements, any adjustments will be recognized within *Retained earnings*.

SIGNIFICANT EVENTS

COVID-19 GLOBAL PANDEMIC

In March 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a newly discovered coronavirus, known now as COVID-19, as a global pandemic and recommended containment and mitigation measures worldwide. Beginning in the first quarter of 2020, many countries responded by implementing measures to combat the outbreak which impacted global business operations and resulted in our decision to temporarily close or limit our workforce to essential crews within many facilities throughout the world in order to ensure employee safety. In addition, our non-essential employees were instructed to work from home in compliance with global government stay-in-place protocols.

We have been adversely impacted by the COVID-19 global pandemic. Temporary facility closures beginning in the first quarter of 2020 disrupted results in the Asia Pacific region with impacts more widely felt throughout operations in the Americas and EMEA in the months thereafter. During the second quarter of 2020, we began to reopen facilities while maintaining appropriate health and safety precautions. However, the challenges in connection with the pandemic continued as we experienced lower volume, which negatively impacted revenue, and certain supply chain delays. In response, we proactively initiated cost cutting actions in an effort to mitigate the impact of the pandemic on our business. This included reducing discretionary spending, restricting travel, delaying merit-based salary increases and implementing employee furloughs in certain markets.

We continue to navigate the new realities brought about by the COVID-19 global pandemic as well as any impact on our liquidity needs and ability to access capital markets. Despite these challenges, all production facilities remain open and we continue to sell, install and service our products. During the second half of 2020, we did not experience any major delays in our supply chain and continued to focus on health and safety precautions to protect our employees and customers. In addition, during the fourth quarter of 2020 we completed several restorative actions including the reinstatement of annual merit-based salary increases and resuming all aspects of our balanced capital allocation strategy which included acquisitions and share repurchases. Operationally, our financial reporting systems, internal control over financial reporting and disclosure controls and procedures continue to operate effectively despite a remote workforce of non-essential front-line employees. We will continue to monitor the ongoing situation as it evolves globally and will assess any potential impacts to our business and financial position.

The preparation of financial statements requires management to use judgments in making estimates and assumptions based on the relevant information available at the end of each period. These estimates and assumptions have a significant effect on reported amounts of assets and liabilities, revenue and expenses, as well as the disclosure of contingencies because they may arise from matters that are inherently uncertain. The financial statements reflect our best estimates as of December 31, 2020 (including as it relates to the actual and potential future impacts of the COVID-19 global pandemic) with respect to the recoverability of our assets, including our receivables and long-lived assets such as goodwill and intangibles. However, due to significant uncertainty surrounding the COVID-19 global pandemic, management's judgment regarding this could change in the future. In addition, while our results of operations, cash flows and financial condition could be negatively impacted, the extent of the impact cannot be estimated with certainty at this time.

As part of the response to COVID-19 global pandemic, many countries implemented emergency economic relief plans as a way of minimizing the economic impact of this health crisis. We are evaluating the potential benefits from certain of these measures and will continue to monitor the plans as they are finalized and implemented. In the United States, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted on March 27, 2020 providing numerous tax

provisions and other stimulus measures. We are currently applying the CARES Act to our operations, which includes the deferral of employer social security payroll tax payments under the CARES Act through January 1, 2021, with 50 percent owed on December 31, 2021 and the other half owed on December 31, 2022.

REORGANIZATION OF ALDRICH AND MURRAY

On the Petition Date, Aldrich and Murray each filed a voluntary petition for reorganization under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court. As a result of the Chapter 11 filings, all asbestos-related lawsuits against Aldrich and Murray have been stayed due to the imposition of a statutory automatic stay applicable in Chapter 11 bankruptcy cases. Only Aldrich and Murray have filed for Chapter 11 relief. Neither Aldrich's wholly-owned subsidiary, 200 Park, Murray's wholly-owned subsidiary, ClimateLabs, Trane Technologies plc nor the Trane Companies are part of the Chapter 11 filings.

The goal of these Chapter 11 filings is an efficient and permanent resolution of all current and future asbestos claims through court approval of a plan of reorganization, which would establish, in accordance with section 524(g) of the Bankruptcy Code, a trust to pay all asbestos claims. Such a resolution, if achieved, would likely include a channeling injunction to enjoin asbestos claims resolved in the Chapter 11 cases from being filed or pursued against us or our affiliates. The Chapter 11 cases remain pending as of December 31, 2020.

From an accounting perspective, we no longer have control over Aldrich and Murray as of the Petition Date as their activities are subject to review and oversight by the Bankruptcy Court. Therefore, Aldrich and its wholly-owned subsidiary 200 Park and Murray and its wholly-owned subsidiary ClimateLabs were deconsolidated as of the Petition Date and their respective assets and liabilities were derecognized from our Consolidated Financial Statements. As a result, we recorded an equity investment for an aggregate of \$536 million within *Other noncurrent assets* in the Consolidated Balance Sheet. Simultaneously, we recognized a liability of \$248.8 million within *Other noncurrent liabilities* in the Consolidated Balance Sheet related to our obligation under the Funding Agreements. The liability recorded may be subject to change based on the facts and circumstances of the Chapter 11 proceedings.

As a result of these actions, we recognized an aggregate loss of \$24.9 million in our Consolidated Statements of Comprehensive Income. A gain of \$0.9 million related to Murray and its wholly-owned subsidiary ClimateLabs was recorded within *Other income/(expense)*, net and a loss of \$25.8 million related to Aldrich and its wholly-owned subsidiary 200 Park was recorded within *Discontinued operations, net of tax*. Additionally, the deconsolidation resulted in an investing cash outflow of \$41.7 million in our Consolidated Statements of Cash Flows, of which \$10.8 million was recorded within continuing operations.

ISSUANCE OF SENIOR NOTES

In March 2019, we issued \$1.5 billion principal amount of senior notes in three tranches through Trane Technologies Luxembourg Finance S.A., an indirect, wholly-owned subsidiary. The tranches consist of \$400 million aggregate principal amount of 3.500% senior notes due 2026, \$750 million aggregate principal amount of 3.800% senior notes due 2029 and \$350 million aggregate principal amount of 4.500% senior notes due 2049.

TRENDS AND ECONOMIC EVENTS

We are a global corporation with worldwide operations. As a global business, our operations are affected by worldwide, regional and industry-specific economic factors as well as political and social factors wherever we operate or do business. Our geographic diversity and the breadth of our product and services portfolios have helped mitigate the impact of any one industry or the economy of any single country on our consolidated operating results.

Given our broad range of products manufactured and geographic markets served, management uses a variety of factors to predict the outlook for our company. We monitor key competitors and customers in order to gauge relative performance and the outlook for the future. We regularly perform detailed evaluations of the different market segments we are serving to proactively detect trends and to adapt our strategies accordingly. In addition, we believe our order rates are indicative of future revenue and thus are a key measure of anticipated performance.

Current economic conditions are uncertain as a result of the COVID-19 global pandemic, impacting both the global Heating, Ventilation and Air Conditioning (HVAC) and Transport end-markets as well as limiting visibility in the factors used to predict the outlook for our company. Entering 2021, market conditions are expected to improve as vaccine distribution expands across the geographies where we serve our customers.

We believe we have a solid foundation of global brands that are highly differentiated in all of our major product lines. Our geographic and product diversity coupled with our large installed product base provides growth opportunities within our service, parts and replacement revenue streams. In addition, we are investing substantial resources to innovate and develop new products and services which we expect will drive our future growth.

RESULTS OF OPERATIONS

In connection with the completion of the Transaction, we do not beneficially own any Ingersoll Rand Industrial shares of common stock and no longer consolidate Ingersoll Rand Industrial in our financial statements. As a result, the following *Management's Discussion and Analysis of Financial Condition and Results of Operations* presents the results of Ingersoll Rand Industrial as a discontinued operation for periods prior to the Distribution date. In addition, the assets and liabilities of Ingersoll Rand Industrial have been recast to held-for-sale at December 31, 2019.

YEAR ENDED DECEMBER 31, 2020 COMPARED TO THE YEAR ENDED DECEMBER 31, 2019 - CONSOLIDATED RESULTS

DOLLAR AMOUNTS IN MILLIONS	2020	2019	PERIOD CHANGE	2020% OF REVENUES	2019% OF REVENUES
Net revenues	\$ 12,454.7	\$ 13,075.9	\$ (621.2)		
Cost of goods sold	(8,651.3)	(9,085.5)	434.2	69.5%	69.5%
Gross profit	3,803.4	3,990.4	(187.0)	30.5%	30.5%
Selling and administrative expenses	(2,270.6)	(2,320.3)	49.7	18.2%	17.7%
Operating income	1,532.8	1,670.1	(137.3)	12.3%	12.8%
Interest expense	(248.7)	(242.8)	(5.9)		
Other income/(expense), net	4.1	(28.4)	32.5		
Earnings before income taxes	1,288.2	1,398.9	(110.7)		
Benefit (provision) for income taxes	(296.8)	(238.6)	(58.2)		
Earnings from continuing operations	991.4	1,160.3	(168.9)		
Discontinued operations, net of tax	(121.4)	268.2	(389.6)		
Net earnings	\$ 870.0	\$ 1,428.5	\$ (558.5)		

NET REVENUES

Net revenues for the year ended December 31, 2020 decreased by 4.8%, or \$621.2 million, compared with the same period of 2019. The components of the period change are as follows:

Volume	(5.5)%
Pricing	0.8%
Currency translation	(0.1)%
Total	(4.8)%

During 2020, we were impacted by the economic environment resulting from the COVID-19 global pandemic; however, strong operational results during the second half of the year mitigated a challenging first half. The decrease in *Net revenues* is primarily related to lower volumes across each of our segments. Temporary facility closures beginning in the first quarter of 2020 disrupted results in the Asia Pacific region with impacts more widely felt throughout operations in the Americas and EMEA in the months thereafter. Unfavorable foreign currency exchange rate movements further contributed to the year-over-year decrease, partially offset by improved pricing. Refer to the "Results by Segment" below for a discussion of *Net Revenues* by segment.

GROSS PROFIT MARGIN

Gross profit margin for the year ended December 31, 2020 remained flat at 30.5% compared to the same period of 2019. Gross profit margin was favorably impacted by improved pricing, cost containment initiatives and deflation. However, these favorable impacts were offset by unfavorable product mix due to lower volumes on higher margin products and the under absorption of fixed production overhead costs.

SELLING AND ADMINISTRATIVE EXPENSES

Selling and administrative expenses for the year ended December 31, 2020 decreased by 2.1%, or \$49.7 million, compared with the same period of 2019. Due to the COVID-19 global pandemic, we initiated cost containment actions in order to mitigate its impacts on our business including reduced discretionary spending, employee furloughs in certain regions and a six-month delay to annual merit-based salary increases. These amounts were partially offset by higher spending on restructuring and transformation initiatives associated with the completion of the Transaction. However, selling and administrative expenses as a percentage of net revenues for the year ended December 31, 2020 increased 50 basis points from 17.7% to 18.2% primarily due to lower comparable revenue year-over-year.

INTEREST EXPENSE

Interest expense for the year ended December 31, 2020 increased by \$5.9 million compared with the same period of 2019 due to the \$1.5 billion issuance of Senior notes during the first quarter of 2019. The increase was partially offset by the redemption of 2.625% Senior notes in April 2020 of \$300.0 million and repayment of commercial paper of \$179.0 million during the third quarter of 2019.

OTHER INCOME/(EXPENSE), NET

The components of *Other income/(expense), net*, for the years ended December 31 are as follows:

IN MILLIONS	2020	2019
Interest income/(loss)	\$ 4.5	\$ 0.6
Foreign currency exchange gain (loss)	(10.0)	(9.5)
Other components of net periodic benefit cost	(14.7)	(34.9)
Other activity, net	24.3	15.4
Other income/(expense), net	\$ 4.1	\$ (28.4)

Other income/(expense), net includes the results from activities other than normal business operations such as interest income and foreign currency gains and losses on transactions that are denominated in a currency other than an entity's functional currency. In addition, we include the components of net periodic benefit cost for pension and post retirement obligations other than the service cost component. Other activity, net includes items associated with certain legal matters as well as asbestos-related activities through the Petition Date. During the year ended December 31, 2020, we recorded a \$174 million adjustment to correct an overstatement of a legacy legal liability that originated in prior years and a gain of \$0.9 million related to the deconsolidation of Murray and its wholly-owned subsidiary ClimateLabs within other activity, net.

PROVISION FOR INCOME TAXES

The 2020 effective tax rate was 23.0% which was higher than the U.S. Statutory rate of 21% due to a \$36.5 million non-cash charge related to the establishment of valuation allowances on net deferred tax assets, primarily net operating losses in certain tax jurisdictions and the write-off of a carryforward tax attribute as a result of the completion of the Transaction, U.S. state and local taxes and certain non-deductible employee expenses. These amounts were partially offset by excess tax benefits from employee share-based payments, a \$14.0 million benefit primarily related to a reduction in valuation allowances on deferred taxes related to net operating losses as a result of a planned restructuring in a non-U.S. tax jurisdiction and foreign tax credits as a result of revised projections of future foreign source income and earnings in non-U.S. jurisdictions, which in aggregate have a lower effective tax rate. The impact of the changes in the valuation allowances and the write-off of the carryforward tax attribute increased the effective tax rate by 1.7%. Revenues from non-U.S. jurisdictions accounted for approximately 28% of our total 2020 revenues, such that a material portion of our pretax

income was earned and taxed outside the U.S. at rates ranging from 0% to 38%. When comparing the results of multiple reporting periods, among other factors, the mix of earnings between U.S. and foreign jurisdictions can cause variability in our overall effective tax rate.

The 2019 effective tax rate was 17.1% which is lower than the U.S. Statutory rate of 21% primarily due to a reduction in deferred tax asset valuation allowances for certain non-U.S. net deferred tax assets and excess tax benefits from employee share-based payments. These amounts were partially offset by U.S. state and local taxes, an increase in a deferred tax asset valuation allowance for certain state net deferred tax assets and certain non-deductible expenses. In addition, the reduction was also driven by earnings in non-U.S. jurisdictions, which in aggregate, have a lower effective tax rate. Revenues from non-U.S. jurisdictions accounted for approximately 31% of our total 2019 revenues, such that a material portion of our pretax income was earned and taxed outside the U.S. at rates ranging from 0% to 38%. When comparing the results of multiple reporting periods, among other factors, the mix of earnings between U.S. and foreign jurisdictions can cause variability in our overall effective tax rate.

DISCONTINUED OPERATIONS

The components of *Discontinued operations, net of tax* for the years ended December 31 are as follows:

IN MILLIONS	2020	2019
Net revenues	\$ 469.8	\$ 3,523.0
Pre-tax earnings (loss) from discontinued operations	(136.3)	397.5
Tax benefit (expense)	14.9	(129.3)
Discontinued operations, net of tax	\$ (121.4)	\$ 268.2

Discontinued operations are retained obligations from previously sold businesses, including amounts related to Ingersoll Rand Industrial as part of the completion of the Transaction and asbestos-related activities of Aldrich through the Petition Date. In addition, the year ended December 31, 2020 includes pre-tax Ingersoll Rand Industrial separation costs primarily related to legal, consulting and advisory fees of \$114.2 million and a loss of \$25.8 million related to the deconsolidation of Aldrich and its wholly-owned subsidiary 200 Park. The year ended December 31, 2019 includes \$94.6 million of pre-tax Ingersoll Rand Industrial separation costs.

The components of *Discontinued operations, net of tax* for the years ended December 31 are as follows:

IN MILLIONS	2020	2019
Ingersoll Rand Industrial, net of tax	\$ (84.9)	\$ 227.6
Other discontinued operations, net of tax	(36.5)	40.6
Discontinued operations, net of tax	\$ (121.4)	\$ 268.2

YEAR ENDED DECEMBER 31, 2020 COMPARED TO THE YEAR ENDED DECEMBER 31, 2019 - SEGMENT RESULTS

We operate under three regional operating segments designed to create deep customer focus and relevance in markets around the world.

- Our Americas segment innovates for customers in the North America and Latin America regions. The Americas segment encompasses commercial heating and cooling systems, building controls, and energy services and solutions; residential heating and cooling; and transport refrigeration systems and solutions.
- Our EMEA segment innovates for customers in the Europe, Middle East and Africa region. The EMEA segment encompasses heating and cooling systems, services and solutions for commercial buildings, and transport refrigeration systems and solutions.
- Our Asia Pacific segment innovates for customers throughout the Asia Pacific region. The Asia Pacific segment encompasses heating and cooling systems, services and solutions for commercial buildings and transport refrigeration systems and solutions.

Management measures operating performance based on net earnings excluding interest expense, income taxes, depreciation and amortization, restructuring, unallocated corporate expenses and discontinued operations (Segment Adjusted EBITDA). Segment Adjusted EBITDA is not defined under accounting principles generally accepted in the United States of America (GAAP) and may not be comparable to similarly-titled measures used by other companies and should not be considered a substitute for net earnings or other results reported in accordance with GAAP. We believe Segment Adjusted EBITDA provides the most relevant measure of profitability as well as earnings power and the ability to generate cash. This measure is a useful financial metric to assess our operating performance from period to period by excluding certain items that we believe are not representative of our core business and we use this measure for business planning purposes. Segment Adjusted EBITDA also provides a useful tool for assessing the comparability between periods and our ability to generate cash from operations sufficient to pay taxes, to service debt and to undertake capital expenditures because it eliminates non-cash charges such as depreciation and amortization expense.

The following discussion compares our results for each of our three reportable segments for the year ended December 31, 2020 compared to the year ended December 31, 2019.

DOLLAR AMOUNTS IN MILLIONS	2020	2019	% CHANGE
Americas			
Net revenues	\$ 9,685.9	\$ 10,059.5	(3.7)%
Segment Adjusted EBITDA	1,677.7	1,742.1	(3.7)%
Segment Adjusted EBITDA as a percentage of net revenues	17.3%	17.3%	
EMEA			
Net revenues	\$ 1,648.1	\$ 1,762.6	(6.5)%
Segment Adjusted EBITDA	265.7	267.7	(0.7)%
Segment Adjusted EBITDA as a percentage of net revenues	16.1%	15.2%	
Asia Pacific			
Net revenues	\$ 1,120.7	\$ 1,253.8	(10.6)%
Segment Adjusted EBITDA	188.8	182.8	3.3%
Segment Adjusted EBITDA as a percentage of net revenues	16.8%	14.6%	
Total Net revenues	\$ 12,454.7	\$ 13,075.9	(4.8)%
Total Segment Adjusted EBITDA	\$ 2,132.2	\$ 2,192.6	(2.8)%

AMERICAS

Net revenues for the year ended December 31, 2020 decreased by 3.7% or \$373.6 million, compared with the same period of 2019. The components of the period change are as follows:

Volume	(4.4)%
Pricing	1.0%
Currency translation	(0.3)%
Total	(3.7)%

During 2020, the Americas region was impacted by the economic environment resulting from the COVID-19 global pandemic; however, strong operational results during the second half of the year mitigated a challenging first half. The decrease in *Net revenues* primarily related to lower volumes in each of our businesses during the first half of 2020. In addition, unfavorable foreign currency exchange rate movements further contributed to the year-over-year decrease, partially offset by favorable pricing.

Segment Adjusted EBITDA margin for the year ended December 31, 2020 remained flat at 17.3% compared to the same period of 2019. Improved pricing, cost containment initiatives, deflation and lower spending on investments were offset by unfavorable product mix, lower volumes and under absorption of fixed production overhead costs.

EMEA

Net revenues for the year ended December 31, 2020 decreased by 6.5% or \$114.5 million, compared with the same period of 2019. The components of the period change are as follows:

Volume	(8.0)%
Pricing	0.3%
Currency translation	1.2%
Total	(6.5)%

During 2020, the EMEA region was heavily impacted by the economic environment resulting from the COVID-19 global pandemic. The decrease in *Net revenues* primarily related to lower volumes, partially offset by favorable foreign currency exchange rate movements and improved pricing.

Segment Adjusted EBITDA margin for the year ended December 31, 2020 increased by 90 basis points to 16.1% compared to 15.2% for the same period of 2019. The increase was primarily driven by cost containment initiatives, lower spending on investments, favorable foreign currency exchange rate movements and improved pricing. These amounts were partially offset by lower volumes, unfavorable product mix and under absorption of fixed production overhead costs.

ASIA PACIFIC

Net revenues for the year ended December 31, 2020 decreased by 10.6% or \$133.1 million, compared with the same period of 2019. The components of the period change are as follows:

Volume	(11.5)%
Pricing	0.5%
Currency translation	0.4%
Total	(10.6)%

During 2020, the Asia Pacific region was heavily impacted by the economic environment resulting from the COVID-19 global pandemic. The decrease in *Net revenues* primarily related to lower volumes since the beginning of the year, partially offset by improved pricing and favorable foreign currency exchange rate movements.

Segment Adjusted EBITDA margin for the year ended December 31, 2020 increased by 220 basis points to 16.8% compared to 14.6% for the same period of 2019. The increase was primarily driven by cost containment initiatives, improved pricing and deflation. These amounts were partially offset by lower volumes, unfavorable product mix and under absorption of fixed production overhead costs.

LIQUIDITY AND CAPITAL RESOURCES

We assess our liquidity in terms of our ability to generate cash to fund our operating, investing and financing activities. In doing so, we review and analyze our current cash on hand, the number of days our sales are outstanding, inventory turns, capital expenditure commitments and income tax payments. Our cash requirements primarily consist of the following:

- Funding of working capital
- Funding of capital expenditures
- Dividend payments
- Debt service requirements

Our primary sources of liquidity include cash balances on hand, cash flows from operations, proceeds from debt offerings, commercial paper, and borrowing availability under our existing credit facilities. We earn a significant amount of our operating income in jurisdictions where it is deemed to be permanently reinvested. Our most prominent jurisdiction of operation is the U.S. We expect existing cash and cash equivalents available to the U.S. operations, the cash generated by our U.S. operations, our committed credit lines as well as our expected ability to access the capital and debt markets

will be sufficient to fund our U.S. operating and capital needs for at least the next twelve months and thereafter for the foreseeable future. In addition, we expect existing non-U.S. cash and cash equivalents and the cash generated by our non-U.S. operations will be sufficient to fund our non-U.S. operating and capital needs for at least the next twelve months and thereafter for the foreseeable future. The maximum aggregate amount of unsecured commercial paper notes available to be issued, on a private placement basis, under the commercial paper program is \$2.0 billion, of which we had no outstanding balance as of December 31, 2020.

As of December 31, 2020, we had \$3,289.9 million of cash and cash equivalents on hand, of which \$2,471.2 million was held by non-U.S. subsidiaries. Cash and cash equivalents held by our non-U.S. subsidiaries are generally available for use in our U.S. operations via intercompany loans, equity infusions or via distributions from direct or indirectly owned non-U.S. subsidiaries for which we do not assert permanent reinvestment. As a result of the Tax Cuts and Jobs Act in 2017, additional repatriation opportunities to access cash and cash equivalents held by non-U.S. subsidiaries have been created. In general, repatriation of cash to the U.S. can be completed with no significant incremental U.S. tax. However, to the extent that we repatriate funds from non-U.S. subsidiaries for which we assert permanent reinvestment to fund our U.S. operations, we would be required to accrue and pay applicable non-U.S. taxes. As of December 31, 2020, we currently have no plans to repatriate funds from subsidiaries for which we assert permanent reinvestment.

Share repurchases are made from time to time in accordance with management's balanced capital allocation strategy, subject to market conditions and regulatory requirements. In October 2018, our Board of Directors authorized the repurchase of up to \$1.5 billion of our ordinary shares under a share repurchase program (2018 Authorization) upon completion of the prior authorized share repurchase program. No material amounts were repurchased under this program in 2018. During the year ended December 31, 2019, we repurchased and canceled approximately \$750 million of our ordinary shares leaving approximately \$750 million remaining under the 2018 Authorization. During the year ended December 31, 2020, we repurchased and canceled approximately \$250 million of our ordinary shares leaving approximately \$500 million remaining under the 2018 Authorization. Additionally, through February 9, 2021, we repurchased approximately \$100 million of our ordinary shares under the 2018 Authorization. In February 2021, our Board of Directors authorized the repurchase of up to \$2.0 billion of our ordinary shares under a new share repurchase program (2021 Authorization) upon completion of the 2018 Authorization.

In June 2018, we announced an increase in our quarterly share dividend from \$0.45 to \$0.53 per ordinary share. This reflected an 18% increase that began with our September 2018 payment and an 83% increase since the beginning of 2016. In February 2021, we announced an 11% increase in our quarterly share dividend from \$0.53 to \$0.59 per ordinary share that will begin with our March 2021 payment.

We continue to actively manage and strengthen our business portfolio to meet the current and future needs of our customers. We achieve this partly through engaging in research and development and sustaining activities and partly through acquisitions. Each year, we make a significant investment in new product development and new technology innovation as they are key factors in achieving our strategic objectives as a leader in the climate sector. We also focus on partnering with our suppliers and technology providers to align their investment decisions with our technical requirements. In addition, we have a strong focus on sustaining activities, which include costs incurred to reduce production costs, improve existing products, create custom solutions for customers and provide support to our manufacturing facilities. Combined, these costs account for approximately two percent of net revenues each year.

In pursuing our business strategy, we routinely conduct discussions, evaluate targets and enter into agreements regarding possible acquisitions, divestitures, joint ventures and equity investments. Since 2018, we have acquired several businesses and entered into a joint venture that complements existing products and services further enhancing our product portfolio. In addition, we completed a Reverse Morris Trust transaction with Gardner Denver whereby we separated Ingersoll Rand Industrial from our business portfolio, transforming the Company into a global climate innovator. We recognized separation-related costs of \$114.2 million during the year ended December 31, 2020 and \$94.6 million during the year ended December 31, 2019. These expenditures were incurred in order to facilitate the transaction and are included within *Discontinued operations, net of tax*.

We incur ongoing costs associated with restructuring initiatives intended to result in improved operating performance, profitability and working capital levels. Actions associated with these initiatives may include workforce reductions, improving manufacturing productivity, realignment of management structures and rationalizing certain assets. Post separation, we intend to reduce costs by \$140 million through 2021 and an additional \$160 million by 2023 for a total of

\$300 million in total annual savings. We believe that our existing cash flow, committed credit lines and access to the capital markets will be sufficient to fund share repurchases, dividends, research and development, sustaining activities, business portfolio changes and ongoing restructuring actions.

Certain of our subsidiaries entered into Funding Agreements with Aldrich and Murray pursuant to which those subsidiaries are obligated, among other things, to pay the costs and expenses of Aldrich and Murray during the pendency of the Chapter 11 cases to the extent distributions from their respective subsidiaries are insufficient to do so and to provide an amount for the funding for a trust established pursuant to section 524(g) of the Bankruptcy Code, to the extent that the other assets of Aldrich and Murray are insufficient to provide the requisite trust funding.

As the COVID-19 global pandemic impacts both the broader economy and our operations, we will continue to assess our liquidity needs and our ability to access capital markets. A continued worldwide disruption could materially affect economies and financial markets worldwide, resulting in an economic downturn that could affect demand for our products, our ability to obtain financing on favorable terms and otherwise adversely impact our business, financial condition and results of operations. The COVID-19 global pandemic created substantial volatility in the short-term credit markets during the first half of 2020. A recurrence in volatility due to a resurgence in the COVID-19 global pandemic could impact the cost of our credit facilities, the cost of any borrowing we might make under those facilities or the cost of any commercial paper we may issue, to the extent we were to either draw on our facilities or issue commercial paper. See Part I, Item 1A Risk Factors for more information.

LIQUIDITY

The following table contains several key measures of our financial condition and liquidity at the periods ended December 31:

IN MILLIONS	2020	2019
Cash and cash equivalents	\$ 3,289.9	\$ 1,278.6
Short-term borrowings and current maturities of long-term debt ⁽¹⁾	775.6	650.3
Long-term debt	4,496.5	4,922.9
Total debt	5,272.1	5,573.2
Total Trane Technologies plc shareholders' equity	6,407.7	7,267.6
Total equity	6,427.1	7,312.4
Debt-to-total capital ratio	45.1%	43.3%

⁽¹⁾ The \$300.0 million of 2.625% Senior notes due in May 2020 were redeemed in April 2020.

DEBT AND CREDIT FACILITIES

Our short-term obligations primarily consists of current maturities of long-term debt. In addition, we have outstanding \$343.0 million of fixed rate debentures that contain a put feature that the holders may exercise on each anniversary of the issuance date. If exercised, we are obligated to repay in whole or in part, at the holder's option, the outstanding principal amount (plus accrued and unpaid interest) of the debentures held by the holder. We also maintain a commercial paper program which is used for general corporate purposes. Under the program, the maximum aggregate amount of unsecured commercial paper notes available to be issued, on a private placement basis, is \$2.0 billion as of December 31, 2020. We had no commercial paper outstanding at December 31, 2020 and December 31, 2019. See Note 8 to the Consolidated Financial Statements for additional information regarding the terms of our short-term obligations.

Our long-term obligations primarily consist of long-term debt with final maturity dates ranging between 2021 and 2049. In addition, we maintain two \$1.0 billion senior unsecured revolving credit facilities, one of which matures in March 2022 and the other in April 2023. The facilities provide support for our commercial paper program and can be used for working capital and other general corporate purposes. Total commitments of \$2.0 billion were unused at December 31, 2020 and December 31, 2019. See Note 8 to the Consolidated Financial Statements and further below in *Supplemental Guarantor Financial Information* for additional information regarding the terms of our long-term obligations and their related guarantees.

CASH FLOWS

The following table reflects the major categories of cash flows for the years ended December 31, respectively. For additional details, please see the Consolidated Statements of Cash Flows in the Consolidated Financial Statements.

IN MILLIONS	2020	2019
Net cash provided by (used in) continuing operating activities	\$ 1,766.2	\$ 1,523.7
Net cash provided by (used in) continuing investing activities	(338.5)	(281.8)
Net cash provided by (used in) continuing financing activities	884.3	272.0

Operating Activities

Net cash provided by continuing operating activities for the year ended December 31, 2020 was \$1,766.2 million, of which net income provided \$1,422.5 million after adjusting for non-cash transactions. *Changes in other assets and liabilities*, net provided \$343.7 million. Net cash provided by continuing operating activities for the year ended December 31, 2019 was \$1,523.7 million, of which net income provided \$1,594.0 million after adjusting for non-cash transactions. *Changes in other assets and liabilities*, net used \$70.3 million. The year-over-year increase in net cash provided by continuing operating activities was primarily driven by improved working capital whereby lower inventory and higher outstanding accounts payable balances more than offset higher accounts receivable and lower earnings in the current year.

Investing Activities

Cash flows from investing activities represents inflows and outflows regarding the purchase and sale of assets. Primary activities associated with these items include capital expenditures, proceeds from the sale of property, plant and equipment, acquisitions, investments in joint ventures and divestitures. During the year ended December 31, 2020, net cash used in investing activities from continuing operations was \$338.5 million. The primary drivers of the usage was attributable to the acquisition of businesses, which totaled \$182.8 million, net of cash acquired and \$146.2 million of capital expenditures. In addition, as a result of the deconsolidation of Murray and its wholly-owned subsidiary ClimateLabs under the Chapter 11 bankruptcy filing, the assets and liabilities of these entities were derecognized, which resulted in a cash outflow of \$10.8 million. During the year ended December 31, 2019, net cash used in investing activities from continuing operations was \$281.8 million. The primary drivers of the usage was attributable to \$205.4 million of capital expenditures and the acquisition of several businesses, which totaled \$83.4 million, net of cash acquired.

Financing Activities

Cash flows from financing activities represent inflows and outflows that account for external activities affecting equity and debt. Primary activities associated with these actions include paying dividends to shareholders, repurchasing our own shares, issuing our stock and debt transactions. During the year ended December 31, 2020, net cash provided by financing activities from continuing operations was \$884.3 million. The primary driver of the inflow related to the receipt of a special cash payment of \$1.9 billion pursuant to the completion of the Transaction. This amount was partially offset by dividends paid to ordinary shareholders of \$507.3 million, the repayment of long term debt of \$307.5 million and the repurchase of \$250.0 million in ordinary shares. During the year ended December 31, 2019, net cash provided by financing activities from continuing operations was \$272.0 million. The primary driver of the inflow related to the issuance of \$1.5 billion of senior notes during the period. This amount was partially offset by the repurchase of \$750.1 million in ordinary shares and dividends paid to ordinary shareholders of \$510.1 million.

Free Cash Flow

Free cash flow is a non-GAAP measure and defined as net cash provided by (used in) continuing operating activities, less capital expenditures, plus cash payments for restructuring and transformation costs. This measure is useful to management and investors because it is consistent with management's assessment of our operating cash flow performance. The most comparable GAAP measure to free cash flow is net cash provided by (used in) continuing operating activities. Free cash flow may not be comparable to similarly-titled measures used by other companies and should not be considered a substitute for net cash provided by (used in) continuing operating activities in accordance with GAAP.

A reconciliation of net cash provided by (used in) continuing operating activities to free cash flow the years ended December 31 is as follows:

IN MILLIONS	2020	2019
Net cash provided by (used in) continuing operating activities	\$ 1,766.2	\$ 1,523.7
Capital expenditures	(146.2)	(205.4)
Cash payments for restructuring	68.9	45.3
Transformation costs paid	25.4	4.3
Free cash flow ⁽¹⁾	\$ 1,714.3	\$ 1,367.9

⁽¹⁾ Represents a non-GAAP measure.

PENSION PLANS

Our investment objective in managing defined benefit plan assets is to ensure that all present and future benefit obligations are met as they come due. We seek to achieve this goal while trying to mitigate volatility in plan funded status, contribution and expense by better matching the characteristics of the plan assets to that of the plan liabilities. Our approach to asset allocation is to increase fixed income assets as the plan's funded status improves. We monitor plan funded status and asset allocation regularly in addition to investment manager performance. In addition, we monitor the impact of market conditions on our defined benefit plans on a regular basis. None of our defined benefit pension plans have experienced a significant impact on their liquidity due to market volatility. See Note 12 to the Consolidated Financial Statements for additional information regarding pensions.

SUPPLEMENTAL GUARANTOR FINANCIAL INFORMATION

Trane Technologies plc (Plc or Parent Company) and certain of its 100% directly or indirectly owned subsidiaries provide guarantees of public debt issued by other 100% directly or indirectly owned subsidiaries. The following table shows our guarantor relationships as of December 31, 2020:

PARENT, ISSUER OR GUARANTORS ⁽¹⁾	NOTES ISSUED	NOTES GUARANTEED
Trane Technologies plc (Plc)	None	All registered notes and debentures
Trane Technologies Irish Holdings Unlimited Company (TT Holdings)	None	All notes issued by TT Lux and TTC HoldCo
Trane Technologies Lux International Holding Company S.à.r.l. (TT International)	None	All notes issued by TT Lux and TTC HoldCo
Trane Technologies Global Holding Company Limited (TT Global)	None	All notes issued by TT Lux and TTC HoldCo
Trane Technologies Luxembourg Finance S.A. (TT Lux)	3.550% Senior notes due 2024 3.500% Senior notes due 2026 3.800% Senior notes due 2029 4.650% Senior notes due 2044 4.500% Senior notes due 2049	All notes and debentures issued by TTC HoldCo and TTC
Trane Technologies HoldCo Inc. (TTC HoldCo)	2.900% Senior notes due 2021 4.250% Senior notes due 2023 3.750% Senior notes due 2028 5.750% Senior notes due 2043 4.300% Senior notes due 2048	All notes issued by TT Lux
Trane Technologies Company LLC (TTC)	9.000% Debentures due 2021 7.200% Debentures due 2021-2025 6.480% Debentures due 2025 Puttable debentures due 2027-2028	All notes issued by TT Lux and TTC HoldCo

⁽¹⁾ Plc is formerly known as Ingersoll-Rand plc

TT Holdings is formerly known as Ingersoll-Rand Irish Holdings Unlimited Company

TT International is formerly known as Ingersoll-Rand Lux International Holding Company S.à.r.l.

TT Global is formerly known as Ingersoll-Rand Global Holding Company Limited

TT Lux is formerly known as Ingersoll-Rand Luxembourg Finance S.A

TTC HoldCo is a new entity as of June 30, 2020

TTC is the successor to Ingersoll-Rand Company

Each subsidiary debt issuer and guarantor is owned 100% directly or indirectly by the Parent Company. Each guarantee is full and unconditional, and provided on a joint and several basis. There are no significant restrictions of the Parent Company, or any guarantor, to obtain funds from its subsidiaries, such as provisions in debt agreements that prohibit dividend payments, loans or advances to the parent by a subsidiary. The following tables present summarized financial information for the Parent Company and subsidiary debt issuers and guarantors on a combined basis (together, "obligor group") after elimination of intercompany transactions and balances based on the Company's legal entity ownerships and guarantees outstanding at December 31, 2020. Our obligor groups are as follows: obligor group 1 consists of Plc, TT Holdings, TT International, TT Global, TT Lux, TTC HoldCo and TTC; obligor group 2 consists of Plc, TT Lux and TTC.

SUMMARIZED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

IN MILLIONS	YEAR ENDED DECEMBER 31, 2020	
	OBLIGOR GROUP 1	OBLIGOR GROUP 2
Net revenues	\$ —	\$ —
Gross profit (loss)	—	—
Intercompany interest and fees	(88.7)	48.2
Earnings (loss) from continuing operations	(493.1)	(375.2)
Discontinued operations, net of tax	(152.2)	(113.3)
Net earnings (loss)	(645.3)	(488.5)
Less: Net earnings attributable to noncontrolling interests	—	—
Net earnings (loss) attributable to Trane Technologies plc	\$ (645.3)	\$ (488.5)

SUMMARIZED BALANCE SHEET

IN MILLIONS	DECEMBER 31, 2020	
	OBLIGOR GROUP 1	OBLIGOR GROUP 2
ASSETS		
Intercompany receivables	\$ 458.4	\$ 1,254.7
Current assets	1,523.7	2,200.5
Intercompany notes receivable	1,331.9	1,331.9
Noncurrent assets	2,195.0	1,967.2
LIABILITIES & EQUITY		
Intercompany payables	5,572.2	3,599.6
Current liabilities	6,880.3	4,539.1
Intercompany notes payable	2,249.7	—
Noncurrent liabilities	7,729.6	3,430.5

CAPITAL RESOURCES

Based on historical performance and current expectations, we believe our cash and cash equivalents balance, the cash generated from our operations, our committed credit lines and our expected ability to access capital markets will satisfy our working capital needs, capital expenditures, dividends, share repurchases, upcoming debt maturities, and other liquidity requirements associated with our operations for the foreseeable future.

Capital expenditures were \$146.2 million, \$205.4 million and \$284.7 million for the years ended December 31, 2020, 2019 and 2018, respectively. Our investments continue to improve manufacturing productivity, reduce costs, provide environmental enhancements, upgrade information technology infrastructure and security and advanced technologies for existing facilities. The capital expenditure program for 2021 is estimated to be approximately one to two percent of revenues, including amounts approved in prior periods. Many of these projects are subject to review and cancellation at our option without incurring substantial charges.

For financial market risk impacting the Company, see Item 7A. "Quantitative and Qualitative Disclosure About Market Risk."

CAPITALIZATION

In addition to cash on hand and operating cash flow, we maintain significant credit availability under our Commercial Paper Program. Our ability to borrow at a cost-effective rate under the Commercial Paper Program is contingent upon maintaining an investment-grade credit rating. As of December 31, 2020, our credit ratings were as follows, remaining unchanged from 2019:

	SHORT-TERM	LONG-TERM
Moody's	P-2	Baa2
Standard and Poor's	A-2	BBB

The credit ratings set forth above are not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal by the assigning rating organization. Each rating should be evaluated independently of any other rating.

Our public debt does not contain financial covenants and our revolving credit lines have a debt-to-total capital covenant of 65%. As of December 31, 2020, our debt-to-total capital ratio was significantly beneath this limit.

CONTRACTUAL OBLIGATIONS

The following table summarizes our contractual cash obligations by required payment period:

IN MILLIONS	LESS THAN 1 YEAR	1 - 3 YEARS	3 - 5 YEARS	MORE THAN 5 YEARS	TOTAL
Long-term debt	\$ 775.8 ^(a)	\$ 715.8	\$ 665.1	\$ 3,150.0	\$ 5,306.7
Interest payments on long-term debt	231.4	415.1	345.7	1,641.6	2,633.8
Purchase obligations	735.2	—	—	—	735.2
Operating leases	152.0	192.3	69.6	34.5	448.4
Total contractual cash obligations	\$ 1,894.4	\$ 1,323.2	\$ 1,080.4	\$ 4,826.1	\$ 9,124.1

^(a) Includes \$343.0 million of debt redeemable at the option of the holder. The scheduled maturities of these bonds range between 2027 and 2028.

Future expected obligations under the Funding agreement and our pension and postretirement benefit plans, income taxes, environmental and product liability matters have not been included in the contractual cash obligations table above.

PENSIONS

At December 31, 2020, we had a net unfunded liability of \$548.2 million, which consists of noncurrent pension assets of \$72.8 million and current and non-current pension benefit liabilities of \$621.0 million. It is our objective to contribute to the pension plans to ensure adequate funds are available in the plans to make benefit payments to plan participants and beneficiaries when required. We currently expect that we will contribute approximately \$56 million to our enterprise plans worldwide in 2021. The timing and amounts of future contributions are dependent upon the funding status of the plan, which is expected to vary as a result of changes in interest rates, returns on underlying assets, and other factors. Therefore, pension contributions have been excluded from the preceding table. See Note 12 to the Consolidated Financial Statements for additional information regarding pensions.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

At December 31, 2020, we had postretirement benefit obligations of \$389.1 million. We fund postretirement benefit costs principally on a pay-as-you-go basis as medical costs are incurred by covered retiree populations. Benefit payments, which are net of expected plan participant contributions and Medicare Part D subsidy, are expected to be approximately \$37 million in 2021. Because benefit payments are not required to be funded in advance, and the timing and amounts of future payments are dependent on the cost of benefits for retirees covered by the plan, they have been excluded from the preceding table. See Note 12 to the Consolidated Financial Statements for additional information regarding postretirement benefits other than pensions.

INCOME TAXES

At December 31, 2020, we have total unrecognized tax benefits for uncertain tax positions of \$65.4 million and \$14.6 million of related accrued interest and penalties, net of tax. The liability has been excluded from the preceding table as we

are unable to reasonably estimate the amount and period in which these liabilities might be paid. See Note 18 to the Consolidated Financial Statements for additional information regarding income taxes, including unrecognized tax benefits.

CONTINGENT LIABILITIES

We are involved in various litigation, claims and administrative proceedings, including those related to the Funding Agreements and environmental and product liability matters. We believe that these liabilities are subject to the uncertainties inherent in estimating future costs for contingent liabilities, and will likely be resolved over an extended period of time. Because the timing and amounts of potential future cash flows are uncertain, they have been excluded from the preceding table. See Note 22 to the Consolidated Financial Statements for additional information regarding contingent liabilities.

CRITICAL ACCOUNTING POLICIES

Management's Discussion and Analysis of Financial Condition and Results of Operations are based upon our Consolidated Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the United States (GAAP). The preparation of financial statements in conformity with those accounting principles requires management to use judgment in making estimates and assumptions based on the relevant information available at the end of each period. These estimates and assumptions have a significant effect on reported amounts of assets and liabilities, revenue and expenses as well as the disclosure of contingent assets and liabilities because they result primarily from the need to make estimates and assumptions on matters that are inherently uncertain. Actual results may differ from these estimates. If updated information or actual amounts are different from previous estimates, the revisions are included in our results for the period in which they become known.

The following is a summary of certain accounting estimates and assumptions made by management that we consider critical.

- **Goodwill and indefinite-lived intangible assets** – We have significant goodwill and indefinite-lived intangible assets on our balance sheet related to acquisitions. These assets are tested and reviewed annually during the fourth quarter for impairment or when there is a significant change in events or circumstances that indicate that the fair value of an asset is more likely than not less than the carrying amount of the asset. In addition, an interim impairment test is completed upon a triggering event or when there is a reorganization of reporting structure or disposal of all or a portion of a reporting unit. The determination of estimated fair value requires us to make assumptions about estimated cash flows, including profit margins, long-term forecasts, discount rates and terminal growth rates. We developed these assumptions based on the market and geographic risks unique to each reporting unit. The estimates of fair value are based on the best information available as of the date of the assessment, which primarily incorporates management assumptions about expected future cash flows.

Annual Goodwill Impairment Test

Impairment of goodwill is assessed at the reporting unit level and begins with a qualitative assessment to determine if it is more likely than not that the fair value of each reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the goodwill impairment test under Financial Accounting Standards Board (FASB) Accounting Standard Codification (ASC) 350, "Intangibles-Goodwill and Other" (ASC 350). For those reporting units that bypass or fail the qualitative assessment, the test compares the carrying amount of the reporting unit to its estimated fair value. If the estimated fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is not impaired. To the extent that the carrying value of the reporting unit exceeds its estimated fair value, an impairment loss would be recognized for the amount by which the reporting unit's carrying amount exceeds its fair value, not to exceed the carrying amount of goodwill in that reporting unit.

As quoted market prices are not available for our reporting units, the calculation of their estimated fair value is determined using three valuation techniques: a discounted cash flow model (an income approach), a market-adjusted multiple of earnings and revenues (a market approach), and a similar transactions method (also a market approach). The discounted cash flow approach relies on our estimates of future cash flows and explicitly addresses factors such as timing, growth and margins, with due consideration given to forecasting risk. The multiple of earnings and revenues approach reflects the market's expectations for future growth and risk, with adjustments to account for differences between the guideline publicly traded companies and the subject reporting units. The similar transactions method considers prices paid in transactions that have recently occurred in our industry or in related industries. These valuation techniques are weighted 50%, 40% and 10%, respectively.

Interim Goodwill Impairment Test

During the first quarter of 2020, we announced a new organizational model and business segment structure. Under the revised structure, we created three new regional operating segments (which also serve as our reportable segments) previously reported under our former climate segment. In connection with the new segment structure, we performed an interim goodwill impairment assessment immediately prior to the reorganization becoming effective, the results of which did not indicate any goodwill impairment. We then reassigned our goodwill among the newly designated reporting units using a relative fair value approach and immediately performed a second goodwill impairment assessment under the new reporting structure. The results did not indicate any goodwill impairment. We relied on the guideline public company method, specifically a market-adjusted multiple of earnings and revenues approach, to calculate the fair value of the new reporting units.

OTHER INDEFINITE-LIVED INTANGIBLE ASSETS

Impairment of other intangible assets with indefinite useful lives is first assessed using a qualitative assessment to determine whether it is more likely than not that an indefinite-lived intangible asset is impaired. This assessment is used as a basis for determining whether it is necessary to calculate the fair value of an indefinite-lived intangible asset. For those indefinite-lived assets where it is required, a fair value is determined on a relief from royalty methodology (income approach) which is based on the implied royalty paid, at an appropriate discount rate, to license the use of an asset rather than owning the asset. The present value of the after-tax cost savings (i.e., royalty relief) indicates the estimated fair value of the asset. Any excess of the carrying value over the estimated fair value would be recognized as an impairment loss equal to that excess.

- **Asbestos matters** – Prior to the Petition Date, certain of our wholly-owned subsidiaries and former companies were named as defendants in asbestos-related lawsuits in state and federal courts. We recorded a liability for our actual and anticipated future claims as well as an asset for anticipated insurance settlements. We performed a detailed analysis and projected an estimated range of the total liability for pending and unasserted future asbestos-related claims. In accordance with ASC 450, “Contingencies” (ASC 450), we recorded the liability at the low end of the range as we believed that no amount within the range is a better estimate than any other amount. Our key assumptions underlying the estimated asbestos-related liabilities included the number of people occupationally exposed and likely to develop asbestos-related diseases such as mesothelioma and lung cancer, the number of people likely to file an asbestos-related personal injury claim against us, the average settlement and resolution of each claim and the percentage of claims resolved with no payment. Asbestos-related defense costs were excluded from the asbestos claims liability and were recorded separately as services were incurred. None of our existing or previously-owned businesses were a producer or manufacturer of asbestos. We recorded certain income and expenses associated with our asbestos liabilities and corresponding insurance recoveries within *Discontinued operations, net of tax*, as they related to previously divested businesses, except for amounts associated with asbestos liabilities and corresponding insurance recoveries of Murray and its predecessors, which were recorded within continuing operations.
- **Revenue recognition** – Revenue is recognized when control of a good or service promised in a contract (i.e., performance obligation) is transferred to a customer. Control is obtained when a customer has the ability to direct the use of and obtain substantially all of the remaining benefits from that good or service. A majority of our revenues are recognized at a point-in-time as control is transferred at a distinct point in time per the terms of a contract. However, a portion of our revenues are recognized over time as the customer simultaneously receives control as we perform work under a contract. For these arrangements, the cost-to-cost input method is used as it best depicts the transfer of control to the customer that occurs as we incurs costs. We adopted Accounting Standard Update (ASU) No. 2014-09, “Revenue from Contracts with Customers” (ASC 606), on January 1, 2018 using the modified retrospective approach. Refer to Note 3, “Summary of Significant Accounting Policies” and Note 13, “Revenue” for additional information related to the adoption of ASC 606.

The transaction price allocated to performance obligations reflects our expectations about the consideration we will be entitled to receive from a customer. To determine the transaction price, variable and noncash consideration are assessed as well as whether a significant financing component exists. We include variable consideration in the estimated transaction price when it is probable that significant reversal of revenue recognized would not occur when the uncertainty associated with variable consideration is subsequently resolved. We consider historical data in determining our best estimates of variable consideration, and the related accruals are recorded using the expected value method.

We enter into sales arrangements that contain multiple goods and services, such as equipment, installation and extended warranties. For these arrangements, each good or service is evaluated to determine whether it represents a distinct performance obligation and whether the sales price for each obligation is representative of standalone selling price. If available, we utilize observable prices for goods or services sold separately to similar customers in similar circumstances to evaluate relative standalone selling price. List prices are used if they are determined to be representative of standalone selling prices. Where necessary, we ensure that the total transaction price is then allocated to the distinct performance obligations based on the determination of their relative standalone selling price at the inception of the arrangement.

We recognize revenue for delivered goods or services when the delivered good or service is distinct, control of the good or service has transferred to the customer, and only customary refund or return rights related to the goods or services exist. For extended warranties and long-term service agreements, revenue for these distinct performance obligations are recognized over time on a straight-line basis over the respective contract term.

- **Income taxes** – Deferred tax assets and liabilities are determined based on temporary differences between financial reporting and tax bases of assets and liabilities, applying enacted tax rates expected to be in effect for the year in which the differences are expected to reverse. We recognize future tax benefits, such as net operating losses and tax credits, to the extent that realizing these benefits is considered in our judgment to be more likely than not. We regularly review the recoverability of our deferred tax assets considering our historic profitability, projected future taxable income, timing of the reversals of existing temporary differences and the feasibility of our tax planning strategies. Where appropriate, we record a valuation allowance with respect to a future tax benefit.

The provision for income taxes involves a significant amount of management judgment regarding interpretation of relevant facts and laws in the jurisdictions in which we operate. Future changes in applicable laws, projected levels of taxable income, and tax planning could change the effective tax rate and tax balances recorded by us. In addition, tax authorities periodically review income tax returns filed by us and can raise issues regarding our filing positions, timing and amount of income or deductions, and the allocation of income among the jurisdictions in which we operate. A significant period of time may elapse between the filing of an income tax return and the ultimate resolution of an issue raised by a revenue authority with respect to that return. We believe that we have adequately provided for any reasonably foreseeable resolution of these matters. We will adjust our estimate if significant events so dictate. To the extent that the ultimate results differ from our original or adjusted estimates, the effect will be recorded in the provision for income taxes in the period that the matter is finally resolved.

- **Employee benefit plans** – We provide a range of benefits to eligible employees and retirees, including pensions, postretirement and postemployment benefits. Determining the cost associated with such benefits is dependent on various actuarial assumptions including discount rates, expected return on plan assets, compensation increases, mortality, turnover rates and healthcare cost trend rates. Actuarial valuations are performed to determine expense in accordance with GAAP. Actual results may differ from the actuarial assumptions and are generally accumulated and amortized into earnings over future periods. We review our actuarial assumptions at each measurement date and make modifications to the assumptions based on current rates and trends, if appropriate. The discount rate, the rate of compensation increase and the expected long-term rates of return on plan assets are determined as of each measurement date. We believe that the assumptions utilized in recording our obligations under our plans are reasonable based on input from our actuaries, outside investment advisors and information as to assumptions used by plan sponsors.

Changes in any of the assumptions can have an impact on the net periodic pension cost or postretirement benefit cost. Estimated sensitivities to the expected 2021 net periodic pension cost of a 0.25% rate decline in the two basic assumptions are as follows: the decline in the discount rate would increase expense by approximately \$4.8 million and the decline in the estimated return on assets would increase expense by approximately \$76 million. A 0.25% rate decrease in the discount rate for postretirement benefits would increase expected 2021 net periodic postretirement benefit cost by \$0.5 million.

RECENT ACCOUNTING PRONOUNCEMENTS

See Note 3 to the Consolidated Financial Statements for a discussion of recent accounting pronouncements.

Item 7A. Quantitative and Qualitative Disclosure About Market Risk

We are exposed to fluctuations in currency exchange rates, interest rates and commodity prices which could impact our results of operations and financial condition.

FOREIGN CURRENCY EXPOSURES

We have operations throughout the world that manufacture and sell products in various international markets. As a result, we are exposed to movements in exchange rates of various currencies against the U.S. dollar as well as against other currencies throughout the world.

Many of our non-U.S. operations have a functional currency other than the U.S. dollar, and their results are translated into U.S. dollars for reporting purposes. Therefore, our reported results will be higher or lower depending on the weakening or strengthening of the U.S. dollar against the respective foreign currency. Our largest concentration of revenues from non-U.S. operations as of December 31, 2020 are in Euros and Chinese Yuan. A hypothetical 10% unfavorable change in the average exchange rate used to translate *Net revenues* for the year ended December 31, 2020 from either Euros or Chinese Yuan-based operations into U.S. dollars would not have a material impact on our financial statements.

We use derivative instruments to hedge those material exposures that cannot be naturally offset. The instruments utilized are viewed as risk management tools, primarily involve little complexity and are not used for trading or speculative purposes. To minimize the risk of counter party non-performance, derivative instrument agreements are made only through major financial institutions with significant experience in such derivative instruments.

We evaluate our exposure to changes in currency exchange rates on our foreign currency derivatives using a sensitivity analysis. The sensitivity analysis is a measurement of the potential loss in fair value based on a percentage change in exchange rates. Based on the firmly committed currency derivative instruments in place at December 31, 2020, a hypothetical change in fair value of those derivative instruments assuming a 10% adverse change in exchange rates would result in an unrealized loss of approximately \$22.3 million, as compared with \$27.8 million at December 31, 2019. These amounts, when realized, would be offset by changes in the fair value of the underlying transactions.

COMMODITY PRICE EXPOSURES

We are exposed to volatility in the prices of commodities used in some of our products and we use fixed price contracts to manage this exposure. We do not have committed commodity derivative instruments in place at December 31, 2020.

INTEREST RATE EXPOSURE

Our debt portfolio mainly consists of fixed-rate instruments, and therefore any fluctuation in market interest rates is not expected to have a material effect on our results of operations.

Item 8. Financial Statements and Supplementary Data

- (a) The following Consolidated Financial Statements and the report thereon of PricewaterhouseCoopers LLP dated February 9, 2021, are presented in this Annual Report on Form 10-K beginning on page F-1.

Consolidated Financial Statements:

Report of Independent Registered Public Accounting Firm

Consolidated Statements of Comprehensive Income for the years ended December 31, 2020, 2019 and 2018

Consolidated Balance Sheets at December 31, 2020 and 2019

For the years ended December 31, 2020, 2019 and 2018:

Consolidated Statements of Equity

Consolidated Statements of Cash Flows

Notes to Consolidated Financial Statements

- (b) In connection with the completion of the Transaction, we do not beneficially own any Ingersoll Rand Industrial shares of common stock and no longer consolidate Ingersoll Rand Industrial in our financial statements. As a result, the following unaudited selected quarterly financial data presents the results of Ingersoll Rand Industrial as a discontinued operation for periods prior to the Distribution date. The unaudited selected quarterly financial data for the two years ended December 31, is as follows:

IN MILLIONS, EXCEPT PER SHARE AMOUNTS	2020			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Net revenues	\$ 2,641.3	\$ 3,138.8	\$ 3,495.5	\$ 3,179.1
Cost of goods sold	(1,898.8)	(2,160.5)	(2,360.8)	(2,231.2)
Operating income	154.4	423.5	566.9	388.0
Earnings from continuing operations	52.8	278.3	410.1	250.2
Discontinued operations, net of tax	(78.7)	(36.2)	(5.5)	(1.0)
Net earnings (loss)	(25.9)	242.1	404.6	249.2
Net earnings (loss) attributable to Trane Technologies plc	(29.2)	238.8	400.6	244.7
Amounts attributable to Trane Technologies plc ordinary shareholders:				
Continuing operations	\$ 50.0	\$ 275.4	\$ 406.1	\$ 245.7
Discontinued operations	(79.2)	(36.6)	(5.5)	(1.0)
Net earnings (loss)	\$ (29.2)	\$ 238.8	\$ 400.6	\$ 244.7
Earnings (Loss) per share attributable to Trane Technologies plc ordinary shareholders:				
Basic:				
Continuing operations	\$ 0.21	\$ 1.15	\$ 1.69	\$ 1.02
Discontinued operations	\$ (0.33)	\$ (0.15)	\$ (0.02)	\$ —
Diluted:				
Continuing operations	\$ 0.21	\$ 1.14	\$ 1.67	\$ 1.01
Discontinued operations	\$ (0.33)	\$ (0.15)	\$ (0.03)	\$ —

IN MILLIONS, EXCEPT PER SHARE AMOUNTS	2019			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Net revenues	\$ 2,803.7	\$ 3,617.6	\$ 3,470.9	\$ 3,183.7
Cost of goods sold	(1,989.2)	(2,462.8)	(2,366.6)	(2,266.9)
Operating income	236.5	566.9	536.5	330.2
Earnings from continuing operations	147.3	412.6	386.3	214.1
Discontinued operations, net of tax	56.4	47.7	77.1	87.0
Net earnings (loss)	203.7	460.3	463.4	301.1
Net earnings (loss) attributable to Trane Technologies plc	199.9	456.1	458.8	296.1
Amounts attributable to Trane Technologies plc ordinary shareholders:				
Continuing operations	\$ 144.2	\$ 409.1	\$ 382.6	\$ 209.2
Discontinued operations	55.7	47.0	76.2	86.9
Net earnings (loss)	\$ 199.9	\$ 456.1	\$ 458.8	\$ 296.1
Earnings (Loss) per share attributable to Trane Technologies plc ordinary shareholders:				
Basic:				
Continuing operations	\$ 0.59	\$ 1.69	\$ 1.58	\$ 0.87
Discontinued operations	\$ 0.23	\$ 0.19	\$ 0.32	\$ 0.36
Diluted:				
Continuing operations	\$ 0.59	\$ 1.67	\$ 1.57	\$ 0.86
Discontinued operations	\$ 0.23	\$ 0.19	\$ 0.31	\$ 0.36

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

The Company's management, including its Chief Executive Officer and Chief Financial Officer, have conducted an evaluation of the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)), as of the end of the period covered by this Annual Report on Form 10-K. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded as of December 31, 2020, that the Company's disclosure controls and procedures were effective in ensuring that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act has been recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and that such information has been accumulated and communicated to the Company's management including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

(b) Management's Report on Internal Control Over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting as such term is defined under Exchange Act Rules 13a-15(f) and 15d-15(f). Internal control over financial reporting is a process designed by, or under the supervision of, the Chief Executive Officer and Chief Financial Officer and effected by the Company's Board of Directors 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.

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

Management has assessed the effectiveness of internal control over financial reporting as of December 31, 2020. In making its assessment, management has utilized the criteria set forth by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission in Internal Control - Integrated Framework (2013). Management concluded that based on its assessment, the Company's internal control over financial reporting was effective as of December 31, 2020.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2020 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

(c) Changes in Internal Control Over Financial Reporting

There were no changes in internal control over financial reporting (as defined by Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information

None.

Part III

Item 10. Directors, Executive Officers and Corporate Governance

The information regarding our executive officers is included in Part I under the caption “Executive Officers of Registrant.”

The other information required by this item is incorporated herein by reference to the information contained under the headings “Item 1. Election of Directors,” “Delinquent Section 16(a) Reports” and “Corporate Governance” in our definitive proxy statement for the 2021 annual general meeting of shareholders (2021 Proxy Statement).

Item 11. Executive Compensation

The other information required by this item is incorporated herein by reference to the information contained under the headings “Compensation Discussion and Analysis,” “Compensation of Directors,” “Executive Compensation,” “Compensation Committee Report” and “Compensation Committee Interlocks and Insider Participation” in our 2021 Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The other information required by this item is incorporated herein by reference to the information contained under the headings “Security Ownership of Certain Beneficial Owners and Management” and “Equity Compensation Plan Information” in our 2021 Proxy Statement.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The other information required by this item is incorporated herein by reference to the information contained under the headings “Corporate Governance” and “Certain Relationships and Related Person Transactions” in our 2021 Proxy Statement.

Item 14. Principal Accountant Fees and Services

The information required by this item is incorporated herein by reference to the information contained under the caption “Fees of the Independent Auditors” in our 2021 Proxy Statement.

Part IV

Item 15. Exhibits and Financial Statement Schedules

- (a) 1. Financial Statements
See Item 8.
- 2. Financial Statement Schedules
Schedules have been omitted because the required information is not applicable or because the required information is included elsewhere in this Annual Report on Form 10-K.
- 3. Exhibits
The exhibits listed on the accompanying index to exhibits are filed as part of this Annual Report on Form 10-K.

TRANE TECHNOLOGIES PLC

INDEX TO EXHIBITS

(Item 15(a))

DESCRIPTION

Pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"), Trane Technologies plc (the "Company") has filed certain agreements as exhibits to this Annual Report on Form 10-K. These agreements may contain representations and warranties by the parties. These representations and warranties have been made solely for the benefit of the other party or parties to such agreements and (i) may have been qualified by disclosures made to such other party or parties, (ii) were made only as of the date of such agreements or such other date(s) as may be specified in such agreements and are subject to more recent developments, which may not be fully reflected in our public disclosure, (iii) may reflect the allocation of risk among the parties to such agreements and (iv) may apply materiality standards different from what may be viewed as material to investors. Accordingly, these representations and warranties may not describe our actual state of affairs at the date hereof and should not be relied upon.

On July 1, 2009, Ingersoll-Rand Company Limited, a Bermuda company, completed a reorganization to change the jurisdiction of incorporation of the parent company from Bermuda to Ireland. As a result, Ingersoll-Rand plc replaced Ingersoll-Rand Company Limited as the ultimate parent company effective July 1, 2009. All references related to the Company prior to July 1, 2009 relate to Ingersoll-Rand Company Limited. On March 2, 2020, Ingersoll-Rand plc changed its name to Trane Technologies plc.

(a) Exhibits

EXHIBIT NO.	DESCRIPTION	METHOD OF FILING
2.1	Separation and Distribution Agreement between Ingersoll-Rand plc and Allegion plc, dated November 29, 2013.	Incorporated by reference to Exhibit 3.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on December 2, 2013.
2.2	Agreement and Plan of Merger, dated as of April 30, 2019, by and among the Company, Gardner Denver Holdings, Inc., Ingersoll-Rand U.S. HoldCo, Inc. and Charm Merger Sub Inc.	Incorporated by reference to Exhibit 2.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on May 6, 2019.
2.3	Separation and Distribution Agreement, dated as of April 30, 2019, by and between Ingersoll-Rand plc and Ingersoll-Rand U.S. HoldCo, Inc.	Incorporated by reference to Exhibit 2.2 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on May 6, 2019.
3.1	Constitution of the Company, as amended and restated on June 2, 2016	Incorporated by reference to Exhibit 3.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on June 7, 2016.
3.2	Amendment to the Constitution of the Company dated March 2, 2020 The Company and its subsidiaries are parties to several long-term debt instruments under which, in each case, the total amount of securities authorized does not exceed 10% of the total assets of the Company and its subsidiaries on a consolidated basis.	Filed herewith. Pursuant to paragraph 4 (iii)(A) of Item 601 (b) of Regulation S-K, the Company agrees to furnish a copy of such instruments to the Securities and Exchange Commission upon request.
4.1	Indenture, dated as of June 20, 2013, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand plc, Ingersoll-Rand Company Limited and Ingersoll-Rand International Holding Limited, as guarantors and The Bank of New York Mellon, as Trustee.	Incorporated by reference to Exhibit 4.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on June 26, 2013.

EXHIBIT NO.	DESCRIPTION	METHOD OF FILING
4.2	First Supplemental Indenture, dated as of June 20, 2013, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand plc, Ingersoll-Rand Company Limited and Ingersoll-Rand International Holding Limited, as guarantors and The Bank of New York Mellon, as Trustee, relating to the 2.875% Senior Notes due 2019.	Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on June 26, 2013.
4.3	Second Supplemental Indenture, dated as of June 20, 2013, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand plc, Ingersoll-Rand Company Limited and Ingersoll-Rand International Holding Limited, as guarantors and The Bank of New York Mellon, as Trustee, relating to the 4.250% Senior Notes due 2023.	Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on June 26, 2013.
4.4	Third Supplemental Indenture, dated as of June 20, 2013, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand plc, Ingersoll-Rand Company Limited and Ingersoll-Rand International Holding Limited, as guarantors and The Bank of New York Mellon, as Trustee, relating to the 5.750% Senior Notes due 2043.	Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on June 26, 2013.
4.5	Fourth Supplemental Indenture, dated as of November 20, 2013, among Ingersoll-Rand Global Holding Company Limited, a Bermuda company, Ingersoll-Rand Company Limited, a Bermuda company, Ingersoll-Rand International Holding Limited, a Bermuda company, Ingersoll-Rand plc, an Irish public limited company, Ingersoll-Rand Company, a New Jersey corporation, and The Bank of New York Mellon, as Trustee, to the Indenture dated as of June 20, 2013.	Incorporated by reference to Exhibit 4.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on November 26, 2013.
4.6	Fifth Supplemental Indenture, dated as of October 28, 2014, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand Company, as co-obligor, Ingersoll-Rand plc, Ingersoll-Rand Company Limited, Ingersoll-Rand International Holding Limited, Ingersoll-Rand Luxembourg Finance S.A., as guarantors, and The Bank of New York Mellon, as Trustee, to an Indenture, dated as of June 20, 2013.	Incorporated by reference to Exhibit 4.5 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on October 29, 2014.
4.7	Sixth Supplemental Indenture, dated as of December 18, 2015, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand Company, as co-obligor, Ingersoll-Rand plc, Ingersoll-Rand International Holding Limited, Ingersoll-Rand Luxembourg Finance S.A., and Ingersoll-Rand Lux International Holding Company S.à.r.l. as guarantors, and The Bank of New York Mellon, as Trustee, to an Indenture, dated as of June 20, 2013.	Incorporated by reference to Exhibit 4.21 to the Company's Form 10-K for the fiscal year ended 2015 (File No. 001-34400) filed with the SEC on February 12, 2016.
4.8	Seventh Supplemental Indenture, dated as of April 5, 2016, by and among Ingersoll-Rand Global Holding company Limited, as issuer, Ingersoll-Rand Company, as co-obligor, Ingersoll-Rand plc, Ingersoll-Rand International Holding Limited, Ingersoll-Rand Luxembourg Finance S.A., Ingersoll-Rand Lux International Holding Company S.à.r.l., and Ingersoll-Rand Irish Holdings Unlimited Company, as guarantors, and The Bank of New York Mellon, as Trustee, to an indenture, dated as of June 20, 2013.	Incorporated by reference to Exhibit 4.19 to the Company's Form 10-K for the fiscal year ended 2016 (File No. 001-34400) filed with the SEC on February 13, 2017.

EXHIBIT NO.	DESCRIPTION	METHOD OF FILING
4.9	Eighth Supplemental Indenture, dated as of May 1, 2020, by and among Ingersoll-Rand Global Holding Company Limited, Ingersoll-Rand Company, Trane Technologies plc, Trane Technologies Luxembourg Finance S.A., Trane Technologies Lux International Holding Company S.à.r.l., Trane Technologies Irish Holdings Unlimited Company, Trane Technologies HoldCo Inc., and The Bank of New York Mellon, as Trustee, to an indenture dated as of June 20, 2013.	Filed herewith.
4.10	Ninth Supplemental Indenture, dated as of May 1, 2020, by and among Ingersoll-Rand Global Holding Company Limited, Ingersoll-Rand Company, Trane Technologies plc, Trane Technologies Luxembourg Finance S.A., Trane Technologies Lux International Holding Company S.à.r.l., Trane Technologies Irish Holdings Unlimited Company, Trane Technologies HoldCo Inc., and The Bank of New York Mellon, as Trustee, to an indenture dated as of June 20, 2013.	Filed herewith.
4.11	Tenth Supplemental Indenture, dated as of May 1, 2020, by and among Trane Technologies HoldCo Inc., Ingersoll-Rand Global Holding Company Limited, Ingersoll-Rand Company, Trane Technologies plc, Trane Technologies Luxembourg Finance S.A., Trane Technologies Lux International Holding Company S.à.r.l., Trane Technologies Irish Holdings Unlimited Company, Trane Technologies Company LLC, and The Bank of New York Mellon, as Trustee, to an indenture dated as of June 20, 2013.	Filed herewith.
4.12	Eleventh Supplemental Indenture, dated as of May 1, 2020, by and among Trane Technologies HoldCo Inc., Ingersoll-Rand Global Holding Company Limited, Ingersoll-Rand Company, Trane Technologies plc, Trane Technologies Luxembourg Finance S.A., Trane Technologies Lux International Holding Company S.à.r.l., Trane Technologies Irish Holdings Unlimited Company, Trane Technologies Company LLC, and The Bank of New York Mellon, as Trustee, to an indenture dated as of June 20, 2013.	Filed herewith.
4.13	Indenture, dated as of October 28, 2014, by and among Ingersoll-Rand Luxembourg Finance S.A., as issuer, and Ingersoll-Rand plc, Ingersoll-Rand Company Limited, Ingersoll-Rand International Holding Limited, Ingersoll-Rand Company and Ingersoll-Rand Global Holding Company Limited, as guarantors, and The Bank of New York Mellon, as Trustee.	Incorporated by reference to Exhibit 4.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on October 29, 2014
4.14	First Supplemental Indenture, dated as of October 28, 2014, by and among Ingersoll-Rand Luxembourg Finance S.A., as issuer, and Ingersoll-Rand plc, Ingersoll-Rand Company Limited, Ingersoll-Rand International Holding Limited, Ingersoll-Rand Company and Ingersoll-Rand Global Holding Company Limited, as guarantors, and The Bank of New York Mellon, as Trustee, relating to the 2.625% Senior Notes due 2020.	Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on October 29, 2014.
4.15	Second Supplemental Indenture, dated as of October 28, 2014, by and among Ingersoll-Rand Luxembourg Finance S.A., as issuer, and Ingersoll-Rand plc, Ingersoll-Rand Company Limited, Ingersoll-Rand International Holding Limited, Ingersoll-Rand Company and Ingersoll-Rand Global Holding Company Limited, as guarantors, and The Bank of New York Mellon, as Trustee, relating to the 3.550% Senior Notes due 2024.	Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on October 29, 2014.

EXHIBIT NO.	DESCRIPTION	METHOD OF FILING
4.16	Third Supplemental Indenture, dated as of October 28, 2014, by and among Ingersoll-Rand Luxembourg Finance S.A., as issuer, and Ingersoll-Rand plc, Ingersoll-Rand Company Limited, Ingersoll-Rand International Holding Limited, Ingersoll-Rand Company and Ingersoll-Rand Global Holding Company Limited, as guarantors, and The Bank of New York Mellon, as Trustee, relating to the 4.650% Senior Notes due 2044.	Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on October 29, 2014.
4.17	Fourth Supplemental Indenture, dated as of December 18, 2015, by and among Ingersoll-Rand Luxembourg Finance S.A., as issuer, and Ingersoll-Rand plc, Ingersoll-Rand International Holding Limited, Ingersoll-Rand Company, Ingersoll-Rand Global Holding Company Limited, and Ingersoll-Rand Lux International Holding Company S.à.r.l. as guarantors, and The Bank of New York Mellon, as Trustee.	Incorporated by reference to Exhibit 4.27 to the Company's Form 10-K for the fiscal year ended 2015 (File No. 001-34400) filed with the SEC on February 12, 2016.
4.18	Fifth Supplemental Indenture, dated as of April 5, 2016, by and among Ingersoll-Rand Luxembourg Finance S.A., as Issuer, and Ingersoll-Rand plc, Ingersoll-Rand Company Limited, Ingersoll-Rand Company, Ingersoll-Rand International Holding Limited, Ingersoll-Rand Lux International Holding Company S.à r.l., Ingersoll-Rand Irish Holdings Unlimited Company, as guarantors, and The Bank of New York Mellon, as Trustee.	Incorporated by reference to Exhibit 4.25 to the Company's Form 10-K for the fiscal year ended 2016 (File No. 001-34400) filed with the SEC on February 13, 2017.
4.19	Sixth Supplemental Indenture, dated as of May 1, 2020, by and among Trane Technologies Luxembourg Finance S.A., Trane Technologies plc, Ingersoll-Rand Global Holding Company Limited, Ingersoll-Rand Company, Trane Technologies Irish Holdings Unlimited Company, Trane Technologies HoldCo Inc., and the Bank of New York Mellon, as Trustee.	Filed herewith.
4.20	Seventh Supplemental Indenture, dated as of May 1, 2020, by and among Trane Technologies Luxembourg Finance S.A., Trane Technologies plc, Ingersoll-Rand Global Holding Company Limited, Trane Technologies Irish Holdings Unlimited Company, Trane Technologies HoldCo Inc., Trane Technologies Company LLC, and the Bank of New York Mellon, as Trustee.	Filed herewith.
4.21	Eighth Supplemental Indenture, dated as of May 1, 2020, by and among Trane Technologies Luxembourg Finance S.A., Trane Technologies plc, Ingersoll-Rand Global Holding Company Limited, Trane Technologies Lux International Holding Company S.à.r.l., Trane Technologies Irish Holdings Unlimited Company, Trane Technologies HoldCo Inc., Trane Technologies Company LLC, and the Bank of New York Mellon, as Trustee.	Filed herewith.
4.22	Ninth Supplemental Indenture, dated as of May 1, 2020, by and among Trane Technologies Luxembourg Finance S.A., Trane Technologies plc, Ingersoll-Rand Global Holding Company Limited, Trane Technologies Lux International Holding Company S.à.r.l., Trane Technologies Irish Holdings Unlimited Company, Trane Technologies HoldCo Inc., Trane Technologies Company LLC, and the Bank of New York Mellon, as Trustee.	Filed herewith.

EXHIBIT NO.	DESCRIPTION	METHOD OF FILING
4.23	Indenture, dated as of February 21, 2018, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand plc, Ingersoll-Rand Luxembourg Finance S.A., Ingersoll-Rand Lux International Holding Company S.à r.l., Ingersoll-Rand Irish Holdings Unlimited Company and Ingersoll-Rand Company, as guarantors, and Wells Fargo Bank, National Association, as Trustee.	Incorporated by reference to Exhibit 4.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on February 26, 2018.
4.24	First Supplemental Indenture, dated as of February 21, 2018, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand plc, Ingersoll-Rand Luxembourg Finance S.A., Ingersoll-Rand Lux International Holding Company S.à r.l., Ingersoll-Rand Irish Holdings Unlimited Company and Ingersoll-Rand Company, as guarantors, and Wells Fargo Bank, National Association, as Trustee, relating to the 2.900% Senior Notes due 2021.	Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on February 26, 2018.
4.25	Second Supplemental Indenture, dated as of February 21, 2018, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand plc, Ingersoll-Rand Luxembourg Finance S.A., Ingersoll-Rand Lux International Holding Company S.à r.l., Ingersoll-Rand Irish Holdings Unlimited Company and Ingersoll-Rand Company, as guarantors, and Wells Fargo Bank, National Association, as Trustee, relating to the 3.750% Senior Notes due 2028.	Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on February 26, 2018.
4.26	Third Supplemental Indenture, dated as of February 21, 2018, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand plc, Ingersoll-Rand Luxembourg Finance S.A., Ingersoll-Rand Lux International Holding Company S.à r.l., Ingersoll-Rand Irish Holdings Unlimited Company and Ingersoll-Rand Company, as guarantors, and Wells Fargo Bank, National Association, as Trustee, relating to the 4.300% Senior Notes due 2048.	Incorporated by reference to Exhibit 4.6 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on February 26, 2018.
4.27	Fourth Supplemental Indenture, dated as of March 21, 2019, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand plc, Ingersoll-Rand Luxembourg Finance S.A., Ingersoll-Rand Lux International Holding Company S.à r.l., Ingersoll-Rand Irish Holdings Unlimited Company and Ingersoll-Rand Company, as guarantors, and Wells Fargo Bank, National Association, as Trustee, relating to the 3.500% Senior Notes due 2026.	Incorporated by reference to Exhibit 4.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on March 26, 2019.
4.28	Fifth Supplemental Indenture, dated as of March 21, 2019, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand plc, Ingersoll-Rand Luxembourg Finance S.A., Ingersoll-Rand Lux International Holding Company S.à r.l., Ingersoll-Rand Irish Holdings Unlimited Company and Ingersoll-Rand Company, as guarantors, and Wells Fargo Bank, National Association, as Trustee, relating to the 3.800% Senior Notes due 2029.	Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on March 26, 2019.
4.29	Sixth Supplemental Indenture, dated as of March 21, 2019, by and among Ingersoll-Rand Global Holding Company Limited, as issuer, Ingersoll-Rand plc, Ingersoll-Rand Luxembourg Finance S.A., Ingersoll-Rand Lux International Holding Company S.à r.l., Ingersoll-Rand Irish Holdings Unlimited Company and Ingersoll-Rand Company, as guarantors, and Wells Fargo Bank, National Association, as Trustee, relating to the 4.500% Senior Notes due 2049.	Incorporated by reference to Exhibit 4.5 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on March 26, 2019.

EXHIBIT NO.	DESCRIPTION	METHOD OF FILING
4.30	Seventh Supplemental Indenture, dated as of May 1, 2020, by and among Ingersoll-Rand Global Holding Company Limited, Trane Technologies Luxembourg Finance S.A., Trane Technologies plc, Ingersoll-Rand Company, Trane Technologies Lux International Holding Company S.à r.l., Trane Technologies Irish Holdings Unlimited Company, Trane Technologies HoldCo Inc. and Wells Fargo Bank, National Association, as Trustee.	Filed herewith.
4.31	Eighth Supplemental Indenture, dated as of May 1, 2020, by and among Ingersoll-Rand Global Holding Company Limited, Trane Technologies Luxembourg Finance S.A., Trane Technologies plc, Trane Technologies Lux International Holding Company S.à r.l., Trane Technologies Irish Holdings Unlimited Company, Trane Technologies HoldCo Inc., Trane Technologies Company LLC and Wells Fargo Bank, National Association, as Trustee.	Filed herewith.
4.32	Ninth Supplemental Indenture, dated as of May 1, 2020, by and among Ingersoll-Rand Global Holding Company Limited, Trane Technologies Luxembourg Finance S.A., Trane Technologies plc, Trane Technologies Lux International Holding Company S.à r.l., Trane Technologies Irish Holdings Unlimited Company, Trane Technologies HoldCo Inc., Trane Technologies Company LLC and Wells Fargo Bank, National Association, as Trustee.	Filed herewith.
4.33	Tenth Supplemental Indenture, dated as of May 1, 2020, by and among Ingersoll-Rand Global Holding Company Limited, Trane Technologies Luxembourg Finance S.A., Trane Technologies plc, Trane Technologies Lux International Holding Company S.à r.l., Trane Technologies Irish Holdings Unlimited Company, Trane Technologies HoldCo Inc., Trane Technologies Company LLC and Wells Fargo Bank, National Association, as Trustee.	Filed herewith.
4.34	Form of Ordinary Share Certificate of Ingersoll-Rand plc.	Incorporated by reference to Exhibit 4.6 to the Company's Form S-3 (File No. 333-161334) filed with the SEC on August 13, 2009.
4.35	Description of Registrant's Securities	Filed herewith.
10.1*	Form of Global Stock Option Award Agreement (February 2021).	Filed herewith.
10.2*	Form of Global Restricted Stock Unit Award Agreement (February 2021).	Filed herewith.
10.3*	Form of Global Performance Stock Unit Award Agreement (February 2021).	Filed herewith.
10.4	Credit Agreement dated April 17, 2018 among Ingersoll-Rand Global Holding Company Limited, Ingersoll-Rand plc, Ingersoll-Rand Luxembourg Finance S.A., Ingersoll-Rand Lux International Holding Company S.à r.l., Ingersoll-Rand Irish Holdings Unlimited Company, Ingersoll-Rand Company, JPMorgan Chase Bank, N.A., as Administrative Agent, Citibank, N.A., as Syndication Agent, Bank of America, N.A., BNP Paribas, Deutsche Bank Securities Inc., Goldman Sachs Bank USA, Mizuho Bank, Ltd., and MUFG Bank Ltd. as Documentation Agents, and JPMorgan Chase Bank, N.A. and Citigroup Global Markets Inc., as joint lead arrangers and joint bookrunners, and certain lending institutions from time to time parties thereto.	Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on April 19, 2018.

EXHIBIT NO.	DESCRIPTION	METHOD OF FILING
10.5	Credit Agreement dated June 4, 2020 among Trane Technologies Holdco Inc., Trane Technologies Global Holding Company Limited and Trane Technologies Luxembourg Finance S.A., Trane Technologies plc, Trane Technologies Lux International Holding Company S.à r.l. ("TT Lux Holding Company"), Trane Technologies Irish Holdings Unlimited Company ("Irish Holdings"), Trane Technologies Company LLC ("TTC" and, together with TT Parent, Irish Holdings and TT Lux Holding Company, the "Guarantors"), JPMorgan Chase Bank, N.A., as Administrative Agent, Citibank, N.A., as Syndication Agent, Deutsche Bank Securities Inc., Goldman Sachs Bank USA and MUFG Bank, Ltd., as Documentation Agents, and JPMorgan Chase Bank, N.A., Citibank, N.A., BofA Securities, Inc., BNP Securities Corp. and Mizuho Bank, Ltd., as joint lead arrangers and joint bookrunners, and certain lending institutions from time to time parties thereto.	Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on June 10, 2020.
10.6	Deed Poll Indemnity of Ingersoll-Rand plc, an Irish public limited company, as to the directors, secretary and officers and senior executives of Ingersoll-Rand plc and the directors and officers of Ingersoll-Rand plc's subsidiaries.	Incorporated by reference to Exhibit 10.5 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
10.7	Tax Sharing Agreement, dated as of July 16, 2007, by and among American Standard Companies Inc. and certain of its subsidiaries and WABCO Holdings Inc. and certain of its subsidiaries.	Incorporated by reference to Exhibit 10.1 to Trane Inc.'s Form 8-K (File No. 001-11415) filed with the SEC on July 20, 2007.
10.8	Tax Matters Agreement between Ingersoll-Rand plc and Allegion plc, dated November 30, 2013.	Incorporated by reference to Exhibit 10.2 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on December 2, 2013.
10.9*	Trane Technologies Incentive Stock Plan of 2013 (amended and restated as of March 2, 2020).	Filed herewith.
10.10*	Trane Technologies Incentive Stock Plan of 2018 (amended and restated as of March 2, 2020).	Filed herewith.
10.11*	Trane Technologies Executive Deferred Compensation Plan (as amended and restated effective May 4, 2020).	Filed herewith.
10.12*	Trane Technologies Executive Deferred Compensation Plan II (as amended and restated effective May 4, 2020).	Filed herewith.
10.13*	Trane Technologies Director Deferred Compensation and Stock Award Plan (as amended and restated effective March 2, 2020).	Filed herewith.
10.14*	Trane Technologies Director Deferred Compensation and Stock Award Plan II (as amended and restated effective March 2, 2020).	Filed herewith.
10.15*	Trane Technologies Supplemental Employee Savings Plan (amended and restated effective May 4, 2020).	Filed herewith.
10.16*	Trane Technologies Supplemental Employee Savings Plan II (effective January 1, 2005 and amended and restated through May 4, 2020).	Filed herewith.
10.17*	Trane Inc. Deferred Compensation Plan (as amended and restated as of May 4, 2020, except where otherwise stated).	Filed herewith.
10.18*	Trane Technologies Supplemental Pension Plan (Amended and Restated Effective May 4, 2020).	Filed herewith.

EXHIBIT NO.	DESCRIPTION	METHOD OF FILING
10.19*	Trane Technologies Supplemental Pension Plan II (Amended and Restated Effective May 4, 2020).	Filed herewith.
10.20*	Trane Technologies Elected Officers Supplemental Plan (Effective January 1, 2005 and Amended and Restated effective May 4, 2020).	Filed herewith.
10.21*	Trane Technologies Key Management Supplemental Program (Effective January 1, 2005 and Amended and Restated effective May 4, 2020).	Filed herewith.
10.22*	Description of Annual Incentive Matrix Program.	Incorporated by reference to Exhibit 10.30 to the Company's Form 10-K (File No. 001-34400) filed with the SEC on February 12, 2018.
10.23*	Form of Tier 1 Change in Control Agreement (Officers before May 19, 2009).	Incorporated by reference to Exhibit 99.1 to the Company's Form 8-K (File No. 001-16831) filed with the SEC on December 4, 2006.
10.24*	Form of Tier 2 Change in Control Agreement (Officers before May 19, 2009).	Incorporated by reference to Exhibit 99.2 to the Company's Form 8-K (File No. 001-16831) filed with the SEC on December 4, 2006.
10.25*	Form of Tier 1 Change in Control Agreement (New Officers on or after May 19, 2009).	Incorporated by reference to Exhibit 10.32 to the Company's Form 10-Q for the period ended June 30, 2009 (File No. 001-34400) filed with the SEC on August 6, 2009.
10.26*	Form of Tier 2 Change in Control Agreement (New Officers on or after May 19, 2009).	Incorporated by reference to Exhibit 10.33 to the Company's Form 10-Q for the period ended June 30, 2009 (File No. 001-34400) filed with the SEC on August 6, 2009.
10.27*	Amended and Restated Major Restructuring Severance Plan (as amended and restated effective May 4, 2020).	Filed herewith.
10.28*	Michael W. Lamach Letter, dated December 24, 2003.	Incorporated by reference to Exhibit 10.35 to the Company's Form 10-K for the fiscal year ended 2003 (File No. 001-16831) filed with the SEC on February 27, 2004.
10.29*	Michael W. Lamach Letter, dated June 4, 2008.	Incorporated by reference to Exhibit 10.2 to the Company's Form 8-K (File No. 001-16831) filed with the SEC on June 10, 2008.
10.30*	Michael W. Lamach Letter, dated February 4, 2009.	Incorporated by reference to Exhibit 10.43 to the Company's Form 10-K for the fiscal year ended 2008 (File No. 001-16831) filed with the SEC on March 2, 2009.
10.31*	Michael W. Lamach Letter, dated February 3, 2010.	Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on February 5, 2010.
10.32*	Michael W. Lamach Letter, dated December 23, 2012.	Incorporated by reference to exhibit 10.48 to the Company's Form 10-K for the fiscal year ended 2012 (File No. 001-34400) filed with the SEC on February 14, 2013.
10.33*	Marcia J. Avedon Letter, dated January 8, 2007.	Incorporated by reference to Exhibit 10.45 to the Company's Form 10-K for the fiscal year ended December 31, 2006 (File No. 001-16831) filed with the SEC on March 1, 2007.
10.34*	Marcia J. Avedon Letter, dated December 20, 2012.	Incorporated by reference to exhibit 10.53 to the Company's Form 10-K for the fiscal year ended 2012 (File No. 001-34400) filed with the SEC on February 14, 2013.

EXHIBIT NO.	DESCRIPTION	METHOD OF FILING
10.35*	Susan K. Carter Letter, dated as of August 19, 2013.	Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on October 2, 2013.
10.36*	David S. Regnery Letter, dated as of September 1, 2017.	Incorporated by reference to Exhibit 10.44 to the Company's Form 10-K for the year ended December 31, 2018 (File No. 001-34400) filed with the SEC on February 12, 2019.
10.37*	David S. Regnery Letter, dated as of December 9, 2019.	Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on December 11, 2019.
10.38*	Christopher J. Kuehn Letter, dated as of December 10, 2019.	Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on December 10, 2019.
10.39*	Employee Matters Agreement between Ingersoll-Rand plc and Allegion plc, dated November 30, 2013.	Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on December 2, 2013.
21	List of Subsidiaries of Trane Technologies plc.	Filed herewith.
23.1	Consent of Independent Registered Public Accounting Firm.	Filed herewith.
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed herewith.
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed herewith.
32	Certifications of Chief Executive Officer and Chief Financial Officer Pursuant to Rule 13a-14(b) or Rule 15d-14(b) and 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Furnished herewith.
101	The following materials from the Company's Annual Report on Form 10-K for the year ended December 31, 2020, formatted in Inline XBRL (Extensible Business Reporting Language): (i) the Consolidated Statements of Comprehensive Income, (ii) the Consolidated Balance Sheets, (iii) the Consolidated Statements of Equity, (iv) the Consolidated Statements of Cash Flows, and (v) Notes to Consolidated Financial Statements.	Furnished herewith.

* Management contract or compensatory plan or arrangement.

Item 16. Form 10-K Summary

Not applicable.

Signatures

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

TRANE TECHNOLOGIES PLC
(Registrant)

By: /s/ Michael W. Lamach
Michael W. Lamach
Chairman of the Board and Chief Executive Officer
Date: February 9, 2021

Pursuant to the requirement of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Michael W. Lamach</u> (Michael W. Lamach)	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	February 9, 2021
<u>/s/ Christopher J. Kuehn</u> (Christopher J. Kuehn)	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	February 9, 2021
<u>/s/ Heather R. Howlett</u> (Heather R. Howlett)	Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 9, 2021
<u>/s/ Kirk E. Arnold</u> (Kirk E. Arnold)	Director	February 9, 2021
<u>/s/ Ann C. Berzin</u> (Ann C. Berzin)	Director	February 9, 2021
<u>/s/ John Bruton</u> (John Bruton)	Director	February 9, 2021
<u>/s/ Jared L. Cohon</u> (Jared L. Cohon)	Director	February 9, 2021
<u>/s/ Gary D. Forsee</u> (Gary D. Forsee)	Director	February 9, 2021
<u>/s/ Linda P. Hudson</u> (Linda P. Hudson)	Director	February 9, 2021
<u>/s/ Myles P. Lee</u> (Myles P. Lee)	Director	February 9, 2021
<u>/s/ April Miller Boise</u> (April Miller Boise)	Director	February 9, 2021
<u>/s/ Karen B. Peetz</u> (Karen B. Peetz)	Director	February 9, 2021
<u>/s/ John P. Surma</u> (John P. Surma)	Director	February 9, 2021
<u>/s/ Richard J. Swift</u> (Richard J. Swift)	Director	February 9, 2021
<u>/s/ Tony L. White</u> (Tony L. White)	Director	February 9, 2021

TRANE TECHNOLOGIES PLC**Index to Consolidated Financial Statements**

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Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Trane Technologies plc

OPINIONS ON THE FINANCIAL STATEMENTS AND INTERNAL CONTROL OVER FINANCIAL REPORTING

We have audited the accompanying consolidated balance sheets of Trane Technologies plc and its subsidiaries (the "Company") as of December 31, 2020 and 2019, and the related consolidated statements of comprehensive income, of equity and of cash flows for each of the three years in the period ended December 31, 2020, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

CHANGE IN ACCOUNTING PRINCIPLE

As discussed in Note 3 to the consolidated financial statements, the Company changed the manner in which it accounts for leases in 2019.

BASIS FOR OPINIONS

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

DEFINITION AND LIMITATIONS OF INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

CRITICAL AUDIT MATTERS

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

TAX-FREE DETERMINATION OF THE REVERSE MORRIS TRUST TRANSACTION

As described in Notes 2, 18 and 19 to the consolidated financial statements, on February 29, 2020, the Company completed its Reverse Morris Trust transaction (the Transaction) with Gardner Denver Holdings, Inc. (Gardner Denver, which changed its name to Ingersoll Rand, Inc. after the Transaction) whereby the Company distributed Ingersoll-Rand U.S. Holdco, Inc., which contained the Company's former Industrial segment (Ingersoll Rand Industrial), through a pro rata distribution (the Distribution) to shareholders of record as of February 24, 2020. Ingersoll Rand Industrial then merged into a wholly-owned subsidiary of Gardner Denver. As disclosed by management, the Transaction was determined to qualify for tax-free treatment under certain sections of the Internal Revenue Code. The determination of the Transaction as tax-free requires management to make significant judgments about the interpretation of tax laws and regulations. This determination is the subject of periodic audits by U.S. tax authorities. Unfavorable audit findings and tax rulings may have a material adverse effect on the Company's financial condition, results of operations or cash flows.

The principal considerations for our determination that performing procedures relating to the tax-free determination of the Reverse Morris Trust transaction is a critical audit matter are (i) the significant judgment by management regarding the Transaction and application of U.S. tax laws and regulations in determining that the Transaction would qualify as tax-free, (ii) a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating audit evidence related to the tax-free determination, and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the determination of the tax-free treatment of the Transaction. These procedures also included, among others (i) testing management's process in determining the tax-free treatment of the Transaction, (ii) testing the information used in management's determination, including opinions of third-party tax advisors, tax laws and regulations, and (iii) evaluating the reasonableness of management's interpretation of the tax laws and regulations and determinations reached for the tax treatment of each component of the Transaction. Professionals with specialized skill and knowledge were used to assist in the evaluation of the tax-free treatment of the Transaction, including evaluating certain representations from management, and management's application of the relevant tax laws and regulations.

REASSIGNMENT OF GOODWILL TO NEWLY DESIGNATED REPORTING UNITS

As described in Note 6 to the consolidated financial statements, in connection with the new organizational model and business segment structure, the Company reassigned its goodwill among the newly designated reporting units using a relative fair value approach. As disclosed by management, because quoted market prices are not available for their reporting units, the calculation of their estimated fair value was determined using the guideline public company method specifically a market-adjusted multiple of earnings and revenues (a market approach). The earnings and revenues multiple approach reflects the market's expectations for future growth and risk, with adjustments to account for differences between the guideline publicly traded companies and the subject reporting units. Total goodwill amounts to \$5.3 billion as of December 31, 2020.

The principal considerations for our determination that performing procedures relating to the reassignment of goodwill to the newly designated reporting units is a critical audit matter are (i) the significant judgment by management in developing the relative fair value of the reporting units; (ii) a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating management's significant assumptions related to the multiples of earnings and revenues used in the market approach; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to developing the fair value of the reporting units, including controls over the multiples of earnings and revenues utilized within the valuations. These procedures also included, among others, testing management's process for developing the fair value estimate, evaluating the reasonableness of the market approach, and evaluating the reasonableness of the significant assumptions used by management related to the multiples of earnings and revenues used in the market approach. Evaluating the reasonableness of management's significant assumptions related to the multiples of earnings and revenues involved (i) comparing the multiples to peer groups, (ii) verifying the multiples are within the range identified by the valuation specialists engaged by the Company, and (iii) testing the completeness and accuracy of underlying data used in the model. Professionals with specialized skill and knowledge were used to assist in the evaluation of management's market approach.

/s/ PricewaterhouseCoopers LLP
Charlotte, North Carolina
February 9, 2021

We have served as the Company's auditor since at least 1906. We have not been able to determine the specific year we began serving as auditor of the Company.

Trane Technologies plc

Consolidated Statements of Comprehensive Income

In millions, except per share amounts

FOR THE YEARS ENDED DECEMBER 31,	2020	2019	2018
Net revenues	\$ 12,454.7	\$ 13,075.9	\$ 12,343.8
Cost of goods sold	(8,651.3)	(9,085.5)	(8,582.5)
Selling and administrative expenses	(2,270.6)	(2,320.3)	(2,249.2)
Operating income	1,532.8	1,670.1	1,512.1
Interest expense	(248.7)	(242.8)	(221.0)
Other income/(expense), net	4.1	(28.4)	(33.3)
Earnings before income taxes	1,288.2	1,398.9	1,257.8
Benefit (provision) for income taxes	(296.8)	(238.6)	(234.9)
Earnings from continuing operations	991.4	1,160.3	1,022.9
Discontinued operations, net of tax	(121.4)	268.2	334.6
Net earnings	870.0	1,428.5	1,357.5
Less: Net earnings from continuing operations attributable to noncontrolling interests	(14.2)	(15.2)	(15.1)
Less: Net earnings from discontinuing operations attributable to noncontrolling interests	(0.9)	(2.4)	(4.8)
Net earnings attributable to Trane Technologies plc	\$ 854.9	\$ 1,410.9	\$ 1,337.6
Amounts attributable to Trane Technologies plc ordinary shareholders:			
Continuing operations	\$ 977.2	\$ 1,145.1	\$ 1,007.8
Discontinued operations	(122.3)	265.8	329.8
Net earnings	\$ 854.9	\$ 1,410.9	\$ 1,337.6
Earnings (loss) per share attributable to Trane Technologies plc ordinary shareholders:			
Basic:			
Continuing operations	\$ 4.07	\$ 4.74	\$ 4.08
Discontinued operations	(0.51)	1.10	1.33
Net earnings	\$ 3.56	\$ 5.84	\$ 5.41
Diluted:			
Continuing operations	\$ 4.02	\$ 4.69	\$ 4.03
Discontinued operations	(0.50)	1.08	1.32
Net earnings	\$ 3.52	\$ 5.77	\$ 5.35

Trane Technologies plc

Consolidated Statements of Comprehensive Income (continued)

In millions, except per share amounts

FOR THE YEARS ENDED DECEMBER 31,		2020		2019		2018
Net earnings	\$	870.0	\$	1,428.5	\$	1,357.5
Other comprehensive income (loss):						
Currency translation		261.5		(37.1)		(230.6)
Cash flow hedges						
Unrealized net gains (losses) arising during period		3.3		(2.7)		1.2
Net gains (losses) reclassified into earnings		1.9		0.7		0.9
Tax (expense) benefit		—		0.9		(0.1)
Total cash flow hedges, net of tax		5.2		(1.1)		2.0
Pension and OPEB adjustments:						
Prior service costs for the period		(1.9)		(5.7)		(16.0)
Net actuarial gains (losses) for the period		(52.5)		(41.9)		12.8
Amortization reclassified into earnings		43.4		48.1		50.7
Settlements/curtailments reclassified to earnings		(1.8)		2.2		2.5
Currency translation and other		(10.4)		(1.4)		7.5
Tax (expense) benefit		(0.7)		(4.7)		(17.2)
Total pension and OPEB adjustments, net of tax		(23.9)		(3.4)		40.3
Other comprehensive income (loss), net of tax		242.8		(41.6)		(188.3)
Comprehensive income, net of tax	\$	1,112.8	\$	1,386.9	\$	1,169.2
Less: Comprehensive income attributable to noncontrolling interests		(17.8)		(18.5)		(16.9)
Comprehensive income attributable to Trane Technologies plc	\$	1,095.0	\$	1,368.4	\$	1,152.3

See accompanying notes to Consolidated Financial Statements.

Trane Technologies plc

Consolidated Balance Sheets

In millions, except share amounts

DECEMBER 31,	2020	2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,289.9	\$ 1,278.6
Accounts and notes receivable, net	2,202.1	2,184.6
Inventories	1,189.2	1,278.6
Other current assets	224.4	344.8
Assets held-for-sale	—	4,207.2
Total current assets	6,905.6	9,293.8
Property, plant and equipment, net	1,349.5	1,352.0
Goodwill	5,342.8	5,125.7
Intangible assets, net	3,286.4	3,323.6
Other noncurrent assets	1,272.4	1,397.2
Total assets	\$ 18,156.7	\$ 20,492.3
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 1,520.2	\$ 1,381.3
Accrued compensation and benefits	451.1	442.4
Accrued expenses and other current liabilities	1,592.0	1,564.2
Short-term borrowings and current maturities of long-term debt	775.6	650.3
Liabilities held-for-sale	—	1,200.4
Total current liabilities	4,338.9	5,238.6
Long-term debt	4,496.5	4,922.9
Postemployment and other benefit liabilities	1,024.6	1,048.2
Deferred and noncurrent income taxes	578.5	572.0
Other noncurrent liabilities	1,291.1	1,398.2
Total liabilities	11,729.6	13,179.9
Equity:		
Trane Technologies plc shareholders' equity		
Ordinary shares, \$1.00 par value (263,309,250 and 262,804,939 shares issued at December 31, 2020 and 2019, respectively)	263.3	262.8
Ordinary shares held in treasury, at cost (24,500,862 and 24,499,897 shares at December 31, 2020 and 2019, respectively)	(1,719.4)	(1,719.4)
Retained earnings	8,495.3	9,730.8
Accumulated other comprehensive (loss)	(631.5)	(1,006.6)
Total Trane Technologies plc shareholders' equity	6,407.7	7,267.6
Noncontrolling interest	19.4	44.8
Total equity	6,427.1	7,312.4
Total liabilities and equity	\$ 18,156.7	\$ 20,492.3

See accompanying notes to Consolidated Financial Statements.

Trane Technologies plc

Consolidated Statements of Equity

IN MILLIONS, EXCEPT PER SHARE AMOUNTS	TRANE TECHNOLOGIES PLC SHAREHOLDERS' EQUITY							
	TOTAL EQUITY	ORDINARY SHARES		ORDINARY SHARES HELD IN TREASURY, AT COST	CAPITAL IN EXCESS OF PAR VALUE	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	NONCONTROLLING INTEREST
		AMOUNT AT PAR VALUE	SHARES					
Balance at December 31, 2017	\$ 7,206.9	\$ 274.0	274.0	\$ (1,719.4)	\$ 461.3	\$ 8,903.2	\$ (778.8)	\$ 66.6
Net earnings	1,357.5	—	—	—	—	1,337.6	—	19.9
Other comprehensive income (loss)	(188.3)	—	—	—	—	—	(185.3)	(3.0)
Shares issued under incentive stock plans	43.1	2.1	2.1	—	41.0	—	—	—
Repurchase of ordinary shares	(900.2)	(9.7)	(9.7)	—	(581.2)	(309.3)	—	—
Share-based compensation	74.7	—	—	—	78.8	(4.1)	—	—
Dividends declared to noncontrolling interest	(41.4)	—	—	—	—	—	—	(41.4)
Adoption of ASU 2014-09 (Revenue Recognition)	2.4	—	—	—	—	2.4	—	—
Adoption of ASU 2016-16 (Intra-Entity Transfers)	(9.1)	—	—	—	—	(9.1)	—	—
Cash dividends declared (\$1.96 per share)	(480.8)	—	—	—	—	(480.8)	—	—
Other	—	—	—	—	0.1	(0.1)	—	—
Balance at December 31, 2018	\$ 7,064.8	\$ 266.4	266.4	\$ (1,719.4)	\$ —	\$ 9,439.8	\$ (964.1)	\$ 42.1
Net earnings	1,428.5	—	—	—	—	1,410.9	—	17.6
Other comprehensive income (loss)	(41.6)	—	—	—	—	—	(42.5)	0.9
Shares issued under incentive stock plans	72.5	2.8	2.8	—	69.7	—	—	—
Repurchase of ordinary shares	(750.1)	(6.4)	(6.4)	—	(136.1)	(607.6)	—	—
Share-based compensation	63.5	—	—	—	66.4	(2.9)	—	—
Dividends declared to noncontrolling interest	(15.8)	—	—	—	—	—	—	(15.8)
Cash dividends declared (\$2.12 per share)	(509.5)	—	—	—	—	(509.5)	—	—
Other	0.1	—	—	—	—	0.1	—	—
Balance at December 31, 2019	\$ 7,312.4	\$ 262.8	262.8	\$ (1,719.4)	\$ —	\$ 9,730.8	\$ (1,006.6)	\$ 44.8
Net earnings	870.0	—	—	—	—	854.9	—	15.1
Other comprehensive income (loss)	242.8	—	—	—	—	—	240.1	2.7
Shares issued under incentive stock plans	64.5	2.3	2.3	—	62.2	—	—	—
Repurchase of ordinary shares	(250.0)	(1.8)	(1.8)	—	(135.6)	(112.6)	—	—
Share-based compensation	66.3	—	—	—	69.5	(3.2)	—	—
Dividends declared to noncontrolling interest	(18.3)	—	—	—	—	—	—	(18.3)
Investment by joint venture partner	7.0	—	—	—	3.9	—	—	3.1
Cash dividends declared (\$2.12 per share)	(507.7)	—	—	—	—	(507.7)	—	—
Separation of Ingersoll Rand Industrial	(1,359.9)	—	—	—	—	(1,466.9)	135.0	(28.0)
Balance at December 31, 2020	\$ 6,427.1	\$ 263.3	263.3	\$ (1,719.4)	\$ —	\$ 8,495.3	\$ (631.5)	\$ 19.4

See accompanying notes to Consolidated Financial Statements.

Trane Technologies plc

Consolidated Statements of Cash Flows

In millions

FOR THE YEARS ENDED DECEMBER 31,	2020	2019	2018
Cash flows from operating activities:			
Net earnings	\$ 870.0	\$ 1,428.5	\$ 1,357.5
Discontinued operations, net of tax	121.4	(268.2)	(334.6)
Adjustments for non-cash transactions:			
Depreciation and amortization	294.3	288.8	282.3
Pension and other postretirement benefits	68.8	96.3	85.0
Stock settled share-based compensation	69.5	66.4	78.8
Other non-cash items, net	(1.5)	(17.8)	(99.2)
Changes in other assets and liabilities, net of the effects of acquisitions:			
Accounts and notes receivable	5.9	(77.8)	(213.5)
Inventories	109.0	3.9	(186.9)
Other current and noncurrent assets	29.7	(245.8)	55.3
Accounts payable	75.8	93.2	99.6
Other current and noncurrent liabilities	123.3	156.2	(127.0)
Net cash provided by (used in) continuing operating activities	1,766.2	1,523.7	997.3
Net cash provided by (used in) discontinued operating activities	(331.2)	395.8	410.5
Net cash provided by (used in) operating activities	1,435.0	1,919.5	1,407.8
Cash flows from investing activities:			
Capital expenditures	(146.2)	(205.4)	(284.7)
Acquisitions and equity method investments, net of cash acquired	(182.8)	(83.4)	(285.7)
Proceeds from sale of property, plant and equipment	0.1	2.2	9.7
Deconsolidation of certain entities under Chapter 11	(10.8)	—	—
Other investing activities, net	1.2	4.8	(1.2)
Net cash provided by (used in) continuing investing activities	(338.5)	(281.8)	(561.9)
Net cash provided by (used in) discontinued investing activities	(37.7)	(1,498.2)	(67.5)
Net cash provided by (used in) investing activities	(376.2)	(1,780.0)	(629.4)
Cash flows from financing activities:			
Short-term borrowings (payments), net	—	—	(6.4)
Proceeds from long-term debt	—	1,497.9	1,147.0
Payments of long-term debt	(307.5)	(7.5)	(1,123.0)
Net proceeds from (payments of) debt	(307.5)	1,490.4	17.6
Debt issuance costs	(3.6)	(13.1)	(12.0)
Dividends paid to ordinary shareholders	(507.3)	(510.1)	(479.5)
Dividends paid to noncontrolling interests	(18.3)	(15.8)	(41.4)
Proceeds (payments) from shares issued under incentive plans, net	64.5	72.5	43.1
Repurchase of ordinary shares	(250.0)	(750.1)	(900.2)
Receipt of special cash payment	1,900.0	—	—
Other financing activities, net	6.5	(1.8)	(3.5)
Net cash provided by (used in) continuing financing activities	884.3	272.0	(1,375.9)
Net cash provided by (used in) discontinued financing activities	—	(1.5)	(2.9)
Net cash provided by (used in) financing activities	884.3	270.5	(1,378.8)
Effect of exchange rate changes on cash and cash equivalents	68.2	(9.8)	(45.6)
Net increase (decrease) in cash and cash equivalents	2,011.3	400.2	(646.0)
Cash and cash equivalents – beginning of period	1,278.6	878.4	1,524.4
Cash and cash equivalents – end of period	\$ 3,289.9	\$ 1,278.6	\$ 878.4
Cash paid during the year for:			
Interest	\$ 243.5	\$ 220.9	\$ 200.6
Income taxes, net of refunds	\$ 151.6	\$ 425.3	\$ 375.4

See accompanying notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

NOTE 1. DESCRIPTION OF COMPANY

Trane Technologies plc (formerly known as Ingersoll-Rand plc), a public limited company incorporated in Ireland in 2009, and its consolidated subsidiaries (collectively, we, our, the Company) is a global climate innovator that brings efficient and sustainable climate solutions to buildings, homes and transportation driven by strategic brands Trane® and Thermo King® and an environmentally responsible portfolio of products and services.

REPORTABLE SEGMENTS

Prior to the separation of the Company's Industrial segment on February 29, 2020, the Company announced a new organizational model and business segment structure designed to enhance its regional go-to-market capabilities, aligning the structure with the Company's strategy and increased focus on climate innovation. Under the revised structure, the Company created three new regional operating segments from the former climate segment, which also serve as the Company's reportable segments.

- The Company's Americas segment innovates for customers in the North America and Latin America regions. The Americas segment encompasses commercial heating and cooling systems, building controls, and energy services and solutions; residential heating and cooling; and transport refrigeration systems and solutions.
- The Company's EMEA segment innovates for customers in the Europe, Middle East and Africa region. The EMEA segment encompasses heating and cooling systems, services and solutions for commercial buildings, and transport refrigeration systems and solutions.
- The Company's Asia Pacific segment innovates for customers throughout the Asia Pacific region. The Asia Pacific segment encompasses heating and cooling systems, services and solutions for commercial buildings and transport refrigeration systems and solutions.

This model is designed to create deep customer focus and relevance in markets around the world. Each segment reports through separate management teams and regularly reviews their operating results with the Chief Executive Officer, the Company's Chief Operating Decision Maker (CODM) determined in accordance with applicable accounting guidance. All prior period comparative segment information has been recast to reflect the current reportable segments.

COVID-19 GLOBAL PANDEMIC

In March 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a newly discovered coronavirus, known now as COVID-19, as a global pandemic and recommended containment and mitigation measures worldwide. Beginning in the first quarter of 2020, many countries responded by implementing measures to combat the outbreak which impacted global business operations and resulted in a Company decision to temporarily close or limit its workforce to essential crews within many facilities throughout the world in order to ensure employee safety. In addition, the Company's non-essential employees were instructed to work from home in compliance with global government stay-in-place protocols.

The Company has been adversely impacted by the COVID-19 global pandemic. Temporary facility closures beginning in the first quarter of 2020 disrupted results in the Asia Pacific region with impacts more widely felt throughout operations in the Americas and EMEA in the months thereafter. During the second quarter of 2020, the Company began to reopen facilities while maintaining appropriate health and safety precautions. However, the challenges in connection with the pandemic continued as the Company experienced lower volume, which negatively impacted revenue, and certain supply chain delays. In response, the Company proactively initiated cost cutting actions in an effort to mitigate the impact of the pandemic on its business. This included reducing discretionary spending, restricting travel, delaying merit-based salary increases and implementing employee furloughs in certain markets.

The Company continues to navigate the new realities brought about by the COVID-19 global pandemic. Despite these challenges, all production facilities remain open and the Company continues to sell, install and service its products. During the second half of 2020, the Company did not experience any major delays in its supply chain and continued to focus on health and safety precautions to protect its employees and customers. In addition, during the fourth quarter of 2020, the Company completed several restorative actions including the reinstatement of annual merit-based salary

increases and resuming all aspects of our balanced capital allocation strategy which included acquisitions and share repurchases.

The preparation of financial statements requires management to use judgments in making estimates and assumptions based on the relevant information available at the end of each period. These estimates and assumptions have a significant effect on reported amounts of assets and liabilities, revenue and expenses, as well as the disclosure of contingencies because they may arise from matters that are inherently uncertain. The financial statements reflect the Company's best estimates as of December 31, 2020 (including as it relates to the actual and potential future impacts of the global pandemic) with respect to the recoverability of its assets, including its receivables and long-lived assets such as goodwill and intangibles. However, due to significant uncertainty surrounding the COVID-19 global pandemic, management's judgment regarding this could change in the future. In addition, while the Company's results of operations, cash flows and financial condition could be negatively impacted, the extent of the impact cannot be estimated with certainty at this time.

REORGANIZATION OF ALDRICH AND MURRAY

On May 1, 2020, certain subsidiaries of the Company underwent an internal corporate restructuring that was effectuated through a series of transactions (2020 Corporate Restructuring). As a result, Aldrich Pump LLC (Aldrich) and Murray Boiler LLC (Murray), indirect wholly-owned subsidiaries of Trane Technologies plc, became solely responsible for the asbestos-related liabilities, and the beneficiaries of the asbestos-related insurance assets, of Trane Technologies Company LLC, formerly known as Ingersoll-Rand Company, and Trane U.S. Inc, respectively. On a consolidated basis, the 2020 Corporate Restructuring did not have an impact on the Consolidated Financial Statements.

On June 18, 2020 (Petition Date), Aldrich and Murray filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the Bankruptcy Code) in the United States Bankruptcy Court for the Western District of North Carolina (the Bankruptcy Court) to resolve equitably and permanently all current and future asbestos related claims in a manner beneficial to claimants, Aldrich and Murray. As a result of the Chapter 11 filings, all asbestos-related lawsuits against Aldrich and Murray have been stayed due to the imposition of a statutory automatic stay applicable in Chapter 11 bankruptcy cases. Only Aldrich and Murray have filed for Chapter 11 relief. Neither Aldrich's wholly-owned subsidiary, 200 Park, Inc. (200 Park), Murray's wholly-owned subsidiary, ClimateLabs LLC (ClimateLabs), Trane Technologies plc nor its other subsidiaries (the Trane Companies) are part of the Chapter 11 filings. The Trane Companies are expected to continue to operate as usual, with no disruption to their employees, suppliers, or customers globally. However, as of the Petition Date, Aldrich and its wholly-owned subsidiary 200 Park and Murray and its wholly-owned subsidiary ClimateLabs were deconsolidated and their respective assets and liabilities were derecognized from the Company's Consolidated Financial Statements. Refer to Note 22, "Commitments and Contingencies," for more information regarding the Chapter 11 bankruptcy and asbestos-related matters.

NOTE 2. COMPLETION OF REVERSE MORRIS TRUST TRANSACTION

On February 29, 2020 (Distribution Date), the Company completed its Reverse Morris Trust transaction (the Transaction) with Gardner Denver Holdings, Inc. (Gardner Denver, which changed its name to Ingersoll Rand, Inc. after the Transaction) whereby the Company distributed Ingersoll-Rand U.S. HoldCo, Inc., which contained the Company's former Industrial segment (Ingersoll Rand Industrial), through a pro rata distribution (the Distribution) to shareholders of record as of February 24, 2020. Ingersoll Rand Industrial then merged into a wholly-owned subsidiary of Gardner Denver. Upon close of the Transaction, the Company's existing shareholders received approximately 50.1% of the shares of Gardner Denver common stock on a fully-diluted basis and Gardner Denver stockholders retained approximately 49.9% of the shares of Gardner Denver on a fully diluted basis. As a result, the Company's shareholders received .8824 shares of Gardner Denver common stock with respect to each share owned as of February 24, 2020. In connection with the Transaction, Ingersoll-Rand Services Company, an affiliate of Ingersoll Rand Industrial, borrowed an aggregate principal amount of \$1.9 billion under a senior secured first lien term loan facility (Term Loan), the proceeds of which were used to make a special cash payment of \$1.9 billion to a subsidiary of the Company. The obligations under the Term Loan were retained by Ingersoll-Rand Services Company, which following the Transaction is a wholly-owned subsidiary of Gardner Denver.

DISCONTINUED OPERATIONS

After the Distribution Date, the Company does not beneficially own any Ingersoll Rand Industrial shares of common stock and will no longer consolidate Ingersoll Rand Industrial in its financial statements. In accordance with GAAP, the

historical results of Ingersoll Rand Industrial are presented as a discontinued operation in the Consolidated Statement of Comprehensive Income (Loss) and Consolidated Statement of Cash Flows. In addition, the assets and liabilities of Ingersoll Rand Industrial have been recast to held-for-sale at December 31, 2019. In connection with the Transaction, the Company entered into several agreements with Gardner Denver covering supply, administrative and tax matters to provide or obtain services on a transitional basis for varying periods after the Distribution Date. The agreements cover services such as manufacturing, information technology, human resources and finance. Income and expenses under these agreements were not material. In accordance with several customary transaction-related agreements between the Company and Gardner Denver, the parties are in a process to determine final adjustments to working capital, cash and indebtedness amounts as of the Distribution Date, as well as another process to determine funding levels related to pension plans, non-qualified deferred compensation plans and retiree health benefits. As of December 31, 2020, both are ongoing in accordance with the transaction-related agreements. Upon finalization of these agreements, any adjustments will be recognized within Retained earnings.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies used in the preparation of the accompanying Consolidated Financial Statements follows:

Basis of Presentation: The accompanying Consolidated Financial Statements reflect the consolidated operations of the Company and have been prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP) as defined by the Financial Accounting Standards Board (FASB) within the FASB Accounting Standards Codification (ASC). Intercompany accounts and transactions have been eliminated. The assets, liabilities, results of operations and cash flows of all discontinued operations have been separately reported as discontinued operations for all periods presented.

The Consolidated Financial Statements include all majority-owned subsidiaries of the Company. A noncontrolling interest in a subsidiary is considered an ownership interest in a majority-owned subsidiary that is not attributable to the parent. The Company includes *Noncontrolling interest* as a component of *Total equity* in the Consolidated Balance Sheet and the *Net earnings attributable to noncontrolling interests* are presented as an adjustment from *Net earnings used to arrive at Net earnings attributable to Trane Technologies plc* in the Consolidated Statement of Comprehensive Income. Partially-owned equity affiliates represent 20-50% ownership interests in investments where the Company demonstrates significant influence, but does not have a controlling financial interest. Partially-owned equity affiliates are accounted for under the equity method.

Use of Estimates: 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 and the disclosures of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Estimates are based on several factors including the facts and circumstances available at the time the estimates are made, historical experience, risk of loss, general economic conditions and trends, and the assessment of the probable future outcome. Actual results could differ from those estimates. Estimates and assumptions are reviewed periodically, and the effects of changes, if any, are reflected in the statement of operations in the period that they are determined.

Currency Translation: Assets and liabilities of non-U.S. subsidiaries, where the functional currency is not the U.S. dollar, have been translated at year-end exchange rates, and income and expense accounts have been translated using average exchange rates throughout the year. Adjustments resulting from the process of translating an entity's financial statements into the U.S. dollar have been recorded in the equity section of the Consolidated Balance Sheet within *Accumulated other comprehensive income (loss)*. Transactions that are denominated in a currency other than an entity's functional currency are subject to changes in exchange rates with the resulting gains and losses recorded within *Net earnings*.

Cash and Cash Equivalents: Cash and cash equivalents include cash on hand, demand deposits and all highly liquid investments with original maturities at the time of purchase of three months or less. The Company maintains amounts on deposit at various financial institutions, which may at times exceed federally insured limits. However, management periodically evaluates the credit-worthiness of those institutions and has not experienced any losses on such deposits.

Allowance for Doubtful Accounts: In accordance with Accounting Standard Update (ASU) 2016-13, "Financial Instruments - Credit Losses" (ASU 2016-13), the Company maintains an allowance for doubtful accounts receivable

which represents the best estimate of probable loss inherent in the Company's accounts receivable portfolio. This estimate is based upon a two-step policy that results in the total recorded allowance for doubtful accounts. The first step is to record a portfolio reserve based on the aging of the outstanding accounts receivable portfolio and the Company's historical experience with the Company's end markets, customer base and products. The second step is to create a specific reserve for significant accounts as to which the customer's ability to satisfy their financial obligation to the Company is in doubt due to circumstances such as bankruptcy, deteriorating operating results or financial position. In these circumstances, management uses its judgment to record an allowance based on the best estimate of probable loss, factoring in such considerations as the market value of collateral, if applicable. Actual results could differ from those estimates. These estimates and assumptions are reviewed periodically, and the effects of changes, if any, are reflected in the Consolidated Statement of Comprehensive Income in the period that they are determined. The Company reserved \$40.0 million and \$32.2 million for doubtful accounts as of December 31, 2020 and 2019, respectively.

Inventories: Depending on the business, U.S. inventories are stated at the lower of cost or market using the last-in, first-out (LIFO) method or the lower of cost or market using the first-in, first-out (FIFO) method. Non-U.S. inventories are primarily stated at the lower of cost or market using the FIFO method. At December 31, 2020 and 2019, approximately 60% and 62%, respectively, of all inventory utilized the LIFO method.

Property, Plant and Equipment: Property, plant and equipment are stated at cost, less accumulated depreciation. Assets placed in service are recorded at cost and depreciated using the straight-line method over the estimated useful life of the asset except for leasehold improvements, which are depreciated over the shorter of their economic useful life or their lease term. The range of useful lives used to depreciate property, plant and equipment is as follows:

Buildings	10 to 50 years
Machinery and equipment	2 to 12 years
Software	2 to 7 years

Major expenditures for replacements and significant improvements that increase asset values and extend useful lives are also capitalized. Capitalized costs are amortized over their estimated useful lives using the straight-line method. Repairs and maintenance expenditures that do not extend the useful life of the asset are charged to expense as incurred. The carrying amounts of assets that are sold or retired and the related accumulated depreciation are removed from the accounts in the year of disposal, and any resulting gain or loss is reflected within current earnings.

Per ASC 360, "Property, Plant, and Equipment" (ASC 360), the Company assesses the recoverability of the carrying value of its property, plant and equipment whenever events or changes in circumstances indicate that the carrying amount of the asset group may not be recoverable. Recoverability is measured by a comparison of the carrying amount of an asset group to the future net undiscounted cash flows expected to be generated by the asset group. If the undiscounted cash flows are less than the carrying amount of the asset group, an impairment loss is recognized for the amount by which the carrying value of the asset group exceeds the fair value of the asset group.

Goodwill and Intangible Assets: The Company records as goodwill the excess of the purchase price over the fair value of the net assets acquired in a business combination. In accordance with ASC 350, "Intangibles-Goodwill and Other" (ASC 350), goodwill and other indefinite-lived intangible assets are tested and reviewed annually for impairment during the fourth quarter or whenever there is a significant change in events or circumstances that indicate that the fair value of the asset is more likely than not less than the carrying amount of the asset. In addition, an interim impairment test is completed upon a triggering event or when there is a reorganization of reporting structure or disposal of all or a portion of a reporting unit.

Impairment of goodwill is assessed at the reporting unit level and begins with an optional qualitative assessment to determine if it is more likely than not that the fair value of each reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the goodwill impairment test under ASC 350. For those reporting units that bypass or fail the qualitative assessment, the test compares the carrying amount of the reporting unit to its estimated fair value. If the estimated fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is not impaired. To the extent that the carrying value of the reporting unit exceeds its estimated fair value, an impairment loss will be recognized for the amount by which the reporting unit's carrying amount exceeds its fair value, not to exceed the carrying amount of goodwill in that reporting unit.

Intangible assets such as patents, customer-related intangible assets and other intangible assets with finite useful lives are amortized on a straight-line basis over their estimated economic lives. The weighted-average useful lives approximate the following:

Customer relationships	17 years
Other	10 years

The Company assesses the recoverability of the carrying value of its intangible assets with finite useful lives whenever events or changes in circumstances indicate that the carrying amount of the asset group may not be recoverable. Recoverability is measured by a comparison of the carrying amount of an asset group to the future net undiscounted cash flows expected to be generated by the asset group. If the undiscounted cash flows are less than the carrying amount of the asset group, an impairment loss is recognized for the amount by which the carrying value of the asset group exceeds the fair value of the asset group.

Business Combinations: In accordance with ASC 805, "Business Combinations" (ASC 805), acquisitions are recorded using the acquisition method of accounting. The Company includes the operating results of acquired entities from their respective dates of acquisition. The Company recognizes and measures the identifiable assets acquired, liabilities assumed, and any non-controlling interest as of the acquisition date fair value. The excess, if any, of total consideration transferred in a business combination over the fair value of identifiable assets acquired, liabilities assumed and any non-controlling interest is recognized as goodwill. Costs incurred as a result of a business combination other than costs related to the issuance of debt or equity securities are recorded in the period the costs are incurred.

Employee Benefit Plans: The Company provides a range of benefits, including pensions, postretirement and postemployment benefits to eligible current and former employees. Determining the cost associated with such benefits is dependent on various actuarial assumptions, including discount rates, expected return on plan assets, compensation increases, mortality, turnover rates, and healthcare cost trend rates. Actuaries perform the required calculations to determine expense in accordance with GAAP. Actual results may differ from the actuarial assumptions and are generally accumulated into *Accumulated other comprehensive income (loss)* and amortized into *Net earnings* over future periods. The Company reviews its actuarial assumptions at each measurement date and makes modifications to the assumptions based on current rates and trends, if appropriate.

Loss Contingencies: Liabilities are recorded for various contingencies arising in the normal course of business. The Company has recorded reserves in the financial statements related to these matters, which are developed using input derived from actuarial estimates and historical and anticipated experience data depending on the nature of the reserve, and in certain instances with consultation of legal counsel, internal and external consultants and engineers. Subject to the uncertainties inherent in estimating future costs for these types of liabilities, the Company believes its estimated reserves are reasonable and does not believe the final determination of the liabilities with respect to these matters would have a material effect on the financial condition, results of operations, liquidity or cash flows of the Company for any year.

Environmental Costs: The Company is subject to laws and regulations relating to protecting the environment. Environmental expenditures relating to current operations are expensed or capitalized as appropriate. Expenditures relating to existing conditions caused by past operations, which do not contribute to current or future revenues, are expensed. Liabilities for remediation costs are recorded when they are probable and can be reasonably estimated, generally no later than the completion of feasibility studies or the Company's commitment to a plan of action. The assessment of this liability, which is calculated based on existing remediation technology, does not reflect any offset for possible recoveries from insurance companies, and is not discounted.

Asbestos Matters: Prior to the Petition Date, certain of the Company's wholly-owned subsidiaries and former companies were named as defendants in asbestos-related lawsuits in state and federal courts. The Company recorded a liability for actual and anticipated future claims as well as an asset for anticipated insurance settlements. Asbestos-related defense costs were excluded from the asbestos claims liability and were recorded separately as services were incurred. None of the Company's existing or previously-owned businesses were a producer or manufacturer of asbestos. The Company recorded certain income and expenses associated with asbestos liabilities and corresponding insurance recoveries within discontinued operations, net of tax, as they related to previously divested businesses, except for amounts associated with the predecessor of Murray's asbestos liabilities and corresponding insurance recoveries, which were recorded within continuing operations.

Product Warranties: Standard product warranty accruals are recorded at the time of sale and are estimated based upon product warranty terms and historical experience. The Company assesses the adequacy of its liabilities and will make adjustments as necessary based on known or anticipated warranty claims, or as new information becomes available. The Company's extended warranty liability represents the deferred revenue associated with its extended warranty contracts and is amortized into revenue on a straight-line basis over the life of the contract, unless another method is more representative of the costs incurred. The Company assesses the adequacy of its liability by evaluating the expected costs under its existing contracts to ensure these expected costs do not exceed the extended warranty liability.

Income Taxes: Deferred tax assets and liabilities are determined based on temporary differences between financial reporting and tax bases of assets and liabilities, applying enacted tax rates expected to be in effect for the year in which the differences are expected to reverse. The Company recognizes future tax benefits, such as net operating losses and tax credits, to the extent that realizing these benefits is considered in its judgment to be more likely than not. The Company regularly reviews the recoverability of its deferred tax assets considering its historic profitability, projected future taxable income, timing of the reversals of existing temporary differences and the feasibility of its tax planning strategies. Where appropriate, the Company records a valuation allowance with respect to a future tax benefit.

Revenue Recognition: Revenue is recognized when control of a good or service promised in a contract (i.e., performance obligation) is transferred to a customer. Control is obtained when a customer has the ability to direct the use of and obtain substantially all of the remaining benefits from that good or service. A majority of the Company's revenues are recognized at a point-in-time as control is transferred at a distinct point in time per the terms of a contract. However, a portion of the Company's revenues are recognized over time as the customer simultaneously receives control as the Company performs work under a contract. For these arrangements, the cost-to-cost input method is used as it best depicts the transfer of control to the customer that occurs as the Company incurs costs. See Note 13 to the Consolidated Financial Statements for additional information regarding revenue recognition.

Research and Development Costs: The Company conducts research and development activities for the purpose of developing and improving new products and services. These expenditures are expensed when incurred. For the years ended December 31, 2020, 2019 and 2018, these expenditures amounted to \$165.0 million, \$174.2 million and \$166.7 million, respectively.

RECENT ACCOUNTING PRONOUNCEMENTS

The FASB ASC is the sole source of authoritative GAAP other than the Securities and Exchange Commission (SEC) issued rules and regulations that apply only to SEC registrants. The FASB issues an ASU to communicate changes to the codification. The Company considers the applicability and impact of all ASU's. ASU's not listed below were assessed and determined to be either not applicable or are not expected to have a material impact on the consolidated financial statements.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

In October 2020, the FASB issued ASU 2020-09, "Debt (Topic 470): Amendments to SEC Paragraphs Pursuant to SEC Release No. 33-10762" (ASU 2020-09), which amends Topic 470 and certain other topics to conform to disclosure rules on guaranteed debt offerings in SEC Release No.33-10762. The SEC adopted amendments to the financial disclosure requirements for guarantors and issuers of guaranteed securities registered or being registered in Rule 3-10 of Regulations S-X, and affiliates whose securities registered or being registered in Rule 3-16 of Regulation S-X. The amended rules aim to improve disclosure, reduce compliance burdens for issuers and increase investor protection. ASU 2020-09 is effective on January 4, 2021, pursuant to SEC Release No. 33-10762 with early application permitted. The Company early adopted this standard during the first quarter of 2020 and elected to disclose summarized financial information of the issuers and guarantors on a combined basis within Management's Discussion and Analysis of Financial Condition and Results of Operations.

In August 2018, the FASB issued ASU 2018-15, "Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement that is a Service Contract" (ASU 2018-15), which aligns the requirements for capitalizing implementation costs in a cloud-computing arrangement service contract with the requirements for capitalizing

implementation costs incurred to develop or obtain internal-use software. In addition, the guidance also clarifies the presentation requirements for reporting such costs in the financial statements. ASU 2018-15 is effective for annual reporting periods beginning after December 15, 2019 with early adoption permitted. The Company adopted this standard on January 1, 2020 on a prospective basis with no material impact on its financial statements.

In June 2016, the FASB issued ASU 2016-13, which changes the impairment model for most financial assets and certain other instruments from an incurred loss model to an expected loss model. In addition, the guidance also requires incremental disclosures regarding allowances and credit quality indicators. ASU 2016-13 is required to be adopted using the modified-retrospective approach and is effective in fiscal years beginning after December 15, 2019, including interim periods within those fiscal years, with early adoption permitted. The Company adopted this standard on January 1, 2020 with no material impact on its financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases" (ASC 842), which requires the lease rights and obligations arising from lease contracts, including existing and new arrangements, to be recognized as assets and liabilities on the balance sheet. The Company adopted this standard using a modified-retrospective approach as of January 1, 2019. Under this approach, the Company recognized and recorded a right-of-use (ROU) asset and related lease liability on the Consolidated Balance Sheet of \$521 million with no impact to *Retained earnings*. Reporting periods prior to January 1, 2019 continue to be presented in accordance with previous lease accounting guidance under GAAP. As part of the adoption, the Company elected the package of practical expedients permitted under the transition guidance which includes the ability to carry forward historical lease classification. Refer to Note 11, "Leases," for a further discussion on the adoption of ASC 842.

In August 2017, the FASB issued ASU 2017-12, "Derivatives and hedging (Topic 815): Targeted improvements to accounting for hedging activities" (ASU 2017-12). This standard more closely aligns the results of cash flow and fair value hedge accounting with risk management activities through changes to both the designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results in the financial statements. This standard also addresses specific limitations in current GAAP by expanding hedge accounting for both nonfinancial and financial risk components and by refining the measurement of hedge results to better reflect an entity's hedging strategies. Additionally, by aligning the timing of recognition of hedge results with the earnings effect of the hedged item for cash flow and net investment hedges, and by including the earnings effect of the hedging instrument in the same income statement line item in which the earnings effect of the hedged item is presented, the results of an entity's hedging program and the cost of executing that program will be more visible to users of financial statements. ASU 2017-12 is effective for annual reporting periods beginning after December 15, 2018 with early adoption permitted. The Company adopted this standard on October 1, 2018 with no material impact to the financial statements.

In October 2016, the FASB issued ASU 2016-16, "Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory" (ASU 2016-16) which removed the prohibition in Topic 740 against the immediate recognition of the current and deferred income tax effects of intra-entity transfers of assets other than inventory. As a result, the income tax consequences of an intra-entity transfer of assets other than inventory will be recognized in the current period income statement rather than being deferred until the assets leave the consolidated group. The Company applied ASU 2016-16 on a modified retrospective basis through a cumulative effect adjustment which reduced *Retained earnings* by \$9.1 million as of January 1, 2018.

In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers" (ASC 606), which created a comprehensive, five-step model for revenue recognition that requires a company to recognize revenue to depict the transfer of promised goods or services to a customer at an amount that reflects the consideration it expects to receive in exchange for those goods or services. Under ASC 606, a company will be required to use more judgment and make more estimates when considering contract terms as well as relevant facts and circumstances when identifying performance obligations, estimating the amount of variable consideration in the transaction price and allocating the transaction price to each separate performance obligation. The Company adopted this standard on January 1, 2018 using the modified retrospective approach and recorded a cumulative effect adjustment to increase *Retained earnings* by \$24 million with related amounts not materially impacting the Balance Sheet. Refer to Note 13, "Revenue," for a further discussion on the adoption of ASC 606.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In December 2019, the FASB issued ASU 2019-12, "Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes" (ASU 2019-12), which simplifies certain aspects of income tax accounting guidance in ASC 740, reducing the complexity of its application. Certain exceptions to ASC 740 presented within the ASU include: intraperiod tax allocation, deferred tax liabilities related to outside basis differences, year-to-date loss in interim periods, among others. ASU 2019-12 is effective for annual reporting periods beginning after December 15, 2020 including interim periods therein with early adoption permitted. The Company adopted this standard on January 1, 2021 with no material impact on its financial statements.

NOTE 4. INVENTORIES

Depending on the business, U.S. inventories are stated at the lower of cost or market using the LIFO method or the lower of cost or market using the FIFO method. Non-U.S. inventories are primarily stated at the lower of cost or market using the FIFO method.

At December 31, the major classes of inventory were as follows:

IN MILLIONS	2020	2019
Raw materials	\$ 305.0	\$ 333.5
Work-in-process	163.9	173.7
Finished goods	761.4	804.9
	1,230.3	1,312.1
LIFO reserve	(41.1)	(33.5)
Total	\$ 1,189.2	\$ 1,278.6

The Company performs periodic assessments to determine the existence of obsolete, slow-moving and non-saleable inventories and records necessary provisions to reduce such inventories to net realizable value. Reserve balances, primarily related to obsolete and slow-moving inventories, were \$85.6 million and \$66.1 million at December 31, 2020 and December 31, 2019, respectively.

NOTE 5. PROPERTY, PLANT AND EQUIPMENT

At December 31, the major classes of property, plant and equipment were as follows:

IN MILLIONS	2020	2019
Land	\$ 40.7	\$ 40.1
Buildings	676.7	660.0
Machinery and equipment	1,749.3	1,600.2
Software	638.0	655.2
	3,104.7	2,955.5
Accumulated depreciation	(1,755.2)	(1,603.5)
Total	\$ 1,349.5	\$ 1,352.0

Depreciation expense for the years ended December 31, 2020, 2019 and 2018 was \$172.8 million, \$167.2 million and \$160.7 million, which include amounts for software amortization of \$50.2 million, \$55.4 million and \$51.6 million, respectively.

NOTE 6. GOODWILL

The Company records as goodwill the excess of the purchase price over the fair value of the net assets acquired in a business combination. Measurement period adjustments may be recorded once a final valuation has been performed. Goodwill is tested and reviewed annually for impairment during the fourth quarter or whenever there is a significant change in events or circumstances that indicate that the fair value of the reporting unit may be less than its carrying value. In addition, an interim impairment test is completed upon a triggering event or when there is a reorganization of reporting structure or disposal of all or a portion of a reporting unit.

In connection with the new organizational model and business segment structure, the Company performed a goodwill impairment assessment immediately prior to the reorganization becoming effective, the results of which did not indicate any goodwill impairment. The Company then reassigned its goodwill between the newly designated reporting units using a relative fair value approach. Subsequent to the reassignment, the Company performed a second goodwill impairment assessment under the new reporting structure, the results of which also did not indicate any goodwill impairment.

The reassigned amounts of goodwill as of December 31, 2018 and the changes in the carrying amount of goodwill are as follows:

IN MILLIONS	AMERICAS	EMEA	ASIA PACIFIC	TOTAL
Net balance as of December 31, 2018	\$ 3,809.4	\$ 747.3	\$ 542.5	\$ 5,099.2
Acquisitions ⁽¹⁾	45.3	—	—	45.3
Currency translation	4.1	(16.2)	(6.7)	(18.8)
Net balance as of December 31, 2019	3,858.8	731.1	535.8	5,125.7
Acquisitions ⁽¹⁾	130.1	—	—	130.1
Deconsolidation of certain entities under Chapter 11 ⁽²⁾	(9.2)	—	—	(9.2)
Currency translation	0.3	62.4	33.5	96.2
Net balance as of December 31, 2020	\$ 3,980.0	\$ 793.5	\$ 569.3	\$ 5,342.8

⁽¹⁾ Refer to Note 19, "Acquisitions and Divestitures" for more information regarding acquisitions.

⁽²⁾ Refer to Note 22, "Commitments and Contingencies", for more information regarding the Chapter 11 bankruptcy and asbestos-related matters.

The net goodwill balances at December 31, 2020, 2019 and 2018 include \$2,496.0 million of accumulated impairment. The accumulated impairment relates entirely to a charge recorded in 2008.

NOTE 7. INTANGIBLE ASSETS

Indefinite-lived intangible assets are tested and reviewed annually for impairment during the fourth quarter or whenever there is a significant change in events or circumstances that indicate that the fair value of the asset may be less than the carrying amount of the asset. All other intangible assets with finite useful lives are being amortized on a straight-line basis over their estimated useful lives.

The following table sets forth the gross amount and related accumulated amortization of the Company's intangible assets at December 31:

IN MILLIONS	2020			2019		
	GROSS CARRYING AMOUNT	ACCUMULATED AMORTIZATION	NET CARRYING AMOUNT	GROSS CARRYING AMOUNT	ACCUMULATED AMORTIZATION	NET CARRYING AMOUNT
Customer relationships	\$ 2,010.2	\$ (1,362.4)	\$ 647.8	\$ 1,928.5	\$ (1,239.2)	\$ 689.3
Other	210.7	(199.4)	11.3	212.2	(203.4)	8.8
Total finite-lived intangible assets	\$ 2,220.9	\$ (1,561.8)	\$ 659.1	\$ 2,140.7	\$ (1,442.6)	\$ 698.1
Trademarks (indefinite-lived)	2,627.3	—	2,627.3	2,625.5	—	2,625.5
Total	\$ 4,848.2	\$ (1,561.8)	\$ 3,286.4	\$ 4,766.2	\$ (1,442.6)	\$ 3,323.6

Intangible asset amortization expense for 2020, 2019 and 2018 was \$115.7 million, \$116.7 million and \$116.8 million, respectively. Future estimated amortization expense on existing intangible assets in each of the next five years amounts to approximately \$122 million for 2021, \$122 million for 2022, \$121 million for 2023, \$120 million for 2024, and \$89 million for 2025.

NOTE 8. DEBT AND CREDIT FACILITIES

At December 31, *Short-term borrowings and current maturities of long-term debt* consisted of the following:

IN MILLIONS	2020	2019
Debentures with put feature	\$ 343.0	\$ 343.0
2.625% Senior notes due 2020 ⁽¹⁾	—	299.8
2.900% Senior notes due 2021 ⁽²⁾	299.9	—
9.000% Debentures due 2021 ⁽³⁾	125.0	—
Other current maturities of long-term debt	7.7	7.5
Total	\$ 775.6	\$ 650.3

⁽¹⁾ The 2.625% Senior notes due in May 2020 were redeemed in April 2020.

⁽²⁾ The 2.900% Senior notes are due in February 2021.

⁽³⁾ The 9.000% Debentures are due in August 2021.

The Company's short-term obligations primarily consist of current maturities of long-term debt. The weighted-average interest rate for *Short-term borrowings and current maturities of long-term debt* at December 31, 2020 and 2019 was 5.4% and 4.6%, respectively.

COMMERCIAL PAPER PROGRAM

The Company uses borrowings under its commercial paper program for general corporate purposes. The maximum aggregate amount of unsecured commercial paper notes available to be issued, on a private placement basis, under the commercial paper program is \$2.0 billion as of December 31, 2020. Under the commercial paper program, the Company may issue notes from time to time through Trane Technologies Global Holding Company Limited or Trane Technologies Luxembourg Finance S.A. Each of Trane Technologies plc, Trane Technologies Irish Holdings Unlimited Company, Trane Technologies Lux International Holding Company S.à.r.l., Trane Technologies Global Holding Company Limited and Trane Technologies Company LLC provided irrevocable and unconditional guarantees for any notes issued under the commercial paper program. The Company had no outstanding balance under its commercial paper program as of December 31, 2020 and December 31, 2019.

DEBENTURES WITH PUT FEATURE

At December 31, 2020 and December 31, 2019, the Company had \$343.0 million of fixed rate debentures outstanding which contain a put feature that the holders may exercise on each anniversary of the issuance date. If exercised, the Company is obligated to repay in whole or in part, at the holder's option, the outstanding principal amount of the debentures plus accrued interest. If these options are not exercised, the final contractual maturity dates would range between 2027 and 2028. Holders of these debentures had the option to exercise the put feature on each of the outstanding debentures in 2020, subject to the notice requirement. No material exercises were made in 2020 or 2019.

At December 31, long-term debt excluding current maturities consisted of:

IN MILLIONS	2020	2019
2.900% Senior notes due 2021 ⁽¹⁾	\$ —	\$ 299.1
9.000% Debentures due 2021 ⁽²⁾	—	124.9
4.250% Senior notes due 2023	698.4	697.8
7.200% Debentures due 2020-2025	29.9	37.3
3.550% Senior notes due 2024	497.3	496.6
6.480% Debentures due 2025	149.7	149.7
3.500% Senior notes due 2026	397.3	396.8
3.750% Senior notes due 2028	545.6	545.1
3.800% Senior notes due 2029	744.4	743.6
5.750% Senior notes due 2043	494.7	494.5
4.650% Senior notes due 2044	296.1	295.9
4.300% Senior notes due 2048	296.2	296.0
4.500% Senior notes due 2049	345.7	345.5
Other loans and notes	1.2	0.1
Total	\$ 4,496.5	\$ 4,922.9

⁽¹⁾ The 2.900% Senior notes are due in February 2021 and have been reclassified from noncurrent to current.

⁽²⁾ The 9.000% Debentures are due in August 2021 and have been reclassified from noncurrent to current.

Scheduled maturities of long-term debt, including current maturities, as of December 31, 2020 are as follows:

IN MILLIONS	
2021	\$ 775.6
2022	7.9
2023	706.3
2024	505.1
2025	157.2
Thereafter	3,120.0
Total	\$ 5,272.1

ISSUANCE OF SENIOR NOTES

In March 2019, the Company issued \$1.5 billion principal amount of senior notes in three tranches through Trane Technologies Luxembourg Finance S.A., an indirect, wholly-owned subsidiary. The tranches consist of \$400 million aggregate principal amount of 3.500% senior notes due 2026, \$750 million aggregate principal amount of 3.800% senior notes due 2029 and \$350 million aggregate principal amount of 4.500% senior notes due 2049. The notes are fully and unconditionally guaranteed by each of Trane Technologies plc, Trane Technologies Irish Holdings Unlimited Company, Trane Technologies Lux International Holding Company S.à.r.l, Trane Technologies Global Holding Company Limited, Trane Technologies HoldCo Inc. and Trane Technologies Company LLC. The Company has the option to redeem the notes in whole or in part at any time, prior to their stated maturity date at redemption prices set forth in the indenture agreement. The notes are subject to certain customary covenants, however, none of these covenants are considered restrictive to the Company's operations.

OTHER CREDIT FACILITIES

On June 4, 2020, the Company entered into a new \$1.0 billion senior unsecured revolving credit facility which matures in March 2022 and terminated its \$1.0 billion facility set to expire in March 2021. As a result, the Company maintains two \$1.0 billion senior unsecured revolving credit facilities, one of which matures in March 2022 and the other in April 2023 (the Facilities) through its wholly-owned subsidiaries, Trane Technologies HoldCo Inc., Trane Technologies Global Holding

Company Limited and Trane Technologies Luxembourg Finance S.A. (collectively, the Borrowers). Each senior unsecured credit facility provides support for the Company's commercial paper program and can be used for working capital and other general corporate purposes. Trane Technologies plc, Trane Technologies Irish Holdings Unlimited Company, Trane Technologies Lux International Holding Company S.à.r.l. and Trane Technologies Company LLC each provide irrevocable and unconditional guarantees for these Facilities. In addition, each Borrower will guarantee the obligations under the Facilities of the other Borrower. Total commitments of \$2.0 billion were unused at December 31, 2020 and December 31, 2019.

FAIR VALUE OF DEBT

The Company considers the carrying value of short-term borrowings to be a reasonable estimate of the fair value due to the short-term nature of the instruments. The fair value of the Company's debt instruments at December 31, 2020 and December 31, 2019 was \$6.3 billion and \$6.2 billion, respectively. The Company measures the fair value of its long-term debt instruments for disclosure purposes based upon observable market prices quoted on public exchanges for similar assets. These fair value inputs are considered Level 2 within the fair value hierarchy.

NOTE 9. FINANCIAL INSTRUMENTS

In the normal course of business, the Company is exposed to certain risks arising from business operations and economic factors. These fluctuations can increase the cost of financing, investing and operating the business. The Company may use various financial instruments, including derivative instruments, to manage the risks associated with interest rate, commodity price and foreign currency exposures. These financial instruments are not used for trading or speculative purposes. The Company recognizes all derivatives on the Consolidated Balance Sheet at their fair value as either assets or liabilities.

On the date a derivative contract is entered into, the Company designates the derivative instrument as a cash flow hedge of a forecasted transaction or as an undesignated derivative. The Company formally documents its hedge relationships, including identification of the derivative instruments and the hedged items, as well as its risk management objectives and strategies for undertaking the hedge transaction. This process includes linking derivative instruments that are designated as hedges to specific assets, liabilities or forecasted transactions.

The Company assesses at inception and at least quarterly thereafter, whether the derivatives used in cash flow hedging transactions are highly effective in offsetting the changes in the cash flows of the hedged item. To the extent the derivative is deemed to be a highly effective hedge, the fair market value changes of the instrument are recorded to Accumulated other comprehensive income (loss) (AOCI). If the hedging relationship ceases to be highly effective, or it becomes probable that a forecasted transaction is no longer expected to occur, the hedging relationship will be undesignated and any future gains and losses on the derivative instrument will be recorded in Net earnings.

The fair values of derivative instruments included within the Consolidated Balance Sheet as of December 31 were as follows:

IN MILLIONS	DERIVATIVE ASSETS		DERIVATIVE LIABILITIES	
	2020	2019	2020	2019
Derivatives designated as hedges:				
Currency derivatives	\$ 0.7	\$ 0.1	\$ 1.7	\$ 3.9
Derivatives not designated as hedges:				
Currency derivatives	1.5	1.0	4.8	3.3
Total derivatives	\$ 2.2	\$ 1.1	\$ 6.5	\$ 7.2

Asset and liability derivatives included in the table above are recorded within *Other current assets and Accrued expenses and other current liabilities*, respectively.

CURRENCY HEDGING INSTRUMENTS

The notional amount of the Company's currency derivatives was \$0.5 billion at both December 31, 2020 and 2019, respectively. At December 31, 2020 and 2019, a net loss of \$0.7 million and \$2.9 million, net of tax, respectively, was included in AOCI related to the fair value of the Company's currency derivatives designated as accounting hedges. The amount expected to be reclassified into Net earnings over the next twelve months is a loss of \$0.6 million. The actual amounts that will be reclassified to Net earnings may vary from this amount as a result of changes in market conditions. Gains and losses associated with the Company's currency derivatives not designated as hedges are recorded in Net earnings as changes in fair value occur. At December 31, 2020, the maximum term of the Company's currency derivatives was approximately 12 months, except for currency derivatives in place related to a long-term contract.

OTHER DERIVATIVE INSTRUMENTS

In the past, the Company utilized forward-starting interest rate swaps and interest rate locks to manage interest rate exposure in periods prior to the anticipated issuance of certain fixed-rate debt. These instruments were designated as cash flow hedges and had a notional amount of \$1.3 billion. Consequently, when the contracts were settled upon the issuance of the underlying debt, any realized gains or losses in the fair values of the instruments were deferred into AOCI. These deferred gains or losses are subsequently recognized in Interest expense over the term of the related notes. The net unrecognized gain in AOCI was \$5.3 million and \$6.0 million at December 31, 2020 and at December 31, 2019. The net deferred gain at December 31, 2020 will continue to be amortized over the term of notes with maturities ranging from 2023 to 2044. The amount expected to be amortized over the next twelve months is a net gain of \$0.7 million. The Company has no forward-starting interest rate swaps or interest rate lock contracts outstanding at December 31, 2020 or 2019.

The following table represents the amounts associated with derivatives designated as hedges affecting Net earnings and AOCI for the years ended December 31:

IN MILLIONS	AMOUNT OF GAIN (LOSS) RECOGNIZED IN AOCI			LOCATION OF GAIN (LOSS) RECLASSIFIED FROM AOCI AND RECOGNIZED INTO NET EARNINGS	AMOUNT OF GAIN (LOSS) RECLASSIFIED FROM AOCI AND RECOGNIZED INTO NET EARNINGS		
	2020	2019	2018		2020	2019	2018
Currency derivatives - continuing	\$ 3.3	\$ (2.5)	\$ 0.7	Cost of goods sold	\$ (2.6)	\$ (1.5)	\$ (1.0)
Currency derivatives - discontinued	—	(0.2)	0.5	Discontinued operations	—	0.1	0.2
Interest rate swaps & locks	—	—	—	Interest expense	0.7	0.7	(0.1)
Total	\$ 3.3	\$ (2.7)	\$ 1.2		\$ (1.9)	\$ (0.7)	\$ (0.9)

The following table represents the amounts associated with derivatives not designated as hedges affecting Net earnings for the years ended December 31:

IN MILLIONS	LOCATION OF GAIN (LOSS) RECOGNIZED IN NET EARNINGS	AMOUNT OF GAIN (LOSS) RECOGNIZED IN NET EARNINGS		
		2020	2019	2018
Currency derivatives - continuing	Other income (expense), net	\$ 7.5	\$ (5.2)	\$ (30.0)
Currency derivatives - discontinued	Discontinued operations	(0.4)	(1.2)	0.4
Total		\$ 7.1	\$ (6.4)	\$ (29.6)

The gains and losses associated with the Company's undesignated currency derivatives are materially offset in Net earnings by changes in the fair value of the underlying transactions.

The following table presents the effects of the Company's designated financial instruments on the associated financial statement line item within the Consolidated Statement of Comprehensive Income where the financial instrument are recorded for the years ended December 31:

IN MILLIONS	CLASSIFICATION AND AMOUNT OF GAIN (LOSS) RECOGNIZED IN INCOME ON CASH FLOW HEDGING RELATIONSHIPS					
	2020		2019		2018	
	COST OF GOODS SOLD	INTEREST EXPENSE	COST OF GOODS SOLD	INTEREST EXPENSE	COST OF GOODS SOLD	INTEREST EXPENSE
Total amounts presented in the Consolidated Statements of Comprehensive Income	\$ (8,651.3)	\$ (248.7)	\$ (9,085.5)	\$ (242.8)	\$ (8,582.5)	\$ (221.0)
Gain (loss) on cash flow hedging relationships						
Currency derivatives:						
Amount of gain (loss) reclassified from AOCI and recognized into Net earnings	\$ (2.6)	\$ —	\$ (1.5)	\$ —	\$ (1.0)	\$ —
Amount excluded from effectiveness testing recognized in net earnings based on changes in fair value and amortization	\$ (2.1)	\$ —	\$ (3.0)	\$ —	\$ (0.1)	\$ —
Interest rate swaps & locks:						
Amount of gain (loss) reclassified from AOCI and recognized into Net earnings	\$ —	\$ 0.7	\$ —	\$ 0.7	\$ —	\$ (0.1)

For the years ended December 31, 2019 and 2018, the amount of gain (loss) reclassified from AOCI and recognized into *Net earnings* also included a gain of \$0.1 million and \$0.2 million, respectively, related to the historical results of Ingersoll Rand Industrial. The gains were recorded within *Discontinued operations, net of tax*.

CONCENTRATION OF CREDIT RISK

The counterparties to the Company's forward contracts consist of a number of investment grade major international financial institutions. The Company could be exposed to losses in the event of nonperformance by the counterparties. However, the credit ratings and the concentration of risk in these financial institutions are monitored on a continuous basis and present no significant credit risk to the Company.

NOTE 10. FAIR VALUE MEASUREMENTS

ASC 820, "Fair Value Measurement," (ASC 820) defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 also establishes a three-level fair value hierarchy that prioritizes information used in developing assumptions when pricing an asset or liability as follows:

- *Level 1:* Observable inputs such as quoted prices in active markets;
- *Level 2:* Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- *Level 3:* Unobservable inputs where there is little or no market data, which requires the reporting entity to develop its own assumptions.

ASC 820 requires the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement.

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2020:

IN MILLIONS	FAIR VALUE	FAIR VALUE MEASUREMENTS		
		LEVEL 1	LEVEL 2	LEVEL 3
Assets:				
Derivative instruments	\$ 2.2	\$ —	\$ 2.2	\$ —
Liabilities:				
Derivative instruments	\$ 6.5	\$ —	\$ 6.5	\$ —

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2019:

IN MILLIONS	FAIR VALUE	FAIR VALUE MEASUREMENTS		
		LEVEL 1	LEVEL 2	LEVEL 3
Assets:				
Derivative instruments	\$ 1.1	\$ —	\$ 1.1	\$ —
Liabilities:				
Derivative instruments	\$ 7.2	\$ —	\$ 7.2	\$ —

Derivative instruments include forward foreign currency contracts and instruments related to non-functional currency balance sheet exposures. The fair value of the derivative instruments are determined based on a pricing model that uses spot rates and forward prices from actively quoted currency markets that are readily accessible and observable.

The carrying values of cash and cash equivalents, accounts receivable and accounts payable are a reasonable estimate of their fair value due to the short-term nature of these instruments. There have been no transfers between levels of the fair value hierarchy.

NOTE 11. LEASES

The Company's lease portfolio includes various contracts for real estate, vehicles, information technology and other equipment. At contract inception, the Company determines a lease exists if the contract conveys the right to control an identified asset for a period of time in exchange for consideration. Control is considered to exist when the lessee has the right to obtain substantially all of the economic benefits from the use of an identified asset as well as the right to direct the use of that asset. If a contract is considered to be a lease, the Company recognizes a lease liability based on the present value of the future lease payments, with an offsetting entry to recognize a right-of-use asset. Options to extend or terminate a lease are included when it is reasonably certain an option will be exercised. As a majority of the Company's leases do not provide an implicit rate within the lease, an incremental borrowing rate is used which is based on information available at the commencement date.

The following table includes a summary of the Company's lease portfolio and Balance Sheet classification:

IN MILLIONS	CLASSIFICATION	DECEMBER 31, 2020	DECEMBER 31, 2019
Assets			
Operating lease right-of-use assets ⁽¹⁾	Other noncurrent assets	\$ 409.0	\$ 469.4
Liabilities			
Operating lease current	Other current liabilities	138.8	145.0
Operating lease noncurrent	Other noncurrent liabilities	276.5	329.9
Weighted average remaining lease term		4.0 years	4.3 years
Weighted average discount rate		3.3%	3.6%

⁽¹⁾ Prepaid lease payments and lease incentives are recorded as part of the right-of-use asset. The net impact was \$6.3 million and \$5.5 million at December 31, 2020 and December 31, 2019, respectively.

The Company accounts for each separate lease component of a contract and its associated non-lease component as a single lease component. In addition, the Company utilizes a portfolio approach for the vehicle, information technology and equipment asset classes as the application of the lease model to the portfolio would not differ materially from the application of the lease model to the individual leases within the portfolio.

The following table includes lease costs and related cash flow information for the year ended December 31:

IN MILLIONS	2020	2019
Operating lease expense	\$ 173.0	\$ 163.5
Variable lease expense	24.9	19.9
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	172.2	161.5
Right-of-use assets obtained in exchange for new operating lease liabilities	114.6	162.9

Operating lease expense is recognized on a straight-line basis over the lease term. In addition, the Company has certain leases that contain variable lease payments which are based on an index, a rate referenced in the lease or on the actual usage of the leased asset. These payments are not included in the right-of-use asset or lease liability and are expensed as incurred as variable lease expense.

Maturities of lease obligations were as follows:

IN MILLIONS	DECEMBER 31, 2020
Operating leases:	
2021	\$ 152.0
2022	114.1
2023	78.2
2024	46.8
2025	22.8
After 2025	34.5
Total lease payments	\$ 448.4
Less: Interest	(33.1)
Present value of lease liabilities	\$ 415.3

NOTE 12. PENSIONS AND POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

The Company sponsors several U.S. defined benefit and defined contribution plans covering substantially all of the Company's U.S. employees. Additionally, the Company has many non-U.S. defined benefit and defined contribution plans covering eligible non-U.S. employees. Postretirement benefits other than pensions (OPEB) provide healthcare benefits, and in some instances, life insurance benefits for certain eligible employees.

PENSION PLANS

The noncontributory defined benefit pension plans covering non-collectively bargained U.S. employees provide benefits on a final average pay formula while plans for most collectively bargained U.S. employees provide benefits on a flat dollar benefit formula or a percentage of pay formula. The non-U.S. pension plans generally provide benefits based on earnings and years of service. The Company also maintains additional other supplemental plans for officers and other key or highly compensated employees.

In connection with completion of the Transaction, the Company transferred certain pension obligations for current and former employees of Ingersoll Rand Industrial to Gardner Denver. The transfer of these obligations reduced pension liabilities by \$486.2 million, pension assets by \$351.7 million and AOCI by \$111.3 million.

The following table details information regarding the Company's pension plans at December 31:

IN MILLIONS	2020	2019
Change in benefit obligations:		
Benefit obligation at beginning of year	\$ 3,851.2	\$ 3,465.3
Service cost	58.3	73.6
Interest cost	83.8	119.1
Employee contributions	1.0	1.1
Amendments	1.9	5.7
Actuarial (gains) losses ⁽¹⁾	317.7	422.8
Benefits paid	(189.2)	(225.3)
Currency translation	43.8	9.0
Curtailments, settlements and special termination benefits	(7.8)	(3.1)
Impact of the Transaction	(486.2)	—
Other, including expenses paid	(11.7)	(17.0)
Benefit obligation at end of year	\$ 3,662.8	\$ 3,851.2
Change in plan assets:		
Fair value at beginning of year	\$ 3,136.8	\$ 2,766.9
Actual return on assets	395.6	526.1
Company contributions	99.7	83.1
Employee contributions	1.0	1.1
Benefits paid	(189.2)	(225.3)
Currency translation	39.5	12.0
Settlements	(7.8)	(5.3)
Impact of the Transaction	(351.7)	—
Other, including expenses paid	(9.3)	(21.8)
Fair value of assets end of year	\$ 3,114.6	\$ 3,136.8
Net unfunded liability	\$ (548.2)	\$ (714.4)
Amounts included in the balance sheet:		
Other noncurrent assets	\$ 72.8	\$ 50.0
Assets held-for-sale	—	0.3
Accrued compensation and benefits	(22.9)	(7.2)
Postemployment and other benefit liabilities	(598.1)	(617.3)
Liabilities held-for-sale	—	(140.2)
Net amount recognized	\$ (548.2)	\$ (714.4)

⁽¹⁾ Actuarial (gains) losses primarily resulted from changes in discount rates

It is the Company's objective to contribute to the pension plans to ensure adequate funds, and no less than required by law, are available in the plans to make benefit payments to plan participants and beneficiaries when required. However, certain plans are not or cannot be funded due to either legal, accounting, or tax requirements in certain jurisdictions. As of December 31, 2020, approximately seven percent of the Company's projected benefit obligation relates to plans that cannot be funded.

The pretax amounts recognized in Accumulated other comprehensive income (loss) were as follows:

IN MILLIONS	PRIOR SERVICE BENEFIT (COST)	NET ACTUARIAL GAINS (LOSSES)	TOTAL
December 31, 2019	\$ (32.4)	\$ (800.2)	\$ (832.6)
Current year changes recorded to AOCI	(1.9)	(43.2)	(45.1)
Amortization reclassified to earnings	5.3	43.7	49.0
Settlements/curtailments reclassified to earnings	—	(1.8)	(1.8)
Impact of the Transaction	1.3	110.0	111.3
Currency translation and other	(0.6)	(9.8)	(10.4)
December 31, 2020	\$ (28.3)	\$ (701.3)	\$ (729.6)

Weighted-average assumptions used to determine the benefit obligation at December 31 were as follows:

	2020	2019
Discount rate:		
U.S. plans	2.52 %	3.22 %
Non-U.S. plans	1.27 %	1.66 %
Rate of compensation increase:		
U.S. plans	4.00 %	4.00 %
Non-U.S. plans	3.75 %	3.75 %

The accumulated benefit obligation for all defined benefit pension plans was \$3,566.4 million and \$3,734.5 million at December 31, 2020 and 2019, respectively. The projected benefit obligation, accumulated benefit obligation, and fair value of plan assets for pension plans with accumulated benefit obligations more than plan assets were \$3,128.7 million, \$3,043.9 million and \$2,510.9 million, respectively, as of December 31, 2020, and \$3,405.7 million, \$3,308.2 million and \$2,645.1 million, respectively, as of December 31, 2019.

Pension benefit payments are expected to be paid as follows:

IN MILLIONS	
2021	\$ 210.7
2022	204.5
2023	207.1
2024	200.7
2025	246.6
2026-2030	960.9

The components of the Company's net periodic pension benefit costs for the years ended December 31 include the following:

IN MILLIONS	2020	2019	2018
Service cost	\$ 58.3	\$ 73.6	\$ 75.0
Interest cost	83.8	119.1	109.7
Expected return on plan assets	(121.1)	(138.5)	(146.6)
Net amortization of:			
Prior service costs (benefits)	5.3	5.0	4.2
Plan net actuarial (gains) losses	43.7	54.3	51.3
Net periodic pension benefit cost	70.0	113.5	93.6
Net curtailment, settlement, and special termination benefits (gains) losses	(1.8)	4.5	2.3
Net periodic pension benefit cost after net curtailment and settlement (gains) losses	\$ 68.2	\$ 118.0	\$ 95.9
Amounts recorded in continuing operations:			
Operating income	\$ 51.7	\$ 58.8	\$ 61.0
Other income/(expense), net	11.7	31.8	14.2
Amounts recorded in discontinued operations	4.8	27.4	20.7
Total	\$ 68.2	\$ 118.0	\$ 95.9

Pension benefit cost for 2021 is projected to be approximately \$51 million.

Weighted-average assumptions used to determine net periodic pension cost for the years ended December 31 were as follows:

	2020	2019	2018
Discount rate:			
U.S. plans			
Service cost	3.36%	4.24%	3.70%
Interest cost	2.78%	3.88%	3.24%
Non-U.S. plans			
Service cost	1.87%	2.81%	2.52%
Interest cost	1.51%	2.83%	2.46%
Rate of compensation increase:			
U.S. plans	4.00%	4.00%	4.00%
Non-U.S. plans	3.75%	4.00%	4.00%
Expected return on plan assets:			
U.S. plans	4.75%	5.75%	5.50%
Non-U.S. plans	2.75%	3.25%	3.25%

The expected long-term rate of return on plan assets reflects the average rate of returns expected on the funds invested or to be invested to provide for the benefits included in the projected benefit obligation. The expected long-term rate of return on plan assets is based on what is achievable given the plan's investment policy, the types of assets held and target asset allocations. The expected long-term rate of return is determined as of the measurement date. The Company reviews each plan and its historical returns and target asset allocations to determine the appropriate expected long-term rate of return on plan assets to be used.

The Company's objective in managing its defined benefit plan assets is to ensure that all present and future benefit obligations are met as they come due. It seeks to achieve this goal while trying to mitigate volatility in plan funded status, contribution, and expense by better matching the characteristics of the plan assets to that of the plan liabilities. The Company utilizes a dynamic approach to asset allocation whereby a plan's allocation to fixed income assets increases as the plan's funded status improves. The Company monitors plan funded status and asset allocation regularly in addition to investment manager performance.

The fair values of the Company's pension plan assets at December 31, 2020 by asset category were as follows:

IN MILLIONS	FAIR VALUE MEASUREMENTS			NET ASSET VALUE	TOTAL FAIR VALUE
	LEVEL 1	LEVEL 2	LEVEL 3		
Cash and cash equivalents	\$ 3.1	\$ 34.2	\$ —	\$ —	\$ 37.3
Equity investments:					
Registered mutual funds – equity specialty	—	—	—	65.1	65.1
Commingled funds – equity specialty	—	—	—	622.0	622.0
	—	—	—	687.1	687.1
Fixed income investments:					
U.S. government and agency obligations	—	504.7	—	—	504.7
Corporate and non-U.S. bonds ^(a)	—	1,424.2	—	—	1,424.2
Asset-backed and mortgage-backed securities	—	48.4	—	—	48.4
Registered mutual funds – fixed income specialty	—	—	—	118.3	118.3
Commingled funds – fixed income specialty	—	—	—	153.3	153.3
Other fixed income ^(b)	—	—	28.3	—	28.3
	—	1,977.3	28.3	271.6	2,277.2
Derivatives	—	0.3	—	—	0.3
Real estate ^(c)	—	—	2.8	—	2.8
Other ^(d)	—	—	112.3	—	112.3
Total assets at fair value	\$ 3.1	\$ 2,011.8	\$ 143.4	\$ 958.7	\$ 3,117.0
Receivables and payables, net					(2.4)
Net assets available for benefits					\$ 3,114.6

The fair values of the Company's pension plan assets at December 31, 2019 by asset category were as follows:

IN MILLIONS	FAIR VALUE MEASUREMENTS			NET ASSET VALUE	TOTAL FAIR VALUE
	LEVEL 1	LEVEL 2	LEVEL 3		
Cash and cash equivalents	\$ 7.0	\$ 26.3	\$ —	\$ —	\$ 33.3
Equity investments:					
Registered mutual funds – equity specialty	—	—	—	61.5	61.5
Commingled funds – equity specialty	—	—	—	665.2	665.2
	—	—	—	726.7	726.7
Fixed income investments:					
U.S. government and agency obligations	—	528.5	—	—	528.5
Corporate and non-U.S. bonds ^(a)	—	1,393.0	0.4	—	1,393.4
Asset-backed and mortgage-backed securities	—	70.9	—	—	70.9
Registered mutual funds – fixed income specialty	—	—	—	103.3	103.3
Commingled funds – fixed income specialty	—	—	—	127.6	127.6
Other fixed income ^(b)	—	—	26.0	—	26.0
	—	1,992.4	26.4	230.9	2,249.7
Derivatives	—	0.4	—	—	0.4
Real estate ^(c)	—	—	3.4	—	3.4
Other ^(d)	—	—	114.1	—	114.1
Total assets at fair value	\$ 7.0	\$ 2,019.1	\$ 143.9	\$ 957.6	\$ 3,127.6
Receivables and payables, net					9.2
Net assets available for benefits					\$ 3,136.8

- (a) This class includes state and municipal bonds.
- (b) This class includes group annuity and guaranteed interest contracts.
- (c) This class includes a private equity fund that invests in real estate.
- (d) This investment comprises the Company's non-significant, non-US pension plan assets. It primarily includes insurance contracts.

Cash equivalents are valued using a market approach with inputs including quoted market prices for either identical or similar instruments. Fixed income securities are valued through a market approach with inputs including, but not limited to, benchmark yields, reported trades, broker quotes and issuer spreads. Commingled funds are valued at their daily net asset value (NAV) per share or the equivalent. NAV per share or the equivalent is used for fair value purposes as a practical expedient. NAVs are calculated by the investment manager or sponsor of the fund. Private real estate fund values are reported by the fund manager and are based on valuation or appraisal of the underlying investments. Refer to Note 10, "Fair Value Measurements" for additional information related to the fair value hierarchy defined by ASC 820. There have been no significant transfers between levels of the fair value hierarchy.

The Company made required and discretionary contributions to its pension plans of \$99.7 million in 2020, \$83.1 million in 2019, and \$86.9 million in 2018 and currently projects that it will contribute approximately \$56 million to its plans worldwide in 2021. The contribution in 2020 included \$24.4 million to fund Ingersoll Rand Industrial plans prior to the completion of the Transaction. The Company's policy allows it to fund an amount, which could be in excess of or less than the pension cost expensed, subject to the limitations imposed by current tax regulations. However, the Company anticipates funding the plans in 2021 in accordance with contributions required by funding regulations or the laws of each jurisdiction.

Most of the Company's U.S. employees are covered by defined contribution plans. Employer contributions are determined based on criteria specific to the individual plans and amounted to approximately \$111.0 million, \$140.2 million and \$131.9 million in 2020, 2019 and 2018, respectively. The Company's contributions relating to non-U.S. defined contribution plans and other non-U.S. benefit plans were \$19.2 million, \$56.7 million and \$52.0 million in 2020, 2019 and 2018, respectively.

MULTIEMPLOYER PENSION PLANS

The Company also participates in a number of multiemployer defined benefit pension plans related to collectively bargained U.S. employees of Trane. The Company's contributions, and the administration of the fixed retirement payments, are determined by the terms of the related collective-bargaining agreements. These multiemployer plans pose different risks to the Company than single-employer plans, including:

1. The Company's contributions to multiemployer plans may be used to provide benefits to all participating employees of the program, including employees of other employers.
2. In the event that another participating employer ceases contributions to a plan, the Company may be responsible for any unfunded obligations along with the remaining participating employers.
3. If the Company chooses to withdraw from any of the multiemployer plans, the Company may be required to pay a withdrawal liability, based on the underfunded status of the plan.

As of December 31, 2020, the Company does not participate in any plans that are individually significant, nor is the Company an individually significant participant to any of these plans.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

The Company sponsors several postretirement plans that provide for healthcare benefits, and in some instances, life insurance benefits that cover certain eligible employees. These plans are unfunded and have no plan assets, but are instead funded by the Company on a pay-as-you-go basis in the form of direct benefit payments. Generally, postretirement health benefits are contributory with contributions adjusted annually. Life insurance plans for retirees are primarily noncontributory.

In connection with the completion of the Transaction, the Company transferred certain postretirement benefit obligations for current and former employees of Ingersoll Rand Industrial to Gardner Denver. The transfer of these obligations reduced postretirement plan liabilities by \$28.7 million and increased AOCI by \$5.5 million.

The following table details changes in the Company's postretirement plan benefit obligations for the years ended December 31:

IN MILLIONS	2020	2019
Benefit obligation at beginning of year	\$ 428.8	\$ 442.7
Service cost	2.4	2.6
Interest cost	9.7	14.8
Plan participants' contributions	8.2	7.7
Actuarial (gains) losses ⁽¹⁾	9.3	6.7
Benefits paid, net of Medicare Part D subsidy ⁽²⁾	(39.9)	(45.6)
Impact of the Transaction	(28.7)	—
Other	(0.7)	(0.1)
Benefit obligations at end of year	\$ 389.1	\$ 428.8

⁽¹⁾ Net actuarial losses primarily resulted from losses driven by changes in discount rates offset by gains driven by changes in per capita cost assumptions.

⁽²⁾ Amounts are net of Medicare Part D subsidy of \$0.7 million and \$0.8 million in 2020 and 2019, respectively.

The benefit plan obligations are reflected in the Consolidated Balance Sheets as follows:

IN MILLIONS	DECEMBER 31, 2020	DECEMBER 31, 2019
Accrued compensation and benefits	\$ (37.1)	\$ (38.3)
Postemployment and other benefit liabilities	(352.0)	(361.3)
Liabilities held-for-sale	—	(29.2)
Total	\$ (389.1)	\$ (428.8)

The pre-tax amounts recognized in *Accumulated other comprehensive income (loss)* were as follows:

IN MILLIONS	NET ACTUARIAL GAINS (LOSSES)
Balance at December 31, 2019	\$ 72.8
Gain (loss) in current period	(9.3)
Amortization reclassified to earnings	(5.6)
Impact of the Transaction	(5.5)
Balance at December 31, 2020	\$ 52.4

The components of net periodic postretirement benefit (income) cost for the years ended December 31 were as follows:

IN MILLIONS	2020	2019	2018
Service cost	\$ 2.4	\$ 2.6	\$ 2.8
Interest cost	9.7	14.8	14.4
Net amortization of:			
Prior service costs (benefits)	—	(0.3)	(3.8)
Net actuarial (gains) losses	(5.6)	(10.9)	(1.0)
Net periodic postretirement benefit cost	\$ 6.5	\$ 6.2	\$ 12.4
Amounts recorded in continuing operations:			
Operating income	\$ 2.4	\$ 2.5	\$ 2.8
Other income/(expense), net	3.0	3.1	6.9
Amounts recorded in discontinued operations	1.1	0.6	2.7
Total	\$ 6.5	\$ 6.2	\$ 12.4

Postretirement cost for 2021 is projected to be approximately \$6 million. The amount expected to be recognized in net periodic postretirement benefits cost in 2021 for net actuarial gains is approximately \$2 million.

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

	2020	2019	2018
Discount rate:			
Benefit obligations at December 31	2.25%	2.99%	4.05%
Net periodic benefit cost			
Service cost	3.18%	4.13%	3.47%
Interest cost	2.73%	3.67%	2.94%
Assumed health-care cost trend rates at December 31:			
Current year medical inflation	6.50%	6.75%	6.45%
Ultimate inflation rate	4.75%	4.75%	5.00%
Year that the rate reaches the ultimate trend rate	2028	2028	2023

Benefit payments for postretirement benefits, which are net of expected plan participant contributions and Medicare Part D subsidy, are expected to be paid as follows:

IN MILLIONS		
2021		\$ 37.1
2022		35.8
2023		33.7
2024		31.7
2025		29.9
2026 — 2030		121.7

NOTE 13. REVENUE

The Company recognizes revenue when control of a good or service promised in a contract (i.e., performance obligation) is transferred to a customer. Control is obtained when a customer has the ability to direct the use of and obtain substantially all of the remaining benefits from that good or service. A majority of the Company's revenues are recognized at a point-in-time as control is transferred at a distinct point in time per the terms of a contract. However, a portion of the Company's revenues are recognized over time as the customer simultaneously receives control as the Company performs work under a contract. For these arrangements, the cost-to-cost input method is used as it best depicts the transfer of control to the customer that occurs as the Company incurs costs.

PERFORMANCE OBLIGATIONS

A performance obligation is a distinct good, service or a bundle of goods and services promised in a contract. The Company identifies performance obligations at the inception of a contract and allocates the transaction price to individual performance obligations to faithfully depict the Company's performance in transferring control of the promised goods or services to the customer.

The following are the primary performance obligations identified by the Company:

Equipment and parts. The Company principally generates revenue from the sale of equipment and parts to customers and recognizes revenue at a point in time when control transfers to the customer. Transfer of control is generally determined based on the shipping terms of the contract.

Contracting and Installation. The Company enters into various construction-type contracts to design, deliver and build integrated solutions to meet customer specifications. These transactions provide services that range from the development and installation of new HVAC systems to the design and integration of critical building systems to optimize energy efficiency and overall performance. These contracts have a typical term of less than one year and are considered a single performance obligation as multiple combined goods and services promised in the contract represent a single output delivered to the customer. Revenues associated with contracting and installation contracts are recognized over time with progress towards completion measured using an input method as the basis to recognize revenue and an estimated profit. To-date efforts for work performed corresponds with and faithfully depicts transfer of control to the customer.

Services and Maintenance. The Company provides various levels of preventative and/or repair and maintenance type service agreements for its customers. The typical length of a contract is 12 months but can be as long as 60 months. Revenues associated with these performance obligations are primarily recognized over time on a straight-line basis over the life of the contract as the customer simultaneously receives and consumes the benefit provided by the Company. However, if historical evidence indicates that the cost of providing these services on a straight-line basis is not appropriate, revenue is recognized over the contract period in proportion to the costs expected to be incurred while performing the service. Certain repair services do not meet the definition of over time revenue recognition as the Company does not transfer control to the customer until the service is completed. As a result, revenue related to these services is recognized at a point in time.

Extended warranties. The Company enters into various warranty contracts with customers related to its products. A standard warranty generally warrants that a product is free from defects in workmanship and materials under normal use and conditions for a certain period of time. The Company's standard warranty is not considered a distinct performance obligation as it does not provide services to customers beyond assurance that the covered product is free of initial defects. An extended warranty provides a customer with additional time that the Company is liable for covered incidents associated with its products. Extended warranties are purchased separately and can last up to five years. As a result, they are considered separate performance obligations for the Company. Revenue associated with these performance obligations are primarily recognized over time on a straight-line basis over the life of the contract as the customer simultaneously receives and consumes the benefit provided by the Company. However, if historical evidence indicates that the cost of providing these services on a straight-line basis is not appropriate, revenue is recognized over the contract period in proportion to the costs expected to be incurred while performing the service. Refer to Note 22, "Commitments and Contingencies," for more information related to product warranties.

The transaction price allocated to performance obligations reflects the Company's expectations about the consideration it will be entitled to receive from a customer. To determine the transaction price, variable and noncash consideration are assessed as well as whether a significant financing component exists. The Company includes variable consideration in the estimated transaction price when it is probable that significant reversal of revenue recognized would not occur when the uncertainty associated with variable consideration is subsequently resolved. The Company considers historical data in determining its best estimates of variable consideration, and the related accruals are recorded using the expected value method. The Company has performance guarantees related to energy savings contracts that are provided under the maintenance portion of contracting and installation agreements extending from 2021-2047. These performance guarantees represent variable consideration and are estimated as part of the overall transaction price. The Company has not recognized any significant adjustments to the transaction price due to variable consideration.

The Company enters into sales arrangements that contain multiple goods and services, such as equipment, installation and extended warranties. For these arrangements, each good or service is evaluated to determine whether it represents a distinct performance obligation and whether the sales price for each obligation is representative of standalone selling price. If available, the Company utilizes observable prices for goods or services sold separately to similar customers in similar circumstances to evaluate relative standalone selling price. List prices are used if they are determined to be representative of standalone selling prices. Where necessary, the Company ensures that the total transaction price is then allocated to the distinct performance obligations based on the determination of their relative standalone selling price at the inception of the arrangement.

The Company recognizes revenue for delivered goods or services when the delivered good or service is distinct, control of the good or service has transferred to the customer, and only customary refund or return rights related to the goods or services exist. The Company excludes from revenues taxes it collects from a customer that are assessed by a government authority.

DISAGGREGATED REVENUE

Net revenues by geography and major type of good or service for the year ended at December 31 were as follows:

IN MILLIONS	2020	2019	2018
Americas			
Equipment	\$ 6,479.0	\$ 6,880.4	\$ 6,236.6
Services and parts	3,206.9	3,179.1	2,982.8
Total Americas	\$ 9,685.9	\$ 10,059.5	\$ 9,219.4
EMEA			
Equipment	\$ 1,119.9	\$ 1,208.0	\$ 1,271.7
Services and parts	528.2	554.6	559.4
Total EMEA	\$ 1,648.1	\$ 1,762.6	\$ 1,831.1
Asia Pacific			
Equipment	\$ 773.6	\$ 879.7	\$ 917.3
Services and parts	347.1	374.1	376.0
Total Asia Pacific	\$ 1,120.7	\$ 1,253.8	\$ 1,293.3
Total Net revenues	\$ 12,454.7	\$ 13,075.9	\$ 12,343.8

Revenue from goods and services transferred to customers at a point in time accounted for approximately 81%, 82% and 82% of the Company's revenue for the years ended December 31, 2020, 2019 and 2018, respectively.

CONTRACT BALANCES

The opening and closing balances of contract assets and contract liabilities arising from contracts with customers for the period ended December 31, 2020 and December 31, 2019 were as follows:

IN MILLIONS	2020	2019
Contract assets	\$ 255.4	\$ 172.6
Contract liabilities	1,077.0	941.9

The timing of revenue recognition, billings and cash collections results in accounts receivable, contract assets, and customer advances and deposits (contract liabilities) on the Consolidated Balance Sheet. In general, the Company receives payments from customers based on a billing schedule established in its contracts. Contract assets relate to the conditional right to consideration for any completed performance under the contract when costs are incurred in excess of billings under the percentage-of-completion methodology. Accounts receivable are recorded when the right to consideration becomes unconditional. Contract liabilities relate to payments received in advance of performance under the contract or when the Company has a right to consideration that is unconditional before it transfers a good or service to the customer. Contract liabilities are recognized as revenue as (or when) the Company performs under the contract. During the years ended December 31, 2020 and 2019, changes in contract asset and liability balances were not materially impacted by any other factors.

Approximately 55% of the contract liability balance at December 31, 2019 was recognized as revenue during the year ended December 31, 2020. Additionally, approximately 40% of the contract liability balance at December 31, 2020 was classified as noncurrent and not expected to be recognized as revenue in the next 12 months.

NOTE 14. EQUITY

The authorized share capital of Trane Technologies plc is 1,185,040,000 shares, consisting of (1) 1,175,000,000 ordinary shares, par value \$1.00 per share, (2) 40,000 ordinary shares, par value EUR 1.00 and (3) 10,000,000 preference shares, par value \$0.001 per share. There were no preference shares or Euro-denominated ordinary shares outstanding at December 31, 2020 or 2019.

The changes in ordinary shares and treasury shares for the year ended December 31, 2020 were as follows:

IN MILLIONS	ORDINARY SHARES ISSUED	ORDINARY SHARES HELD IN TREASURY
December 31, 2019	262.8	24.5
Shares issued under incentive plans	2.3	—
Repurchase of ordinary shares	(1.8)	—
December 31, 2020	263.3	24.5

Share repurchases are made from time to time in accordance with management's capital allocation strategy, subject to market conditions and regulatory requirements. Shares acquired and canceled upon repurchase are accounted for as a reduction of *Ordinary Shares* and *Capital in excess of par value*, or *Retained earnings* to the extent *Capital in excess of par value* is exhausted. Shares acquired and held in treasury are presented separately on the balance sheet as a reduction to *Equity* and recognized at cost.

In October 2018, the Company's Board of Directors authorized the repurchase of up to \$1.5 billion of its ordinary shares under a share repurchase program (2018 Authorization) upon completion of the prior authorized share repurchase program. No material amounts were repurchased under this program in 2018. During the year ended December 31, 2019, the Company repurchased and canceled approximately \$750 million of its ordinary shares leaving approximately \$750 million remaining under the 2018 Authorization. During the year ended December 31, 2020, the Company repurchased and canceled approximately \$250 million of our ordinary shares leaving approximately \$500 million remaining under the 2018 Authorization. Additionally, through February 9, 2021, we repurchased approximately \$100 million of our ordinary shares under the 2018 Authorization. In February 2021, our Board of Directors authorized the repurchase of up to \$2.0 billion of our ordinary shares under a new share repurchase program (2021 Authorization) upon completion of the 2018 Authorization.

ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The changes in *Accumulated other comprehensive income (loss)* were as follows:

IN MILLIONS	DERIVATIVE INSTRUMENTS	PENSION AND OPEB ITEMS	FOREIGN CURRENCY TRANSLATION	TOTAL
December 31, 2018	\$ 6.7	\$ (454.0)	\$ (516.8)	\$ (964.1)
Other comprehensive income (loss) attributable to Trane Technologies plc	(1.1)	(3.4)	(38.0)	(42.5)
December 31, 2019	\$ 5.6	\$ (457.4)	\$ (554.8)	\$ (1,006.6)
Separation of Ingersoll Rand Industrial, net of tax	—	64.8	70.2	135.0
Other comprehensive income (loss) attributable to Trane Technologies plc	5.2	(23.9)	258.8	240.1
December 31, 2020	\$10.8	\$ (416.5)	\$ (225.8)	\$ (631.5)

The amounts of *Other comprehensive income (loss) attributable to noncontrolling interests* for 2020, 2019 and 2018 were \$2.7 million, \$0.9 million and \$(3.0) million, respectively, related to currency translation.

NOTE 15. SHARE-BASED COMPENSATION

The Company accounts for stock-based compensation plans in accordance with ASC 718, "Compensation - Stock Compensation" (ASC 718), which requires a fair-value based method for measuring the value of stock-based compensation. Fair value is measured once at the date of grant and is not adjusted for subsequent changes. The Company's share-based compensation plans include programs for stock options, restricted stock units (RSUs), performance share units (PSUs), and deferred compensation. Under the Company's incentive stock plan, the total number of ordinary shares authorized by the shareholders is 23.0 million, of which 15.7 million remains available as of December 31, 2020 for future incentive awards.

In connection with the completion of the Transaction, the provisions of the Company's existing share-based compensation plans required adjustment to the terms of outstanding awards in order to preserve the intrinsic value of the awards immediately before and after the separation. The outstanding awards will continue to vest over the original vesting period, which is generally three years from the grant date.

The stock awards held as of February 29, 2020 were adjusted as follows:

- *Vested stock options* - Outstanding stock options that were vested and exercisable at the time of the Transaction were converted into vested and exercisable stock options of the Company. The number of underlying shares and exercise price for each award was adjusted to preserve the overall intrinsic value of the awards immediately prior to the Transaction.
- *Unvested stock options* - Unvested stock options held at the time of the Transaction were converted into stock options of the participants employer following the separation. The number of underlying shares and exercise price for each award was adjusted to preserve the overall intrinsic value of the awards immediately prior to the Transaction.
- *Restricted stock units* - Outstanding RSUs held at the time of the Transaction were converted into RSUs of the participants employer following the separation. The number of underlying shares was adjusted to preserve the overall intrinsic value of the awards immediately prior to the Transaction.
- *Performance share units* - Active and outstanding PSU awards held at the time of the Transaction were converted into active and outstanding PSUs of the Company. Post-transaction, the Company's employees will continue to participate in the plan at target levels with payout based on actual performance at the end of the respective three-year performance period for each award. Post-transaction, Ingersoll Rand Industrial employees will continue to participate in the plan with the target number of PSUs prorated based on the portion of the performance cycle completed as of the transaction date with payout based on actual performance at the end of the respective three year performance period for each award. The number of underlying shares was adjusted to preserve the overall intrinsic value of the awards immediately prior to the Transaction.

Per ASC 718, an adjustment to the terms of a stock-based compensation award to preserve its value after an equity restructuring may result in significant incremental compensation cost if there was no requirement to make such an adjustment based on the awards existing terms. The Company reviewed the provisions of its existing share-based compensation plans and determined the Transaction required modification to the terms of outstanding awards. As a result, the Company incurred less than \$0.1 million of incremental compensation costs at the date of the Transaction.

COMPENSATION EXPENSE

Share-based compensation expense related to continuing operations is included in *Selling and administrative expenses*. The following table summarizes the expenses recognized:

IN MILLIONS	2020	2019	2018
Stock options	\$ 17.9	\$ 20.2	\$ 23.5
RSUs	23.3	26.5	30.4
PSUs	26.7	17.9	23.0
Deferred compensation	3.9	3.1	3.4
Other ⁽ⁱ⁾	3.3	3.5	0.5
Pre-tax expense	75.1	71.2	80.8
Tax benefit	(18.2)	(17.3)	(19.6)
After-tax expense	\$ 56.9	\$ 53.9	\$ 61.2
Amounts recorded in continuing operations	55.2	46.5	52.5
Amounts recorded in discontinued operations	1.7	7.4	8.7
Total	\$ 56.9	\$ 53.9	\$ 61.2

⁽ⁱ⁾ Includes certain plans that have a market-based component.

Grants issued during the year ended December 31 were as follows:

	2020		2019		2018	
	NUMBER GRANTED	WEIGHTED-AVERAGE FAIR VALUE PER AWARD	NUMBER GRANTED	WEIGHTED-AVERAGE FAIR VALUE PER AWARD	NUMBER GRANTED	WEIGHTED-AVERAGE FAIR VALUE PER AWARD
Stock options	1,021,628	\$ 16.75	1,286,857	\$ 17.17	1,541,025	\$ 15.51
RSUs	213,142	\$ 104.76	268,465	\$ 102.98	327,411	\$ 90.07
Performance shares ⁽ⁱ⁾	278,468	\$ 140.72	312,362	\$ 111.12	363,342	\$ 106.31

⁽ⁱ⁾ The number of performance shares represents the maximum award level.

STOCK OPTIONS / RSUs

Eligible participants may receive (i) stock options, (ii) RSUs or (iii) a combination of both stock options and RSUs. The fair value of each of the Company's stock option and RSU awards is expensed on a straight-line basis over the required service period, which is generally the 3-year vesting period. However, for stock options and RSUs granted to retirement eligible employees, the Company recognizes expense for the fair value at the grant date.

The average fair value of the stock options granted is determined using the Black Scholes option pricing model. The following assumptions were used during the year ended December 31:

	2020	2019	2018
Dividend yield	2.01%	2.06%	2.00%
Volatility	24.33%	21.46%	21.64%
Risk-free rate of return	0.56%	2.46%	2.48%
Expected life in years	4.8	4.8	4.8

A description of the significant assumptions used to estimate the fair value of the stock option awards is as follows:

- *Volatility* - The expected volatility is based on a weighted average of the Company's implied volatility and the most recent historical volatility of the Company's stock commensurate with the expected life.
- *Risk-free rate of return* -The Company applies a yield curve of continuous risk-free rates based upon the published US Treasury spot rates on the grant date.

- *Expected life* - The expected life of the Company's stock option awards represents the weighted-average of the actual period since the grant date for all exercised or canceled options and an expected period for all outstanding options.
- *Dividend yield* - The Company determines the dividend yield based upon the expected quarterly dividend payments as of the grant date and the current fair market value of the Company's stock.
- *Forfeiture Rate* - The Company analyzes historical data of forfeited options to develop a reasonable expectation of the number of options to forfeit prior to vesting per year. This expected forfeiture rate is applied to the Company's ongoing compensation expense; however, all expense is adjusted to reflect actual vestings and forfeitures.

Changes in options outstanding under the plans for the years 2020, 2019 and 2018 were as follows:

	SHARES SUBJECT TO OPTION	WEIGHTED- AVERAGE EXERCISE PRICE	AGGREGATE INTRINSIC VALUE (MILLIONS)	WEIGHTED- AVERAGE REMAINING LIFE (YEARS)
December 31, 2017	6,354,882	\$ 56.49		
Granted	1,541,025	89.71		
Exercised	(1,515,955)	45.44		
Cancelled	(94,601)	79.53		
December 31, 2018	6,285,351	66.95		
Granted	1,286,857	101.42		
Exercised	(2,076,338)	56.17		
Cancelled	(76,624)	92.38		
December 31, 2019	5,419,246	78.91		
Granted	1,021,628	105.29		
Exercised	(1,767,782)	58.27		
Cancelled	(49,539)	88.12		
Adjustment due to the Transaction	1,095,805	n/a		
Outstanding December 31, 2020	5,719,358	\$ 70.53	\$ 426.9	6.2
Exercisable December 31, 2020	3,352,349	\$ 58.77	\$ 289.6	5.0

The following table summarizes information concerning currently outstanding and exercisable options:

RANGE OF EXERCISE PRICE	OPTIONS OUTSTANDING		OPTIONS EXERCISABLE			
	NUMBER OUTSTANDING AT DECEMBER 31, 2020	WEIGHTED- AVERAGE REMAINING LIFE (YEARS)	WEIGHTED- AVERAGE EXERCISE PRICE	NUMBER EXERCISABLE AT DECEMBER 31, 2020	WEIGHTED- AVERAGE REMAINING LIFE (YEARS)	WEIGHTED- AVERAGE EXERCISE PRICE
\$ 15.01 — \$ 30.00	91,434	0.9	\$ 26.16	91,434	0.9	\$ 26.16
30.01 — 40.00	682,984	4.0	37.95	682,984	4.0	37.95
40.01 — 50.00	232,405	3.0	46.56	232,405	3.0	46.56
50.01 — 60.00	328,001	3.7	52.28	328,001	3.7	52.28
60.01 — 70.00	939,243	5.6	63.19	776,864	5.2	62.66
70.01 — 80.00	2,430,895	6.8	74.53	1,207,923	6.4	73.38
80.01 — 90.00	1,667	8.3	86.31	555	8.3	86.31
90.01 — 100.00	19,921	8.6	94.50	1,369	8.7	92.92
100.01 — 110.00	991,715	8.9	105.25	30,814	3.5	105.28
110.01 — 145.00	1,093	9.9	144.34	—	0.0	—
\$ 18.90 — \$ 144.34	5,719,358	6.2	\$ 70.53	3,352,349	5.0	\$ 58.77

At December 31, 2020, there was \$8.3 million of total unrecognized compensation cost from stock option arrangements granted under the plan, which is primarily related to unvested shares of non-retirement eligible employees. The aggregate intrinsic value of options exercised during the year ended December 31, 2020 and 2019 was \$120.5 million and \$124.5 million, respectively. Generally, stock options expire ten years from their date of grant.

The following table summarizes RSU activity for the years 2020, 2019 and 2018:

	RSUs	WEIGHTED-AVERAGE GRANT DATE FAIR VALUE
Outstanding and unvested at December 31, 2017	803,699	\$ 67.09
Granted	327,411	90.07
Vested	(389,285)	64.88
Cancelled	(20,186)	77.95
Outstanding and unvested at December 31, 2018	721,639	\$ 78.40
Granted	268,465	102.98
Vested	(364,817)	70.26
Cancelled	(20,947)	89.64
Outstanding and unvested at December 31, 2019	604,340	\$ 93.56
Granted	213,142	104.76
Vested	(338,952)	86.62
Cancelled	(11,356)	84.38
Adjustment due to the Transaction	22,348	n/a
Outstanding and unvested at December 31, 2020	489,522	\$ 87.75

At December 31, 2020, there was \$11.5 million of total unrecognized compensation cost from RSU arrangements granted under the plan, which is related to unvested shares of non-retirement eligible employees.

PERFORMANCE SHARES

The Company has a Performance Share Program (PSP) for key employees. The program provides awards in the form of PSUs based on performance against pre-established objectives. The annual target award level is expressed as a number of the Company's ordinary shares based on the fair market value of the Company's stock on the date of grant. All PSUs are settled in the form of ordinary shares.

Beginning with the 2018 grant year, PSU awards are earned based 50% upon a performance condition, measured by relative Cash Flow Return on Invested Capital (CROIC) to the S&P 500 Industrials Index over a 3-year performance period, and 50% upon a market condition, measured by the Company's relative total shareholder return (TSR) as compared to the TSR of the S&P 500 Industrials Index over a 3-year performance period. The fair value of the market condition is estimated using a Monte Carlo Simulation approach in a risk-neutral framework based upon historical volatility, risk-free rates and correlation matrix. Awards granted prior to 2018 were earned based 50% upon a performance condition, measured by relative earnings-per-share (EPS) growth to the industrial group of companies in the S&P 500 Index over a 3-year performance period, and 50% upon a market condition measured by the Company's relative TSR as compared to the TSR of the industrial group of companies in the S&P Index over a 3-year performance period.

The following table summarizes PSU activity for the maximum number of shares that may be issued for the years 2020, 2019 and 2018:

	PSUs	WEIGHTED-AVERAGE GRANT DATE FAIR VALUE
Outstanding and unvested at December 31, 2017	1,364,536	\$ 73.31
Granted	363,342	106.31
Vested	(309,306)	76.00
Forfeited	(172,408)	90.89
Outstanding and unvested at December 31, 2018	1,246,164	\$ 79.83
Granted	312,362	111.12
Vested	(539,402)	53.76
Forfeited	(34,194)	106.14
Outstanding and unvested at December 31, 2019	984,930	\$ 103.12
Granted	278,468	140.72
Vested	(340,400)	93.63
Forfeited	(56,430)	89.94
Adjustment due to the Transaction	151,904	n/a
Outstanding and unvested at December 31, 2020	1,018,472	\$ 99.53

At December 31, 2020, there was \$18.0 million of total unrecognized compensation cost from PSU arrangements based on current performance, which is related to unvested shares. This compensation will be recognized over the required service period, which is generally the three-year vesting period.

DEFERRED COMPENSATION

The Company allows key employees to defer a portion of their eligible compensation into a number of investment choices, including its ordinary share equivalents. Any amounts invested in ordinary share equivalents will be settled in ordinary shares of the Company at the time of distribution.

NOTE 16. RESTRUCTURING ACTIVITIES

The Company incurs costs associated with restructuring initiatives intended to result in improved operating performance, profitability and working capital levels. Actions associated with these initiatives include workforce reduction, improving manufacturing productivity, realignment of management structures and rationalizing certain assets. Restructuring charges recorded during the years ended December 31 were as follows:

IN MILLIONS	2020	2019	2018
Americas	\$ 35.3	\$ 39.0	\$ 27.5
EMEA	7.4	5.1	4.6
Asia Pacific	5.1	6.7	2.0
Corporate and Other	27.9	1.8	9.4
Total	\$ 75.7	\$ 52.6	\$ 43.5
Cost of goods sold	\$ 24.1	\$ 37.3	\$ 25.2
Selling and administrative expenses	51.6	15.3	18.3
Total	\$ 75.7	\$ 52.6	\$ 43.5

The changes in the restructuring reserve were as follows:

IN MILLIONS	AMERICAS	EMEA	ASIA PACIFIC	CORPORATE AND OTHER	TOTAL
December 31, 2018	\$ 15.3	\$ 1.7	\$ 1.9	\$ 2.6	\$ 21.5
Additions, net of reversals ⁽¹⁾	36.3	5.1	6.7	1.8	49.9
Cash paid/Other	(39.7)	(4.0)	0.5	(2.8)	(46.0)
December 31, 2019	11.9	2.8	9.1	1.6	25.4
Additions, net of reversals ⁽²⁾	31.3	7.4	5.1	27.9	71.7
Cash paid/Other	(30.6)	(5.9)	(12.2)	(18.9)	(67.6)
December 31, 2020	\$ 12.6	\$ 4.3	\$ 2.0	\$ 10.6	\$ 29.5

⁽¹⁾ Excludes the non-cash costs of asset rationalizations (\$2.7 million).

⁽²⁾ Excludes the non-cash costs of asset rationalizations (\$4.0 million).

During the year ended December 31, 2020, costs associated with announced restructuring actions primarily included the following:

- costs related to the reorganization of resources and facilities in response to the completion of the Transaction and separation of Ingersoll Rand Industrial; and
- the plan to close a U.S. manufacturing facility within the Americas and relocate production to another existing U.S. facility announced in 2018.

Amounts recognized primarily relate to severance and exit costs. In addition, the Company also includes costs that are directly attributable to the restructuring activity but do not fall into the severance, exit or disposal categories. As of December 31, 2020, the Company had \$29.5 million accrued for costs associated with its ongoing restructuring actions, of which a majority is expected to be paid within one year.

NOTE 17. OTHER INCOME/(EXPENSE), NET

The components of *Other income/(expense), net* for the years ended December 31, 2020, 2019 and 2018 were as follows:

IN MILLIONS	2020	2019	2018
Interest income/(loss)	\$ 4.5	\$ 0.6	\$ 2.4
Foreign currency exchange gain (loss)	(10.0)	(9.5)	(12.8)
Other components of net periodic benefit cost	(14.7)	(34.9)	(21.1)
Other activity, net	24.3	15.4	(1.8)
Other income/(expense), net	\$ 4.1	\$ (28.4)	\$ (33.3)

Other income/(expense), net includes the results from activities other than normal business operations such as interest income and foreign currency gains and losses on transactions that are denominated in a currency other than an entity's functional currency. In addition, the Company includes the components of net periodic benefit cost for pension and post retirement obligations other than the service cost component. Other activity, net includes items associated with certain legal matters as well as asbestos-related activities through the Petition Date. During the year ended December 31, 2020, the Company recorded a \$174 million adjustment to correct an overstatement of a legacy legal liability that originated in prior years and a gain of \$0.9 million related to the deconsolidation of Murray and its wholly-owned subsidiary ClimateLabs within other activity, net. Refer to Note 22, "Commitments and Contingencies," for more information regarding asbestos-related matters.

NOTE 18. INCOME TAXES

CURRENT AND DEFERRED PROVISION FOR INCOME TAXES

Earnings before income taxes for the years ended December 31 were taxed within the following jurisdictions:

IN MILLIONS	2020	2019	2018
United States	\$ 653.9	\$ 837.4	\$ 728.2
Non-U.S.	634.3	561.5	529.6
Total	\$ 1,288.2	\$ 1,398.9	\$ 1,257.8

The components of the *Provision for income taxes* for the years ended December 31 were as follows:

IN MILLIONS	2020	2019	2018
Current tax expense (benefit):			
United States	\$ 168.3	\$ 181.8	\$ 201.0
Non-U.S.	106.3	77.4	131.7
Total:	274.6	259.2	332.7
Deferred tax expense (benefit):			
United States	11.2	2.2	(50.2)
Non-U.S.	11.0	(22.8)	(47.6)
Total:	22.2	(20.6)	(97.8)
Total tax expense (benefit):			
United States	179.5	184.0	150.8
Non-U.S.	117.3	54.6	84.1
Total	\$ 296.8	\$ 238.6	\$ 234.9

The *Provision for income taxes* differs from the amount of income taxes determined by applying the applicable U.S. statutory income tax rate to pretax income, as a result of the following differences:

	PERCENT OF PRETAX INCOME		
	2020	2019	2018
Statutory U.S. rate	21.0%	21.0%	21.0%
Increase (decrease) in rates resulting from:			
Non-U.S. tax rate differential	(1.1)	(2.8)	(2.6)
Tax on U.S. subsidiaries on non-U.S. earnings ^(a)	0.3	(0.2)	(0.6)
State and local income taxes ^(b)	4.3	3.0	2.1
Valuation allowances ^(c)	(1.1)	(2.9)	0.7
Change in permanent reinvestment assertion ^{(a), (d)}	—	—	(3.1)
Transition tax ^(d)	—	—	2.0
Remeasurement of deferred tax balances ^(d)	—	—	0.4
Stock based compensation	(1.7)	(1.7)	(1.0)
Expiration of carryforward tax attributes	1.1	—	—
Reserves for uncertain tax positions	(0.1)	(0.5)	0.5
Provision to return and other true-up adjustments	(0.2)	0.1	(0.8)
Other adjustments	0.5	1.1	0.1
Effective tax rate	23.0%	17.1%	18.7%

^(a) Net of foreign tax credits

^(b) Net of changes in state valuation allowances

^(c) Primarily federal and non-U.S., excludes state valuation allowances

^(d) Provisional amounts reported under SAB 118 were finalized in 2018

Tax incentives, in the form of tax holidays, have been granted to the Company in certain jurisdictions to encourage industrial development. The expiration of these tax holidays varies by country. The tax holidays are conditional on the Company meeting certain employment and investment thresholds. The most significant tax holidays relate to the Company's qualifying locations in China, Puerto Rico and Panama. The benefit for the tax holidays for the years ended December 31, 2020, 2019 and 2018 was \$24.6 million, \$28.3 million and \$21.3 million, respectively.

DEFERRED TAX ASSETS AND LIABILITIES

A summary of the deferred tax accounts at December 31 were as follows:

IN MILLIONS	2020	2019
Deferred tax assets:		
Inventory and accounts receivable	\$ 11.7	\$ 13.3
Fixed assets and intangibles	9.5	9.7
Operating lease liabilities	101.0	117.6
Postemployment and other benefit liabilities	323.5	340.6
Product liability	4.8	68.9
Funding liability	71.8	—
Other reserves and accruals	164.8	143.6
Net operating losses and credit carryforwards	509.0	562.6
Other	58.5	33.6
Gross deferred tax assets	1,254.6	1,289.9
Less: deferred tax valuation allowances	(320.5)	(309.4)
Deferred tax assets net of valuation allowances	\$ 934.1	\$ 980.5
Deferred tax liabilities:		
Inventory and accounts receivable	\$ (22.3)	\$ (25.3)
Fixed assets and intangibles	(1,186.0)	(1,184.7)
Operating lease right-of-use assets	(99.5)	(117.6)
Postemployment and other benefit liabilities	(14.1)	(10.9)
Other reserves and accruals	(7.2)	(12.4)
Product liability	(0.2)	(0.7)
Undistributed earnings of foreign subsidiaries	(22.4)	(22.1)
Other	(3.2)	(18.7)
Gross deferred tax liabilities	(1,354.9)	(1,392.4)
Net deferred tax assets (liabilities)	\$ (420.8)	\$ (411.9)

At December 31, 2020, no deferred taxes have been provided for earnings of certain of the Company's subsidiaries, since these earnings have been, and under current plans will continue to be permanently reinvested in these subsidiaries. These earnings amount to approximately \$1.6 billion which if distributed would result in additional taxes, which may be payable upon distribution, of approximately \$260.0 million.

At December 31, 2020, the Company had the following operating loss, capital loss and tax credit carryforwards available to offset taxable income in prior and future years:

IN MILLIONS	AMOUNT	EXPIRATION PERIOD
U.S. Federal net operating loss carryforwards	\$ 611.8	2021-2036
U.S. Federal credit carryforwards	138.6	2022-2030
U.S. State net operating loss carryforwards	2,898.4	2021-Unlimited
U.S. State credit carryforwards	31.7	2021-Unlimited
Non-U.S. net operating loss carryforwards	490.8	2021-Unlimited
Non-U.S. credit carryforwards	9.3	Unlimited

The U.S. state net operating loss carryforwards were incurred in various jurisdictions. The non-U.S. net operating loss carryforwards were incurred in various jurisdictions, predominantly in Belgium, Brazil, India, Luxembourg, Spain and the United Kingdom.

Activity associated with the Company's valuation allowance is as follows:

IN MILLIONS	2020	2019	2018
Beginning balance	\$ 309.4	\$ 310.3	\$ 320.6
Increase to valuation allowance	38.9	44.0	54.6
Decrease to valuation allowance	(22.8)	(43.6)	(52.8)
Other deductions	(0.1)	—	—
Write off against valuation allowance	(3.7)	—	(4.6)
Accumulated other comprehensive income (loss)	(1.2)	(1.3)	(7.5)
Ending balance	\$ 320.5	\$ 309.4	\$ 310.3

During 2020, the Company recorded a \$22.3 million increase in valuation allowance on deferred tax assets primarily related to certain state net deferred tax assets as a result of the Transaction. In addition, the Company recorded a \$16.0 million reduction in valuation allowances related to non-U.S. net operating losses, primarily as a result of a planned restructuring in a non-U.S. tax jurisdiction, and foreign tax credits as a result of revised projections of future foreign source income.

During 2019, the Company recorded a \$43.6 million reduction in valuation allowance on deferred tax assets primarily related to non-U.S. net operating losses. In addition, the Company recorded a \$19.3 million increase in a valuation allowance for certain state net deferred tax assets as a result of revised projections of future state taxable income during the carryforward period.

During 2018, the Company recorded a net addition to the valuation allowance related to excess foreign tax credits in the amount of \$17.3 million. In addition, the Company recorded a \$35.0 million reduction in a valuation allowance for certain state net deferred tax assets primarily the result of revised projections of future state taxable income during the carryforward period.

UNRECOGNIZED TAX BENEFITS

The Company has total unrecognized tax benefits of \$65.4 million and \$63.7 million as of December 31, 2020, and December 31, 2019, respectively. The amount of unrecognized tax benefits that, if recognized, would affect the continuing operations effective tax rate are \$36.8 million as of December 31, 2020. A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

IN MILLIONS	2020	2019	2018
Beginning balance	\$ 63.7	\$ 68.7	\$ 108.4
Additions based on tax positions related to the current year	1.0	1.2	1.1
Additions based on tax positions related to prior years	2.1	9.3	23.0
Reductions based on tax positions related to prior years	(1.5)	(13.1)	(47.3)
Reductions related to settlements with tax authorities	(0.7)	(0.9)	(14.2)
Reductions related to lapses of statute of limitations	(1.7)	(0.6)	(0.6)
Translation (gain) loss	2.5	(0.9)	(1.7)
Ending balance	\$ 65.4	\$ 63.7	\$ 68.7

The Company records interest and penalties associated with the uncertain tax positions within its Provision for income taxes. The Company had reserves associated with interest and penalties, net of tax, of \$14.6 million and \$16.0 million at December 31, 2020 and December 31, 2019, respectively. For the year ended December 31, 2020 and December 31, 2019, the Company recognized a \$0.1 million tax expense and a \$0.7 million tax benefit, respectively, in interest and penalties, net of tax in continuing operations related to these uncertain tax positions.

The total amount of unrecognized tax benefits relating to the Company's tax positions is subject to change based on future events including, but not limited to, the settlements of ongoing audits and/or the expiration of applicable statutes of limitations. Although the outcomes and timing of such events are highly uncertain, it is reasonably possible that the balance of gross unrecognized tax benefits, excluding interest and penalties, could potentially be reduced by up to approximately \$4.7 million during the next 12 months.

The provision for income taxes involves a significant amount of management judgment regarding interpretation of relevant facts and laws in the jurisdictions in which the Company operates. Future changes in applicable laws, projected levels of taxable income and tax planning could change the effective tax rate and tax balances recorded by the Company. In addition, tax authorities periodically review income tax returns filed by the Company and can raise issues regarding its filing positions, timing and amount of income or deductions, and the allocation of income among the jurisdictions in which the Company operates. A significant period of time may elapse between the filing of an income tax return and the ultimate resolution of an issue raised by a revenue authority with respect to that return. In the normal course of business the Company is subject to examination by taxing authorities throughout the world, including such major jurisdictions as Brazil, Canada, China, France, Germany, Ireland, Italy, Mexico, Spain, the Netherlands, the United Kingdom and the United States. These examinations on their own, or any subsequent litigation related to the examinations, may result in additional taxes or penalties against the Company. If the ultimate result of these audits differ from original or adjusted estimates, they could have a material impact on the Company's tax provision. In general, the examination of the Company's material tax returns are complete or effectively settled for the years prior to 2011, with certain matters prior to 2011 being resolved through appeals and litigation and also unilateral procedures as provided for under double tax treaties.

In connection with the Transaction, the Company and Gardner Denver entered into a tax sharing agreement for the allocation of taxes. The Company has an indemnity payable to Gardner Denver, included within other non-current liabilities, in the amount of \$13.5 million of tax and interest primarily related to open audit years in non-U.S. tax jurisdictions.

NOTE 19. ACQUISITIONS AND DIVESTITURES

ACQUISITIONS AND EQUITY METHOD INVESTMENTS

Acquisitions are recorded using the acquisition method of accounting in accordance with ASC 805, "Business Combinations" (ASC 805). As a result, the aggregate purchase price has been allocated to assets acquired and liabilities assumed based on the estimate of fair market value of such assets and liabilities at the date of acquisition. The valuation of intangible assets are determined using an income approach methodology.

During 2020, the Company acquired independent dealers, reported within the Americas segment, to support the Company's ongoing strategy to expand its distribution network and service area. The aggregate cash paid, net of cash acquired, totaled \$182.8 million and was financed through cash on hand. Intangible assets associated with these acquisitions totaled \$78.9 million and primarily relate to customer relationships. The excess purchase price over the estimated fair value of net assets acquired was recognized as goodwill and totaled \$130.1 million.

The fair values of the customer relationship intangible assets were determined using the multi-period excess earnings method based on discounted projected net cash flows associated with the net earnings attributable to the acquired customer relationships. These projected cash flows are estimated over the remaining economic life of the intangible asset and are considered from a market participant perspective. Key assumptions used in estimating future cash flows included projected revenue growth rates and customer attrition rates. The projected future cash flows are discounted to present value using an appropriate discount rate. The customer relationships had a weighted-average useful life of 16 years.

During 2019, the Company acquired several businesses including independent dealers to support its ongoing strategy to expand its distribution network and service area as well as other businesses that strengthen the Company's product portfolios. The aggregate cash paid, net of cash acquired, totaled \$83.4 million and was funded through cash on hand. Intangible assets associated with these acquisitions totaled \$25.5 million and primarily relate to trademarks and customer relationships. The excess purchase price over the estimated fair value of net assets acquired was recognized as goodwill and totaled \$45.3 million. These acquisitions were not material to the Company's financial statements and were reported in the Americas segment.

During 2018, the Company acquired several businesses and entered into a joint venture. The aggregate cash paid, net of cash acquired, totaled \$285.7 million and was funded through cash on hand. Primary activity during 2018 related to the acquisition of ICS Group Holdings Limited in January 2018. The business, reported within the EMEA segment, specializes in the temporary rental of energy efficient chillers for commercial and industrial buildings across Europe. In addition, the Company acquired independent dealers to expand its distribution network and service area. Intangible assets associated with these acquisitions totaled \$45.2 million and primarily relate to trademarks and customer relationships. The excess purchase price over the estimated fair value of net assets acquired was recognized as goodwill and totaled \$118.0 million.

In addition, the Company completed its investment of a 50% ownership interest in a joint venture with Mitsubishi Electric Corporation (Mitsubishi) in May 2018. The joint venture, reported within the Americas segment, focuses on marketing, selling and supporting variable refrigerant flow (VRF) and ductless heating and air conditioning systems through Trane, American Standard and Mitsubishi channels in the U.S. and select Latin American countries. Ownership interests in a joint venture are accounted for under the equity method when the Company does not have a controlling financial interest and reported within Other noncurrent assets on the Balance Sheet. Ongoing results since the date of investment are accounted for under the equity method and are not considered material to the Company's results of operations.

DIVESTITURES

The components of Discontinued operations, net of tax for the years ended December 31 were as follows:

IN MILLIONS	2020	2019	2018
Net revenues	\$ 469.8	\$ 3,523.0	\$ 3,324.4
Cost of goods sold	(315.8)	(2,366.0)	(2,265.1)
Selling and administrative expenses	(234.4)	(809.5)	(654.0)
Operating income (loss)	(80.4)	347.5	405.3
Other income/ (expense), net	(55.9)	50.0	(88.3)
Pre-tax earnings (loss) from discontinued operations	(136.3)	397.5	317.0
Benefit (provision) for income taxes	14.9	(129.3)	17.6
Discontinued operations, net of tax	\$ (121.4)	\$ 268.2	\$ 334.6

The table above presents the financial statement line items that support amounts included in Discontinued operations, net of tax. For the year ended December 31, 2020, Selling and administrative expenses included pre-tax Ingersoll Rand Industrial separation costs of \$114.2 million, which are primarily related to legal, consulting and advisory fees. In addition, for the year ended December 31, 2020, Other income/ (expense), net included a loss of \$25.8 million related to the deconsolidation of Aldrich and its wholly-owned subsidiary 200 Park. The year ended December 31, 2019 includes \$94.6 million of pre-tax Ingersoll Rand Industrial separation costs within Selling and administrative expenses.

SEPARATION OF INDUSTRIAL SEGMENT BUSINESSES

On February 29, 2020, the Company completed the Transaction with Gardner Denver whereby the Company separated Ingersoll Rand Industrial which then merged with a wholly-owned subsidiary of Gardner Denver. In accordance with GAAP, the historical results of Ingersoll Rand Industrial are presented as a discontinued operation in the Consolidated Statement of Comprehensive Income and Consolidated Statement of Cash Flows. In addition, the assets and liabilities of Ingersoll Rand Industrial have been recast to held-for-sale at December 31, 2019.

Net revenues and earnings from operations, net of tax of Ingersoll Rand Industrial for the years ended December 31 were as follows:

IN MILLIONS	2020	2019	2018
Net revenues	\$ 469.8	\$ 3,523.0	\$ 3,324.4
Earnings (loss) attributable to Trane Technologies plc	(85.8)	225.2	351.3
Earnings (loss) attributable to noncontrolling interests	0.9	2.4	4.8
Earnings (loss) from operations, net of tax	\$ (84.9)	\$ 227.6	\$ 356.1

Earnings (loss) attributable to Trane Technologies plc includes Ingersoll Rand Industrial separation costs, net of tax primarily related to legal, consulting and advisory fees of \$96.2 million during the year ended December 31, 2020. In addition, the year ended December 31, 2019 includes \$89.4 million of Ingersoll Rand Industrial separation costs, net of tax.

The components of Ingersoll Rand Industrial's assets and liabilities recorded as held-for-sale on the Consolidated Balance Sheet at December 31, 2019 were as follows:

IN MILLIONS	DECEMBER 31, 2019
Assets	
Current assets ⁽¹⁾	\$ 1,130.6
Property, plant and equipment, net	454.3
Goodwill	1,657.4
Intangible assets, net	825.2
Other noncurrent assets	139.7
Assets held-for-sale	\$ 4,207.2
Liabilities	
Current liabilities	\$ 823.7
Noncurrent liabilities	376.7
Liabilities held-for-sale	\$ 1,200.4

⁽¹⁾ Includes \$25 million cash and cash equivalents in accordance with the merger agreement.

OTHER DISCONTINUED OPERATIONS

Other discontinued operations, net of tax related to retained obligations from previously sold businesses that primarily include ongoing expenses for postretirement benefits, product liability and legal costs. In addition, the Company includes asbestos-related activities of Aldrich through the Petition Date.

The components of *Discontinued operations, net of tax* for the years ended December 31 were as follows:

IN MILLIONS	2020	2019	2018
Ingersoll Rand Industrial, net of tax	\$ (84.9)	\$ 227.6	\$ 356.1
Other discontinued operations, net of tax	(36.5)	40.6	(21.5)
Discontinued operations, net of tax	\$ (121.4)	\$ 268.2	\$ 334.6

In addition, other discontinued operations, net of tax includes a loss of \$25.8 million related to the deconsolidation of Aldrich and its wholly-owned subsidiary 200 Park, for the year ended December 31, 2020. Refer to Note 22, "Commitments and Contingencies," for more information regarding the deconsolidation and asbestos-related matters.

NOTE 20. EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing Net earnings attributable to Trane Technologies plc by the weighted-average number of ordinary shares outstanding for the applicable period. Diluted EPS is calculated after adjusting the denominator of the basic EPS calculation for the effect of all potentially dilutive ordinary shares, which in the Company's case, includes shares issuable under share-based compensation plans. The following table summarizes the weighted-average number of ordinary shares outstanding for basic and diluted earnings per share calculations:

IN MILLIONS	2020	2019	2018
Weighted-average number of basic shares outstanding	240.1	241.6	247.2
Shares issuable under incentive stock plans	3.0	2.8	2.9
Weighted-average number of diluted shares outstanding	243.1	244.4	250.1
Anti-dilutive shares	0.6	—	1.5
Dividends declared per ordinary share	\$ 2.12	\$ 2.12	\$ 1.96

NOTE 21. BUSINESS SEGMENT INFORMATION

The Company operates under three regional operating segments designed to create deep customer focus and relevance in markets around the world. Intercompany sales between segments are immaterial.

- The Company's Americas segment innovates for customers in the North America and Latin America regions. The Americas segment encompasses commercial heating and cooling systems, building controls, and energy services and solutions; residential heating and cooling; and transport refrigeration systems and solutions.
- The Company's EMEA segment innovates for customers in the Europe, Middle East and Africa region. The EMEA segment encompasses heating and cooling systems, services and solutions for commercial buildings, and transport refrigeration systems and solutions.
- The Company's Asia Pacific segment innovates for customers throughout the Asia Pacific region. The Asia Pacific segment encompasses heating and cooling systems, services and solutions for commercial buildings and transport refrigeration systems and solutions.

Management measures operating performance based on net earnings excluding interest expense, income taxes, depreciation and amortization, restructuring, unallocated corporate expenses and discontinued operations (Segment Adjusted EBITDA). Segment Adjusted EBITDA is not defined under GAAP and may not be comparable to similarly-titled measures used by other companies and should not be considered a substitute for net earnings or other results reported in accordance with GAAP. The Company believes Segment Adjusted EBITDA provides the most relevant measure of profitability as well as earnings power and the ability to generate cash. This measure is a useful financial metric to assess the Company's operating performance from period to period by excluding certain items that it believes are not representative of its core business and the Company uses this measure for business planning purposes. Segment Adjusted EBITDA also provides a useful tool for assessing the comparability between periods and the Company's ability to generate cash from operations sufficient to pay taxes, to service debt and to undertake capital expenditures because it eliminates non-cash charges such as depreciation and amortization expense.

A summary of operations by reportable segment for the years ended December 31 were as follows:

IN MILLIONS	2020	2019	2018
Net revenues			
Americas	\$ 9,685.9	\$ 10,059.5	\$ 9,219.4
EMEA	1,648.1	1,762.6	1,831.1
Asia Pacific	1,120.7	1,253.8	1,293.3
Total Net revenues	\$ 12,454.7	\$ 13,075.9	\$ 12,343.8
Segment Adjusted EBITDA			
Americas	\$ 1,677.7	\$ 1,742.1	\$ 1,565.5
EMEA	265.7	267.7	302.7
Asia Pacific	188.8	182.8	173.2
Total Segment Adjusted EBITDA	\$ 2,132.2	\$ 2,192.6	\$ 2,041.4
Reconciliation of Segment Adjusted EBITDA to earnings before income taxes			
Total Segment Adjusted EBITDA	\$ 2,132.2	\$ 2,192.6	\$ 2,041.4
Interest expense	(248.7)	(242.8)	(221.0)
Depreciation and amortization	(294.3)	(288.8)	(282.3)
Restructuring costs	(75.7)	(52.6)	(43.5)
Unallocated corporate expenses	(225.3)	(209.5)	(236.8)
Earnings before income taxes	\$ 1,288.2	\$ 1,398.9	\$ 1,257.8
Depreciation and Amortization			
Americas	\$ 224.0	\$ 213.6	\$ 208.8
EMEA	32.6	31.0	30.0
Asia Pacific	11.6	13.4	13.2
Depreciation and amortization from reportable segments	\$ 268.2	\$ 258.0	\$ 252.0
Unallocated depreciation and amortization	26.1	30.8	30.3
Total depreciation and amortization	\$ 294.3	\$ 288.8	\$ 282.3
Capital Expenditures			
Americas	\$ 98.2	\$ 146.8	\$ 195.3
EMEA	24.7	30.0	14.5
Asia Pacific	7.7	11.3	7.5
Capital expenditures from reportable segments	\$ 130.6	\$ 188.1	\$ 217.3
Corporate capital expenditures	15.6	17.3	67.4
Total capital expenditures	\$ 146.2	\$ 205.4	\$ 284.7

At December 31, a summary of long-lived assets by geographic area were as follows:

IN MILLIONS	2020	2019
United States	\$ 1,219.4	\$ 1,346.3
Non-U.S.	539.1	475.1
Total	\$ 1,758.5	\$ 1,821.4

NOTE 22. COMMITMENTS AND CONTINGENCIES

The Company is involved in various litigations, claims and administrative proceedings, including those related to environmental, asbestos, and product liability matters. In accordance with ASC 450, "Contingencies" (ASC 450), the Company records accruals for loss contingencies when it is both probable that a liability will be incurred and the amount of the loss can be reasonably estimated. Amounts recorded for identified contingent liabilities are estimates, which are reviewed periodically and adjusted to reflect additional information when it becomes available. Subject to the uncertainties inherent in estimating future costs for contingent liabilities, except as expressly set forth in this note, management believes that any liability which may result from these legal matters would not have a material adverse effect on the financial condition, results of operations, liquidity or cash flows of the Company.

ASBESTOS-RELATED MATTERS

Certain wholly-owned subsidiaries and former companies of the Company were named as defendants in asbestos-related lawsuits in state and federal courts. In virtually all of the suits, a large number of other companies have also been named as defendants. The vast majority of those claims were filed against predecessors of Aldrich and Murray and generally allege injury caused by exposure to asbestos contained in certain historical products sold by predecessors of Aldrich or Murray, primarily pumps, boilers and railroad brake shoes. None of the Company's existing or previously-owned businesses were a producer or manufacturer of asbestos.

On June 18, 2020, Aldrich and Murray filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code to resolve equitably and permanently all current and future asbestos related claims in a manner beneficial to claimants, Aldrich and Murray. As a result of the Chapter 11 filings, all asbestos-related lawsuits against Aldrich and Murray have been stayed due to the imposition of a statutory automatic stay applicable in Chapter 11 bankruptcy cases. In addition, at the request of Aldrich and Murray, the Bankruptcy Court has entered an order temporarily staying all asbestos-related claims against the Trane Companies that relate to claims against Aldrich or Murray (except for asbestos-related claims for which the exclusive remedy is provided under workers' compensation statutes or similar laws).

The goal of these Chapter 11 filings is an efficient and permanent resolution of all current and future asbestos claims through court approval of a plan of reorganization, which would establish, in accordance with section 524(g) of the Bankruptcy Code, a trust to which all asbestos claims would be channeled for resolution. Aldrich and Murray intend to seek an agreement with representatives of the asbestos claimants on the terms of a plan for the establishment of such a trust.

Prior to the Petition Date, predecessors of each of Aldrich and Murray had been litigating asbestos-related claims brought against them. No such claims have been paid since the Petition Date, and it is not contemplated that any such claims will be paid until the end of the Chapter 11 cases. At this point in the Chapter 11 cases of Aldrich and Murray, it is not possible to predict whether or how long the Bankruptcy Court order temporarily staying asbestos-related claims against the Trane Companies will be extended, whether or when any agreement with representatives of the asbestos claimants on the terms of a plan for the establishment of a trust will be reached, what the terms of any plan of reorganization or the extent of the asbestos liability will be or how long the Chapter 11 cases will last.

From an accounting perspective, the Company no longer has control over Aldrich and Murray as of the Petition Date as their activities are subject to review and oversight by the Bankruptcy Court. Therefore, Aldrich and its wholly-owned subsidiary 200 Park and Murray and its wholly-owned subsidiary ClimateLabs were deconsolidated as of the Petition Date and their respective assets and liabilities were derecognized from the Company's Consolidated Financial Statements. Amounts derecognized primarily related to the legacy asbestos-related liabilities and asbestos-related insurance recoveries and \$41.7 million of cash. However, in connection with the 2020 Corporate Restructuring, certain subsidiaries of the Company entered into funding agreements with Aldrich and Murray (collectively the Funding Agreements), pursuant to which those subsidiaries are obligated, among other things, to pay the costs and expenses of Aldrich and Murray during the pendency of the Chapter 11 cases to the extent distributions from their respective subsidiaries are insufficient to do so and to provide an amount for the funding for a trust established pursuant to section 524(g) of the Bankruptcy Code, to the extent that the other assets of Aldrich and Murray are insufficient to provide the requisite trust funding.

ACCOUNTING TREATMENT PRIOR TO THE PETITION DATE

Historically, the Company performed a detailed analysis and projected an estimated range of the Company's total liability for pending and unasserted future asbestos-related claims. In accordance with ASC 450, the Company recorded the liability at the low end of the range as it believed that no amount within the range was a better estimate than any other amount. Asbestos-related defense costs were excluded from the liability and were recorded separately as services were incurred. The methodology used to prepare estimates relied upon and included the following factors, among others:

- the interpretation of a widely accepted forecast of the population likely to have been occupationally exposed to asbestos;
- epidemiological studies estimating the number of people likely to develop asbestos-related diseases such as mesothelioma and lung cancer;
- the Company's historical experience with the filing of non-malignancy claims and claims alleging other types of malignant diseases filed against the Company relative to the number of lung cancer claims filed against the Company;
- the analysis of the number of people likely to file an asbestos-related personal injury claim against the Company based on such epidemiological and historical data and the Company's claims history;
- an analysis of the Company's pending cases, by type of disease claimed and by year filed;
- an analysis of the Company's history to determine the average settlement and resolution value of claims, by type of disease claimed;
- an adjustment for inflation in the future average settlement value of claims, at a 2.5% annual inflation rate, adjusted downward to 1.0% to take account of the declining value of claims resulting from the aging of the claimant population; and
- an analysis of the period over which the Company has and is likely to resolve asbestos-related claims against it in the future (currently projected through 2053).

Prior to the Petition Date and at December 31, 2019, over 73 percent of the open and active claims against the Company were non-malignant or unspecified disease claims. In addition, the Company had a number of claims which had been placed on inactive or deferred dockets and expected to have little or no settlement value against the Company.

At June 17, 2020, immediately prior to the Petition Date, and at December 31, 2019, the Company's liability for asbestos-related matters and the asset for probable asbestos-related insurance recoveries were included in the following accounts within the Consolidated Balance Sheet:

IN MILLIONS	JUNE 17, 2020	DECEMBER 31, 2019
Accrued expenses and other current liabilities	\$ 57.1	\$ 63.0
Other noncurrent liabilities	451.0	484.4
Total asbestos-related liabilities	\$ 508.1	\$ 547.4
Other current assets	\$ 50.3	\$ 66.2
Other noncurrent assets	220.6	237.8
Total asset for probable asbestos-related insurance recoveries	\$ 270.9	\$ 304.0

The Company's asbestos insurance receivable related to the predecessors of Aldrich and Murray were \$160.4 million and \$110.5 million, respectively, at June 17, 2020 and \$188.7 million and \$115.3 million, respectively, at December 31, 2019. These receivables attributable to the predecessors of each of Aldrich and Murray for probable insurance recoveries as of June 17, 2020 and December 31, 2019 are entirely supported by settlement agreements between them and their respective insurance carriers. Most of these settlement agreements constitute "coverage-in-place" arrangements, in which the insurer signatories agree to reimburse the predecessors of Aldrich and Murray, as applicable, for specified portions of their respective costs for asbestos bodily injury claims and the predecessors of Aldrich and Murray, as applicable, agree to certain claims-handling protocols and grants to the insurer signatories certain releases and indemnifications.

Prior to the Petition Date, the costs associated with the settlement and defense of asbestos-related claims, insurance settlements on asbestos-related matters and the revaluation of the Company's liability for potential future claims and recoveries were included in the Consolidated Statement of Comprehensive Income within continuing operations or discontinued operations depending on the business to which they relate. Income and expenses associated with asbestos-related matters of Aldrich and its predecessors were recorded within discontinued operations as they related to previously divested businesses, primarily Ingersoll-Dresser Pump, which was sold by the Company in 2000. Income and expenses associated with asbestos-related matters for Murray and its predecessors were recorded within continuing operations. The year ended December 31, 2020 includes a \$17.4 million adjustment to correct an overstatement of a legacy legal liability that originated in prior years.

The net income (expense) associated with these pre-Petition Date transactions for the years ended December 31, were as follows:

IN MILLIONS	2020	2019	2018
Continuing operations	\$ 14.8	\$ 7.0	\$ (10.4)
Discontinued operations	(11.2)	68.2	(56.5)
Total	\$ 3.6	\$ 75.2	\$ (66.9)

The amounts recorded by the Company for asbestos-related liabilities and insurance-related assets are based on currently available information. Key assumptions underlying the estimated asbestos-related liabilities include the number of people occupationally exposed and likely to develop asbestos-related diseases such as mesothelioma and lung cancer, the number of people likely to file an asbestos-related personal injury claim against the Company, the average settlement and resolution of each claim and the percentage of claims resolved with no payment. Furthermore, predictions with respect to estimates of the liability are subject to greater uncertainty as the projection period lengthens. Other factors that may affect the Company's liability include uncertainties surrounding the litigation process from jurisdiction to jurisdiction and from case to case, reforms that may be made by state and federal courts, and the passage of state or federal tort reform legislation.

The aggregate amount of the stated limits in insurance policies available to Aldrich and Murray for asbestos-related claims acquired, over many years and from many different carriers, is substantial. However, as a result of limitations in that coverage, the projected total liability to claimants substantially exceeds the probable insurance recovery.

ACCOUNTING TREATMENT AFTER THE PETITION DATE

Upon deconsolidation, the Company recorded its retained interest in Aldrich and Murray at fair value within Other noncurrent assets in the Consolidated Balance Sheet. In determining the fair value of its equity investment, the Company used a market-adjusted multiple of earnings valuation technique (a market approach). Under the market approach, the Company used an adjusted multiple ranging from 11.0 to 12.5 of projected earnings before interest, taxes, depreciation and amortization (EBITDA) based on the market information of comparable companies. As a result, the Company recorded an aggregate equity investment of \$53.6 million as of the Petition Date. Subsequent to deconsolidation, the Company will account for its equity investment in Aldrich and Murray at cost less impairment under the measurement alternative election in ASC 321, "Investments - Equity Securities".

Simultaneously, the Company recognized a liability of \$248.8 million within Other noncurrent liabilities in the Consolidated Balance Sheet related to its obligation under the Funding Agreements. Although the amounts that Aldrich and Murray may ultimately require under the Funding Agreements are unknown, the Company believes that an estimate of \$248.8 million in the aggregate is reasonable at this time as the Company has no better estimate for the amounts that may ultimately be required under the Funding Agreement. The liability is based on asbestos-related liabilities and insurance-related assets balances previously recorded by the Company prior to the Petition Date and may be subject to change based on the facts and circumstances of the Chapter 11 proceedings.

As a result of these actions, the Company recognized an aggregate loss of \$24.9 million in its Consolidated Statements of Comprehensive Income. A gain of \$0.9 million related to Murray and its wholly-owned subsidiary ClimateLabs was recorded within Other income/ (expense), net and a loss of \$25.8 million related to Aldrich and its wholly-owned subsidiary 200 Park was recorded within Discontinued operations, net of tax. Additionally, the deconsolidation resulted in an investing cash outflow of \$41.7 million in the Company's Consolidated Statements of Cash Flows, of which \$10.8 million was recorded within continuing operations.

Furthermore, in connection with the 2020 Corporate Restructuring, Aldrich, Murray and their respective subsidiaries entered into several agreements with subsidiaries of the Company to ensure they each have access to services necessary for the effective operation of their respective businesses and access to capital to address any liquidity needs that arise as a result of working capital requirements or timing issues. In addition, the Company regularly transacts business with Aldrich and its wholly-owned subsidiary 200 Park and Murray and its wholly-owned subsidiary ClimateLabs. As of the Petition Date, these entities are considered related parties and post deconsolidation activity between the Company and them are reported as third party transactions and are reflected within the Company's Consolidated Statements of Comprehensive Income. Since the Petition Date, there were no material transactions between the Company and these entities.

ENVIRONMENTAL MATTERS

The Company continues to be dedicated to environmental and sustainability programs to minimize the use of natural resources, and reduce the utilization and generation of hazardous materials from our manufacturing processes and to remediate identified environmental concerns. As to the latter, the Company is currently engaged in site investigations and remediation activities to address environmental cleanup from past operations at current and former manufacturing facilities.

The Company is sometimes a party to environmental lawsuits and claims and has received notices of potential violations of environmental laws and regulations from the Environmental Protection Agency and similar state authorities. It has also been identified as a potentially responsible party (PRP) for cleanup costs associated with off-site waste disposal at federal Superfund and state remediation sites. For all such sites, there are other PRPs and, in most instances, the Company's involvement is minimal.

In estimating its liability, the Company has assumed it will not bear the entire cost of remediation of any site to the exclusion of other PRPs who may be jointly and severally liable. The ability of other PRPs to participate has been taken into account, based on the Company's understanding of the parties' financial condition and probable contributions on a per site basis. Additional lawsuits and claims involving environmental matters are likely to arise from time to time in the future.

Reserves for environmental matters are classified as *Accrued expenses and other current liabilities* or *Other noncurrent liabilities* based on their expected term. As of December 31, 2020 and 2019, the Company has recorded reserves for environmental matters of \$39.9 million and \$40.2 million, respectively. Of these amounts \$37.5 million relate to remediation of sites previously disposed by the Company.

WARRANTY LIABILITY

Standard product warranty accruals are recorded at the time of sale and are estimated based upon product warranty terms and historical experience. The Company assesses the adequacy of its liabilities and will make adjustments as necessary based on known or anticipated warranty claims, or as new information becomes available.

The changes in the standard product warranty liability for the year ended December 31, were as follows:

IN MILLIONS	2020	2019
Balance at beginning of period	\$ 251.4	\$ 245.6
Reductions for payments	(130.5)	(142.8)
Accruals for warranties issued during the current period	144.6	144.1
Changes to accruals related to preexisting warranties	14.9	5.1
Translation	2.3	(0.6)
Balance at end of period	\$ 282.7	\$ 251.4

Standard product warranty liabilities are classified as *Accrued expenses and other current liabilities*, or *Other noncurrent liabilities* based on their expected term. The Company's total current standard product warranty reserve at December 31, 2020 and December 31, 2019 was \$127.7 million and \$124.9 million, respectively.

WARRANTY DEFERRED REVENUE

The Company's extended warranty liability represents the deferred revenue associated with its extended warranty contracts and is amortized into Net revenues on a straight-line basis over the life of the contract, unless another method is more representative of the costs incurred. The Company assesses the adequacy of its liability by evaluating the expected costs under its existing contracts to ensure these expected costs do not exceed the extended warranty liability.

The changes in the extended warranty liability for the year ended December 31, were as follows:

IN MILLIONS	2020	2019
Balance at beginning of period	\$ 302.8	\$ 290.6
Amortization of deferred revenue for the period	(123.6)	(120.9)
Additions for extended warranties issued during the period	123.7	133.5
Changes to accruals related to preexisting warranties	—	(0.4)
Translation	1.5	—
Balance at end of period	\$ 304.4	\$ 302.8

The extended warranty liability is classified as *Accrued expenses and other current liabilities* or *Other noncurrent liabilities* based on the timing of when the deferred revenue is expected to be amortized into Net revenues. The Company's total current extended warranty liability at December 31, 2020 and December 31, 2019 was \$108.6 million and \$107.3 million, respectively. For the years ended December 31, 2020, 2019 and 2018, the Company incurred costs of \$61.0 million, \$62.8 million and \$63.8 million, respectively, related to extended warranties.

Annual General Meeting

The company's 2020 Annual Report on Form 10-K as filed with the United States Securities and Exchange Commission, and other company information, is available through Trane Technologies' website, www.tranetechnologies.com. Securities analysts, portfolio managers and representatives of institutional investors seeking information about the company should contact:

Shane Lawrence
Director, Investor Relations
704-655-5651

Date and Time

Thursday, June 3, 2021 at 8:00 a.m. EDT

Location

Trane Technologies plc
800-C Beaty Street
Davidson, NC 28036

Ireland

Shareholders in Ireland may participate in the Annual General Meeting remotely on June 3, 2021 at 1:00 pm (Dublin time) telephonically at the Arthur Cox Building, Ten Earlsfort Terrace, Dublin 2, D02 T380, Ireland.

See "Information Concerning Voting and Solicitation" of the proxy statement for further information on participating in the Annual General Meeting.

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Transfer Agent and Registrar

Computershare
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Website: www.computershare.com/Investor

Address shareholder inquiries with standard priority:

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PO BOX 505000
Louisville, KY 40233-5000

Address shareholder inquiries with overnight priority:

Computershare
462 South 4th Street Suite 1600
Louisville, KY 40202

This integrated annual report and the 2020 online ESG Report at www.tranetechnologies.com/sustainability-reports is produced in accordance with the G4 framework established by the Global Reporting Initiative (GRI) and reports on our financial and non-financial performance for the 2020 fiscal year. For more information on GRI, please visit www.globalreporting.org. To ensure the quality of our environmental, health and safety data, we assure selected data with a third-party provider. The results of this assurance can be found in our 2020 ESG Report at www.tranetechnologies.com/sustainability-reports. At the time of publication, assurance of our environmental and safety data from operations was not yet complete and the data presented in this document is subject to change. This annual report, including the letter to shareholders, contains "forward-looking statements," which are statements that are not historical facts, including our ability to address environmental and social challenges, the future success of our operational excellence initiatives, our future financial performance, our growth, market opportunities and our positioning in and the performance of the markets in which we operate. These statements are based on currently available information and our current assumptions, expectations and projections about future events. While we believe that our assumptions, expectations and projections are reasonable in view of the currently available information, you are cautioned not to place undue dependence on our forward-looking statements. Forward-looking statements speak only as of the date they are made and are not guarantees of future performance. They are subject to future events, risks and uncertainties—many of which are beyond our control—as well as potentially inaccurate assumptions that could cause actual results to differ materially from our expectations and projections. You are advised to review the factors described under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" in our Form 10-K for the fiscal year ended December 31, 2020, and any further disclosures we make on related subjects in materials we file with or furnish to the SEC. We do not undertake any obligation to update any forward-looking statements.





About Trane Technologies

Trane Technologies is a global climate innovator. Through our strategic brands Trane and Thermo King, and our environmentally responsible portfolio of products and services, we bring efficient and sustainable climate solutions to buildings, homes and transportation.

www.tranetechnologies.com