Ingersoll Rand
Inspiring Progress™

Leading the Way to a Better World

2014 Annual Report
2015 Notice and Proxy Statement

Our Climate Commitment

Our company pledged to help solve some of the world's most pressing challenges — including the unsustainable demand for energy resources and impact on greenhouse gas emissions.

In September 2014, Ingersoll Rand made a public commitment to significantly increase energy efficiency and reduce environmental impacts from our operations and product portfolio by 2030, with key milestones specified for 2020:

- We will reduce the climate impact related to the refrigerant used in our products by 50 percent before 2020, and will incorporate lower global warming potential (GWP) alternatives across our portfolio by 2030. To accomplish these goals, we will introduce products that are energy and operationally efficient, that use refrigerants with dramatically lower GWP, and that do not compromise the safety, performance or efficiency that our end users expect.
- We will reduce the greenhouse gas (GHG) footprint of our own operations by 35 percent before 2020.
- We will invest $500 million in product-related research and development over the next five years to fund the long-term reduction of GHG emissions.

This ambitious roadmap will result in the avoidance of approximately 21 million metric tons of CO_2e globally before 2020, which is equivalent to the energy used by nearly 2 million U.S. homes for one year.

2 Message from Our Chairman and CEO

5 This is Ingersoll Rand

8 Strategically Focused on Growth

10 Pursuing Operational Excellence

13 Building Our Winning Culture

Our Market-Leading Brands

Ingersoll Rand (NYSE:IR) advances the quality of life by creating comfortable, sustainable and efficient environments. Our people and our family of brands — including Club Car®, Ingersoll Rand®, Thermo King® and Trane® — work together to enhance the quality and comfort of air in homes and buildings; transport and protect food and perishables; and increase industrial productivity and efficiency. We are a $13 billion global business committed to a world of sustainable progress and enduring results.

Ingersoll Rand products range from complete compressed air and gas systems and services, to power tools, to material handling systems. The diverse and innovative products, services and solutions enhance our customers' energy efficiency, productivity and operations.

Club Car has been one of the most respected names in the golf industry for more than half a century. The Club Car product portfolio includes golf cars, a mobile golf information system, turf and commercial utility vehicles, multi-passenger shuttle vehicles, rough-terrain utility vehicles and street-legal low-speed vehicles for commercial and consumer markets.

Trane solutions optimize indoor environments with a broad portfolio of energy efficient heating, ventilating and air conditioning systems, building and contracting services, parts support and advanced controls. Trane solutions and services help customers create spaces that are reliable and safe, as well as healthy, comfortable and efficient.

Thermo King enhances quality of life through temperature management in global transportation. Thermo King manufactures transport temperature control systems for a variety of mobile applications, including trailers, truck bodies, buses, shipboard containers and railway cars.

Ingersoll Rand Club Car TRANE THERMO KING

This integrated annual report and the 2014 online sustainability supplement at www.ingersollrand.com/sustainabilitysupplement follow the Global Reporting Initiative (GRI) 3.1 guidelines and report on our financial and non-financial performance for the 2014 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 online sustainability supplement at www.ingersollrand.com/sustainability supplement. In 2014, we completed a corporate-wide review of Scope 1 and 2 GHG emissions for all owned and leased assets using the Greenhouse Gas Protocol accounting standards. This year, for the first time, we are defining our organizational boundary using the financial control approach. We feel this more accurately reflects the direct impact of our operational footprint. Accordingly, prior years' data has been restated. This annual report, including the following 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, 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, 2014, and any further disclosures we make on related subjects in materials we file with or furnish to the SEC. We do not undertake to update any forward-looking statements. The following letter to shareholders also contains certain non-GAAP financial measures, including "Adjusted Operating Margins" and "Adjusted Earnings Per Share" which should be considered supplemental to, not a substitute for or superior to, the financial measure calculated in accordance with GAAP.

Dear Shareholder:

"The key is for organizations with the right expertise to deliver innovative solutions to pressing global challenges. That's where Ingersoll Rand steps forward."

- Michael W. Lamach
Chairman and Chief Executive Officer

Over the last year I have visited with thousands of our customers and employees across North America, Europe, Latin America and Asia Pacific. Each conversation strengthened my conviction that we're on the right path — we've built Ingersoll Rand with the right global trends in mind, the right businesses, the right operating system and the right people to attain high engagement and deliver results. In 2014 we again proved our model is working.

The Right Global Trends

A look at the trends reminds our global team that what we do every day matters.

The world population is projected to increase by almost one billion people within the next 12 years. More than half of us reside in urban settings today, and this ratio is expected to approach two-thirds by 2050. The link between urbanization and pressing global issues such as energy demand and food availability is at the center of a global discussion — and so is Ingersoll Rand.

Industrial motors and motor driven systems account for 43 percent of total global electricity demand with compressors comprising about one-third of this demand. And buildings are one of the greatest consumers of energy. Take New York City — nearly three-quarters of its greenhouse gas emissions come from energy used to heat, cool and power buildings. In Europe it is estimated that retrofitting existing buildings could eliminate one-eighth of the region's total greenhouse gas emissions, making retrofits a needed component of any plan to reduce emissions.

Beyond industry and buildings, the requirements for food transportation — availability, access, utilization and stability — are also stressed by increased urbanization. Up to 40 percent of food harvested can be lost due to inefficiencies in processing, storage and transport.

The key is for organizations with the right expertise to deliver innovative solutions to these challenges. That's where Ingersoll Rand steps forward.

Our customers demand systems and services that are efficient and cost effective, but also productive and sustainable. The bold Climate Commitment we announced in 2014, detailed in this report, demonstrates the industry-leading position we have taken on their behalf. I was proud to represent Ingersoll Rand at the United Nations Climate Summit and Clinton Global Initiative to launch this initiative.

The Right Businesses

There is a powerful link between these global trends and our end markets. Our strategy and portfolio position us to help create sustainable choices for our customers and spur the development of energy-efficient solutions with lower greenhouse gas emissions while we continue to improve our business; whether it's Trane

$50 BILLION
OF FRUITS AND VEGETABLES GLOBALLY ARE WASTED EACH YEAR

ENERGY IMPROVEMENTS TO EXISTING BUILDINGS ENABLE
20 – 50%
COST SAVINGS
FOR BUILDING OWNERS

products in commercial and residential buildings, Thermo King products to deliver fresh food over longer distances, or Ingersoll Rand air compressors that lower operational costs for our industrial customers.

Our passion to be at the forefront of our industries propels our growth. And growth, when properly executed, is the greatest source of employee and shareholder value.

We are growing Ingersoll Rand in three ways: by developing new and more productive and efficient products, increasing the mix of our service businesses, and expanding market coverage in terms of geography or channels in a specific end market.

We continue to execute our growth strategy and refine our product development process. Through rigorous analysis, we provide a set of alternatives and choose the best solutions for our customers, and in turn, our businesses. Aligning our product management teams to more clearly understand our customers, markets and competitors empowers us to take action.

The Right Operating System

We've also matured in our operational excellence journey — focusing the whole company on creating a lean operating system where we use standard work to create value, reduce cycle times and enhance quality that makes the customer experience better.

2014 marked the intersection of our growth excellence and operational excellence strategies. Over the past year we have launched six product growth teams. Just like our operational excellence value streams that use a structured process for continuous improvement to deliver a better customer experience, these new growth teams coordinate a product's journey from concept to delivery, through every stage of meeting a customer's needs. This results in faster time to market, increased productivity and improved quality and delivery. Our product growth teams grew their product lines at an average rate that was four times greater than the rest of Ingersoll Rand, and we aim to systematically deploy this model across the company.

As we layer a foundation of operational excellence with a disciplined approach to growth and our winning culture, you can see why I am confident in our future.

"Our passion to be at the forefront of our industries propels our growth."

– Michael W. Lamach
Chairman and Chief Executive Officer

The Right People

Our philosophy is to make our company a great place for people to work which in turn drives a great customer experience and ultimately, grows shareholder value.

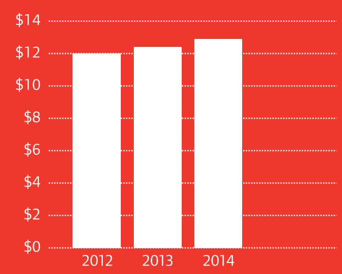
We've applied this philosophy to how we operate, and we continue to measure our progress. We achieved top-quartile employee engagement scores in 2014, and our people and company are attracting external attention. We have been recognized as one of FORTUNE magazine's World's Most Admired Companies, honored on Best Companies for Leaders by Chief Executive magazine, Workforce Magazine's 100 top companies for Human Resources and Corporate Responsibility magazine's 100 Best Corporate Citizens.

And we intend to keep getting better. Customers want to do business with people who are engaged to deliver for them, and that's the kind of company we strive to be. That's our winning culture as you'll read about in this year's report.

Delivering the Right Results

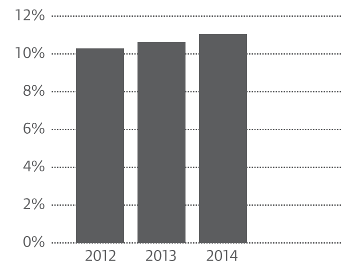
Beyond employee engagement, we are operating at the top quartile in other metrics that matter — one look at our strong 2014 financial results shows that. For the second year in a row, we delivered top-quartile organic growth among our peer group, even in the absence of a North American institutional construction recovery. We realized a

Total Net Revenues (Billions)



Adjusted Operating Margins

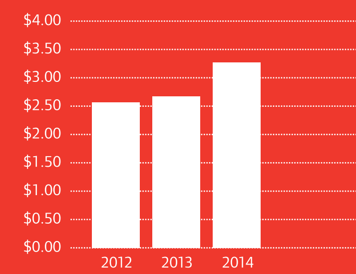
1.8 Percentage Points ↑ 2012 to 2014



Excludes restructuring costs.

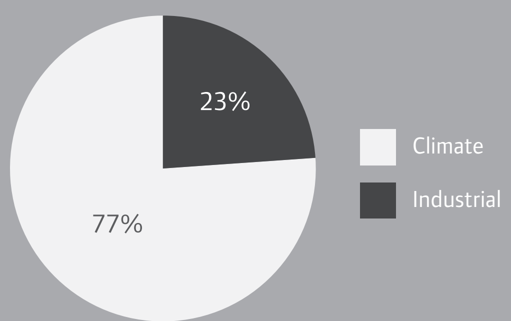
Adjusted Earnings Per Share

30% ↑ from 2012 to 2014

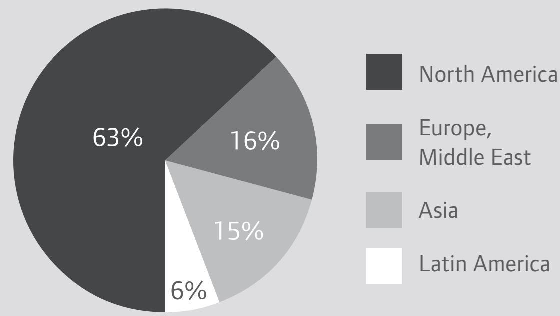


Excludes restructuring costs, refinancing premium and Allegion spin-related costs.

2014 Total Net Revenue by Segment



2014 Revenue by Geography



1.8 percentage point increase of adjusted operating margins over the last three years, and over the past five years we've grown market share and margins in almost every business in the company, in every region.

As a result, we've delivered a 60 percent adjusted earnings per share growth since 2011, and strong shareholder return while investing in the long-term success of the business. Executing on our balanced capital allocation strategy over the last five years, we've:

- Increased investments into the business, consistent with driving organic growth
- Increased the dividend 257 percent from 2011 – 2014 and our 2015 dividend is set at $1.16 per share, up 16 percent year-over-year
- Completed two share repurchase programs at $2 billion each, and now, we're well underway with the third authorization for $1.5 billion
- Returned approximately $5.5 billion to shareholders

We've also been disciplined around mergers and acquisitions, announcing two value-adding acquisitions in 2014. We purchased the assets of Cameron International Corporation's Centrifugal Compression division, which became part of our compressed air business in January 2015, and FRIGOBLOCK became part of our Thermo King business in March 2015. Both acquisitions offer a complementary product set, engineering and technology strength, and financial synergies that are a natural fit for our portfolio, and we expect them to be accretive in 2015.

Looking ahead, we won't change what's working — focusing on the fundamentals of growth, our operating system and our culture to serve our customers. We want to be a company people want to work for, customers want to buy from and investors want to invest in.

I hope you are as optimistic about our future as I am. It's clear to me how our employees, customers and shareholders around the world all win with Ingersoll Rand. I look forward to continuing to grow the company in 2015, and well beyond.

Sincerely,

Michael W. Lamach
Chairman and CEO

Leading the Way to a Better World.

This is Ingersoll Rand

Ingersoll Rand products and services help save energy, transport food and perishables, and spur economic growth. Our business operations reflect a longstanding commitment to innovation, sustainability and exemplary corporate citizenship aimed at leading the way to a better world. Our economic, environmental and social contributions, in turn, enhance the company's financial results, creating value for our employees, shareholders and business partners.

Creating Value for our Stakeholders

Customers. At Ingersoll Rand, everything starts with the customer. Our mission is to exceed our customers' demands for reliability, energy efficiency and productivity whenever and wherever in the world they need us. Our sales and customer relationships are managed through a powerful network of Ingersoll Rand offices, distributors and dealers across the globe in nearly 60 countries. We track customer satisfaction globally by collecting feedback on our sales and delivery performance and the quality and reliability of our products and services on an ongoing basis.

> *"Ingersoll Rand and companies like it have an extremely important role to play in creating a low-carbon future for the world. It sent a powerful message when Ingersoll Rand stepped out and said that climate change is important and started taking actions to do something about it."*
>
> *– Jared L. Cohon, Ph.D.,*
> *Member of the Ingersoll Rand Board of Directors*

Employees. Ingersoll Rand is dedicated to the long-term endeavor of creating a winning culture. We strive to be truly progressive, diverse and inclusive, and to foster an inspirational environment for all employees. We want our people to understand that what we do as an enterprise — and what they do as individuals — really matters. This is why we engage and empower our employees to inspire progress for our stakeholders every day — as well as for themselves. We are committed to creating a safe and healthy work environment, while offering our employees opportunities to build successful and rewarding careers.

Business Partners. Ingersoll Rand makes it a priority to share its expertise with suppliers, distributors and other business partners. Similar to our interactions with customers, our business partner relationships lead to product and service innovation as well as operational process improvement. At the same time, we expect business partners to share our values related to ethical conduct as well as social and environmental sustainability. These values are embodied in our Business Partner Code of Conduct, which holds them to the same high legal, moral and ethical standards to which we hold ourselves.

Shareholders. Ingersoll Rand is committed to delivering value for our shareholders. Our balanced capital allocation strategy has delivered a multi-year record for achieving industry-leading EPS growth and total shareholder return

FORTUNE WORLD'S MOST ADMIRED COMPANIES 2015

FORTUNE magazine ranked Ingersoll Rand on its 2014 World's Most Admired Companies list, and for 2015 Ingersoll Rand ranks as the No. 1 Industrial Machinery company on the FORTUNE World's Most Admired Companies list, climbing to the top following a steady rise over the last three years. We also ranked No. 9 in the Innovativeness category among all FORTUNE list companies, joining Apple, Google, Amazon and Walt Disney in this prestigious key attribute ranking.

performance, while also enabling us to fully invest in the long-term success of our business. We have returned approximately $5.5 billion to shareholders over the past five years. Since 2009 we have delivered a 400 percent total shareholder return — more than triple the return of the S&P 500.

Policymakers. Ingersoll Rand actively collaborates with a worldwide array of governments, business and trade associations, environmental groups and economic development organizations in efforts to address global challenges. The Climate Commitment we announced in 2014, for instance, positions Ingersoll Rand at the forefront of sustainable solutions and signals to our stakeholders that we are squarely focused on the future and dedicated to helping solve some of the world's most pressing challenges. Among other current policy leadership efforts, we are working proactively with government agencies and refrigerant suppliers to lead a global transition to next-generation refrigerants with low global warming potential. In addition, the team's focus areas in 2014 included new European standards related to noise pollution, building energy efficiency, technology transfer to emerging economies, and improved workforce diversity and labor practices worldwide.

Energy Efficiency and Sustainability — Our DNA

A World of Sustainable Progress and Enduring Results. The value Ingersoll Rand delivers as an enterprise matters more than ever. Clean, comfortable indoor environments and safe, fresh food are essential to quality of life. Greater industrial productivity is key to economic prosperity. But in a world confronting accelerating growth in urban populations, increasingly volatile energy costs and the impending threat of climate change, our approaches to meeting these needs must be environmentally and socially sustainable. At Ingersoll Rand, we are passionate in our commitment to sustainability. As a testament to our commitment, we created the Center for Energy Efficiency and Sustainability (CEES) in 2010 to help our customers and our company leverage best practices in sustainability. Our passion for sustainability is embedded in the way we serve our customers and operate our business, and in the strategic initiatives we pursue in every function across our global enterprise.

Sustainability Governance. Sustainability governance and direction at Ingersoll Rand is the responsibility of our Board of Directors and the Enterprise Leadership Team, with assistance from internal and external advisory and strategy councils. The Board is composed of 12 members, 11 of whom are independent, two of whom are women and two of whom are non-U.S. citizens. The Corporate Governance and Nominating Committee of the Board is responsible for overseeing our environmental health and safety performance, energy consumption, carbon footprint and waste streams.

Embedding Sustainability across the Enterprise

We have an established set of initiatives aimed at embedding sustainability across the enterprise in pursuit of six key objectives for 2020.

Governance. We will enhance efforts to uphold our standards for ethical business conduct, transparency, compliance and oversight.

Suppliers. We will collaborate with our suppliers to cultivate a sustainable and innovative supply chain to meet customer needs.

Operational Footprint. We will optimize the use of natural resources in our operations to reduce environmental impact.

Customer Outcomes. We will innovate to deliver optimal economic and performance value over our product lifecycles.

Our People. We will build a winning culture that is values-based, inclusive and engages and develops people for premier performance.

Corporate Citizenship. We will address social and environmental imperatives that create shared value, result in sustained customer and employee loyalty, and improve the communities where we have business operations.

REDUCED ABSOLUTE WATER WITHDRAWALS **BY 12%**

Compared to 2010 baseline.

27% ABSOLUTE REDUCTION IN NON-HAZARDOUS WASTE

Compared to 2010 baseline.

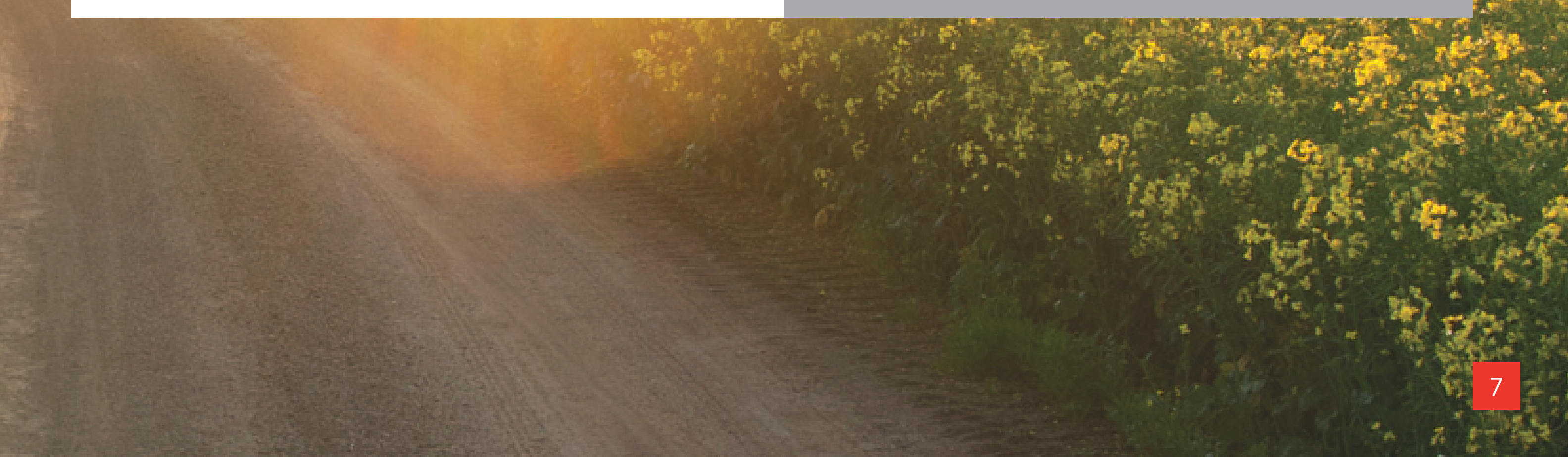
Our external Sustainability Advisory Council is comprised of global thought leaders in infrastructure, energy policy and technology. Their expertise helps us better understand emerging global issues, which in turn spurs product innovation and presents new opportunities to reduce our operational footprint. Reporting to, and sponsored by, the Enterprise Leadership Team, our internal Sustainability Strategy Council is composed of company leaders representing priority geographies, our Strategic Business Units and all function areas. Their role is to provide guidance and endorsement on social and environmental issues that represent opportunities to drive growth, enhance reputation and ensure the long-term economic viability of Ingersoll Rand and our stakeholders.

> *"Ingersoll Rand is a great enabler that develops business solutions for its customers and civil society. Its products, services and continuous innovation help make communities more sustainable and improves the quality of life."*
>
> *– Terry Yosie, Ingersoll Rand Sustainability Advisory Council, President and CEO of World Environment Center*

Ingersoll Rand Selected for the 2014 Dow Jones Sustainability World and North American Indices

MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM

Ingersoll Rand continued to score high marks in third-party sustainability rankings. Recognition by external organizations documents our improved performance, while also allowing us to benchmark ourselves against peer companies using an objective set of metrics. As an example, for the fourth consecutive year, in 2014 we were honored to be listed on the Dow Jones Sustainability World and North American Indices. Our overall score was improved from 2013 and well above the industry average in all three dimensions – economic, environmental and social performance.



Strategically Focused on Growth.

Top-Quartile Performance and Aiming Higher

Ingersoll Rand excelled in sales growth among its peer group companies for the past five years. We are well positioned to improve on this performance. World energy demand is projected to be 37 percent higher in 2035 — an unsustainable growth rate in the long run. We play an important role in solving this critical challenge. This is because 40 percent of total energy demand in mature economies comes from buildings, with 40 percent attributed to HVAC systems. In emerging economies, building energy demand is as high as 85 percent. As well, 30 percent of all energy demand comes from the transportation industry and about 30 percent from industrial use, where sustainability is now a key competitive advantage.

2014 Growth Milestones. We are leveraging these market dynamics by launching new climate, industrial and transportation products and services that are making vital contributions to the energy efficiency, reliability and productivity that drive sustainable economic progress. Reflecting the more than 200 products and services launched into our markets in 2013 and 2014, the percentage of revenue that we generate from new offerings has more than doubled since 2009. Acquisitions are also important to our growth strategy, as demonstrated by our acquisitions of Cameron International Corporation's Centrifugal Compression division and FRIGOBLOCK, which we announced in 2014 and closed in 2015.

Trane Expands Chiller Portfolio with Breakthrough Systems Designed for European Markets

Trane introduced five new chilled water systems with capacity ranges from 20kW to 14,000kW to meet the cooling, efficiency and acoustics needs of markets in Europe. These innovative systems are available with advanced controls and designed for optimal energy efficiency for part- and full-load performance, and in compliance with the most stringent local standards and performance ratings to meet customer requirements for capacity and sustainability. The photo above shows one of the first chillers being shipped from our facility in Charmes, France.

Product Growth Teams. Product growth teams bring together an engineering, global integrated supply chain (GISC), and product management leader to align on a strategy and deliver the same goal: to grow market share and expand margins for their product line or portfolio. These leaders leverage their expertise in their function's standard work — customer focus and competitive expertise from product management; engineering discipline and technology expertise; and manufacturing, distribution and sourcing expertise of GISC — to work collaboratively from ideation to launch to satisfy customers and drive market growth and margin expansion. They use analytics to make clear strategic choices on what markets to focus on and how to succeed.

"Trane helps us with one of our biggest challenges today, to improve service to our customers and installers. By keeping product quality, technical support and lead times optimal, we are able to consistently deliver quality products and service and maintain excellent relationships with our customers."

- Gerardo Gonzalez, Founder and Owner of Proveedora de Climas, the #1 distributor of Trane products in Latin America

Our accelerated growth through our product growth teams builds on our proficiency in operational excellence — lean organizational efforts through successful transformations — and applies it to the full customer experience. It's a programmatic end-to-end customer process. Ultimately, a growth-led value stream delivers a structured, lean approach to achieving growth and maximizing customer value.

Reliability. As our customers define it, reliability means they can consistently and profitably execute their mission-critical activities because of the solutions Ingersoll Rand provides. We are raising the bar for reliability across the enterprise to create a better customer experience and differentiate our offerings from those of our competitors. This includes going beyond product reliability to include service and sales support.

Analytics. We are making significant investments in our analytics capabilities with an eye toward guiding where we play and how we win in various markets. This disciplined approach helps us to better understand our customers' needs and behaviors, and more accurately estimate the lifecycle costs and potential value of new offerings. These new capabilities also strengthen our ability to exceed customer expectations for on-time delivery and product and service quality.

Ingersoll Rand Product Development Process. The Ingersoll Rand Product Development Process (IRPDP) applies standard work to the product development lifecycle, to ensure we are meeting customer needs, assessing risk, embedding sustainability and developing intellectual property — and ultimately meeting our objectives. Over the past two years IRPDP has improved the way we develop and launch new product and service offerings from initial concept to point of sale. IRPDP has generated or improved more than 60 product development projects during this period, more than doubling our product development improvement metrics.

Breakthrough Innovation. One way to improve reliability is to deliver breakthrough innovation. With this goal in mind, we are making more pervasive use of information technology, including machine-to-machine communication and data analytics, in our manufacturing and supply chain functions, as well as enhancing our service capabilities with remote service offerings.

Club Car Precedent Electronic Fuel Injection Engine Launch

Club Car unveiled its Electronic Fuel Injection (EFI) engine for the Precedent at The Villages Golf Cars in Florida, the largest U.S. retail golf car dealership and a Club Car dealer. In developing the EFI engine, Club Car partnered with world-renowned automaker Subaru, a leader in building small engines with EFI. The EFI engines in Club Car vehicles feature more precise ignition timing, better fuel efficiency, improved reliability and enhanced customer experience.

Ingersoll Rand Adds Small Rotary Compressors to R-Series Line for Enhanced Reliability

Ingersoll Rand extended its R-Series line of compressed air solutions to include small rotary compressors with V-Shield™ technology to reduce leaks and improve reliability. Built on a common platform, the new compressors became available for order in Western Europe, Latin America and the United States in 2014. The compact design of the R-Series makes it the ideal workplace compressor with a 20 percent reduction in footprint and sound levels as quiet as a dishwasher.

Thermo King Offers New Choices to Reduce GHG Emissions in Transport Refrigeration

Thermo King put the finishing touches on a plan to offer its transport customers in Europe, the Middle East, and Africa a choice on how and when to reduce their greenhouse gas footprints. The plan centers on a new line of trailer and self-powered truck units that are energy efficient and reliable and use a next-generation refrigerant that has about half the global warming potential of the refrigerant currently used. Thermo King will continue to offer and service its current line of transport refrigeration products until customers are ready to transition.

Networks of Excellence. At the center of our innovation strategy are the Networks of Excellence we established two years ago, bringing together internal experts and specialists on technologies of critical importance across the enterprise. This shared-expert team approach enables us to capitalize on cross-segment synergies in fields such as modeling and simulation, materials and chemistry, brazing and machining processes.

Services Mindset. Now that smart, connected products are becoming the norm, the traditional transactional product sales model is giving way to innovative models focused on end-to-end, customized solutions that integrate products with services. Adopting a services mindset across the organization is crucial to our growth strategy.

Sales Excellence. Ingersoll Rand is making a significant, long-term investment in our sales people, capabilities and processes. The effort combines learning and development, coaching, and best practices to create a world-class sales function that delivers profitable growth for our businesses and wins in our markets. To take our sales capabilities to the next level, we are transforming how we approach the sales process, as well as the tools with which we manage the sales pipeline.

Pursuing Operational Excellence.

Continuously Improving to Better Serve our Stakeholders

Operational excellence through continuous improvement is core to who we are at Ingersoll Rand. It drives growth, fosters customer satisfaction and employee engagement, strengthens margins and cash flow, and ultimately results in value generation for our shareholders and for society. We think about operational excellence holistically. Although it includes lean transformation and related business process improvement initiatives, our operational excellence strategy also encompasses sales management and supplier relationships, as well as the environmental impact of our products and operations.

City Officials Attend Memphis Distribution Center Supplier Diversity Event

The Trane HVAC Parts & Supply distribution center (MDC) in Memphis, Tennessee, is enrolled in a payment-in-lieu-of-taxes program with the city of Memphis. The plan results in a potential $2.8 million tax savings over eight years and is based on the percentage of its outlays for goods, services and construction to minority-, woman-, or locally-owned small businesses. Attended by 20 local suppliers and Memphis city and Shelby county officials, a Business Opportunity Review event held at the facility enabled the MDC team and the supplier community to better understand the opportunities available for diverse-owned and small businesses to develop relationships with Trane. One attendee wrote, "My take away from this event is that I got to actually see how a huge organization such as Ingersoll Rand really cares about smaller companies."

Monterrey, Mexico, Commercial HVAC Manufacturing Site Wins Greenhouse Gas Emissions Reduction Award for Third Year in a Row

The Commercial HVAC manufacturing site in Monterrey, Mexico, received its third consecutive Greenhouse Gas Emissions Award from the Nuevo Leon state government. With strong commitment from site managers and supervisors and special support from the maintenance and facilities teams, the site calibrated its paint booth natural gas burner and replaced outdated air conditioning units with the new Trane Stealth Chiller™. These initiatives will reduce the site's CO_2e emissions by 1,000 metric tons per year.

Operational Excellence Strategy. Over the past five years our operational excellence strategy has evolved to include every element of lean. It started with the implementation of our business operating system and has matured dramatically. The operating system is what makes our operational excellence and growth strategies work — we do a better job with quality, customer service, on-time delivery and incremental margins by virtue of the operating improvements in the company. The operating system is how we run the company. And as a result, our people better understand value streams – the process of delivering value as defined by the customer. We are using goal deployment principles to manage and achieve breakthrough performance. Each function is now responsible for delivering excellence by standardizing its own work flows and processes.

> *"Suppliers like Ingersoll Rand are the experts in their field and their customers rely on their sustainability expertise to inform and educate them about potential risks around the use of their products, such as pending regulations."*
>
> *- Lee Kindberg, Ph.D., Director, Environment & Sustainability, MAERSK LINE / Maersk Agency USA*

2014 Operational Excellence Milestones. Our focus on value streams started five years ago with a narrow scope — from customer order to order shipment. By the end of 2014, 60 percent of the conversion costs were in value streams under lean transformation. We are tracking five metrics — market share, margin expansion, organic growth, price and the net present value of our innovation portfolio — to evaluate the performance of our value streams under lean transformation. Results in all five metrics improved in 2014.

Sales Performance. We believe operational excellence is as relevant to sales as it is to our other functions. We are boosting the productivity of sales management by

Ft. Smith Lighting Upgrades Reduce Energy Costs, Improve Work Environment and Reduce Emissions

The Residential HVAC manufacturing facility in Ft. Smith, Arkansas, upgraded its lighting system to reduce energy costs, improve the work environment and reduce its carbon footprint. Plant leaders worked with IDG, our North America MRO supplier, and the local utility company and contractors to create a plan for replacing existing lighting with energy-efficient fluorescent fixtures and occupancy sensors. The project resulted in more than a $210,000 energy rebate, the largest utility company issued rebate in the state of Arkansas.

equipping our sales managers with the tools and resources needed to develop and sustain a winning sales organization and culture. We are making sales management best practices and proven ways of winning a regular part of how we work, thus enabling us to grow faster than underlying market growth. At the same time, our value selling and price management initiatives are helping to fuel continued margin expansion at the enterprise level.

Supplier Relationships. The ability to establish mutually beneficial supplier relationships is a key success factor in our business. We have systematic processes in place to govern these relationships, ensuring our suppliers share our values and adhere to our standards of business ethics, health and safety, sustainability and social responsibility. Supplier diversity is integral to our global supply chain strategy not only because it is consistent with our values, but because it enhances competitiveness and drives market connectivity. Our U.S. and Puerto Rico supplier diversity program, launched in 2012, includes strategic outreach, development and mentoring for suppliers whose ownership is primarily minority, female or veteran. We purchased more than $300 million of goods and services from diverse-owned businesses in 2014, a 26 percent increase from 2013.

"We're in a competitive market, so wherever we can lower our costs and get good value for the price is extremely important. Trane has helped out with that. We work with our customers on predictive maintenance, lowering energy operating costs and lifecycle planning. These all tie into our core values of partnership, collaboration, reliability, integrity and advocacy, which are shared values with our Trane team."

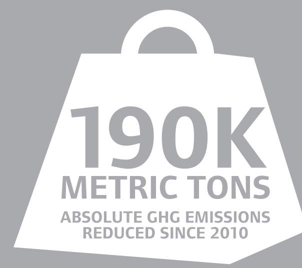
– John Eldridge, Service Sales Manager, PSF Mechanical, Inc., a 100 year old, design build contractor based in Seattle, Washington

Health, Safety and Wellness. Eliminating injuries and improving the well-being of our employees makes Ingersoll Rand more competitive by increasing productivity, enhancing employee engagement, retention and reducing healthcare costs. Creating an open reporting culture and sustaining a safety-focused, zero-incident philosophy is a top priority for all of us. Our injury reduction strategy is focused on ergonomic improvements as well as recognizing, reporting and correcting unsafe behaviors and conditions. Creating standard work and training provides employees with the tools and knowledge they need to perform their work safely and without injury. In 2014, we continued to address the challenge of ergonomic risk for our field service technicians and factory employees through equipment, work station and product redesign, employee education and predictive analysis of at-risk work activities.

Wujiang Plant Wins Honor of 2014 Quality Guarantee Enterprise of Jiangsu Province

Our Compressed Air Systems and Services facility in Wujiang, China was recognized by Jiangsu Province with the 2014 Quality Guarantee Enterprise honor. The honor recognizes facilities with an integrated quality management system and quality leading products in their regions or industries, as well as a two-year record of zero disqualified products. The Wujiang plant was the only industrial equipment manufacturer to receive this honor.

26% INCREASE IN GOODS AND SERVICES PURCHASED FROM DIVERSE-OWNED BUSINESSES



Kent Employee Wellness Initiatives Promote Lasting Healthy Habits

More than 35 employees at our Material Handling facility in Kent, Washington, participated in a "Biggest Loser Weight Loss and Healthy Habits Challenge." The 12-week challenge encouraged participants to use internal and external resources to track their activity and diets. It also provided them with tips, tricks and challenges for achieving their health and fitness goals. The program included coordinated lunch walks, a 5K training program, bi-weekly check-in meetings and weekly weigh-ins.

Galway, Ireland, Team Honored with National Safety Award

For the first time in its 38-year history, the Thermo King team in Galway, Ireland, was recognized by the 2014 National Irish Safety Organisation (NISO) for their environmental, health and safety (EHS) performance, including eight years without a lost-time incident. Using the Ingersoll Rand EHS framework, the Galway site has achieved certification for the OHSAS 18001 Health and Safety Management Standard, the ISO 14001 Environmental Management Standard and the ISO 50001 Energy Management Standard.

Since 2009, our companywide lost time incident rate has decreased 54 percent and our total recordable incident rate has decreased 42 percent. Along with overall reduction in quantity of injuries, the severity of the injuries has decreased significantly. Since 2009, the number of days employees were out of work due to injuries has decreased by 6,000 days, which is a 64 percent reduction.

Ingersoll Rand is committed to helping employees and their families make well-being a priority. In 2014, we offered employees in the United States and China biometric health screenings and well-being assessments so employees could "know their numbers" and take action against their health improvement goals through company-provided programs and resources. In addition, we provide employees with preventive health care and health improvement programs that are tailored to individual needs. We also recognized World No Tobacco Day globally with education and program resources.

Energy and Greenhouse Gas Emissions. We believe that making responsible use of Earth's limited energy and reducing our GHG emissions is integral to achieving operational excellence. Translating this belief into action, we continued to make progress in 2014 reducing the environmental footprint of our global facilities. As an example, we reduced our total energy use, normalized by net revenue, by approximately 2.5 percent in 2014 and 6 percent from 2010. In 2014, we reduced our GHG emissions by 5.7 percent. During the five years from 2010 to 2014, we reduced absolute greenhouse gas emissions by 28 percent, or 190,000 metric tons CO_2e.

Water Footprint, Waste and Recycling. The world is running out of clean, fresh water, making it vital to reduce water consumption in our operations. We have reduced our absolute water withdrawals by approximately 6 percent, and by 12 percent on a normalized basis since 2010. Many parts of the world face more immediate needs for fresh drinking water, and in these water-stressed regions we have reduced our absolute water withdrawals by approximately 17 percent, and by 23 percent on a normalized basis since 2010. Generating less waste not only contributes to environmental sustainability, but improves operating margins and enhances the life cycle cost profile of our products.

Since 2010, we have achieved a 27 percent absolute reduction in non-hazardous waste sent to landfill at our facilities around the world. In 2014, the amount of non-hazardous waste recycled, reused or sent for energy recovery exceeded three times the amount sent to landfill. In 2014, we reduced the amount of hazardous waste generated by 1 percent and a 36 percent reduction when compared to 2010.

Building Our Winning Culture.

Making a Difference for Ingersoll Rand and the World

Our winning culture is based on the belief that when employees with diverse backgrounds and skills are fully engaged in the company's work, better outcomes are achieved for our customers and shareholders. This success then further engages our people in our vision and purpose. We continue to strengthen our winning culture because we understand it is a unique aspect of our competitive advantage and difficult for others to copy. Our strong employee engagement fosters a climate of innovation that leads to products and services that are better for our customers, society and the environment. Our winning culture reflects the company's commitment to best practices in corporate citizenship and building our reputation. Our employees lead this effort by giving and volunteering their time in our communities.

Living our Values. Our work to create a progressive, diverse and inclusive environment stems from the five core values of Ingersoll Rand: Integrity, Respect, Teamwork, Innovation and Courage. These values are more than aspirational. Our leaders strive to live the values of Ingersoll Rand — leading by example in their decisions and actions and encouraging their employees to do the same.

Engaged and Empowered. We work to create an engaging and empowering workplace that connects our employees to the company's purpose. We expect each of our leaders to inspire their employees to achieve ambitious goals, delight our customers, and contribute to the growth and profitability of our business. We track our performance by conducting an annual global employee engagement survey. Our survey scores extended our record of improvement in 2014. Reflecting feedback from more than 95 percent of our worldwide workforce, our level of employee engagement rose four percentage points from 2013, placing Ingersoll Rand in the top quartile of manufacturing companies.

"What continues to strike me is the level of dedication I see as I interact with Ingersoll Rand employees from around the globe. I believe the company's culture, specifically its emphasis on open communication, and its global commitments have a measurable impact on the dedication of employees. Regardless of level, I see each employee working toward the same goals, and they are eager to exceed performance measures."

- John Bruton, Ingersoll Rand Board of Directors, former EU Commission Head of Delegation to the United States and Former Prime Minister of Ireland

Progressive, Diverse and Inclusive. With more than 40,000 employees globally, having a progressive, diverse and inclusive environment is not only a strategic imperative, it also drives growth and innovation, enhances operational excellence, and generates value for all of our stakeholders. We are committed to creating an environment where all employees can thrive and are encouraged to grow in their careers.

Our broad range of diversity and inclusion efforts continued to gain momentum in 2014. Some were enterprise-wide, but many others, such as our employee resource groups (ERGs), were local or country-specific initiatives. We now have seven ERGs companywide, including the Women's Network, Black Employee Network, New Net for newly hired employees, Veterans Employee Resource Group, Asian Employee Resource Group, Group of Latinos, and the PRIDE Employee Resource Group, which encompasses lesbian, gay, bisexual and transgender employees and their allies.

Asia Pacific "Glocal" Employee Teams Invest in People and Communities

Combining the global resources of Ingersoll Rand with the hands and passion of our Asia Pacific employees is fueling the success of a new global strategic program – Glocal (global + local) Green Teams. Our CEES team launched the program to encourage community involvement through employee volunteerism as a way to address regional social challenges and strengthen local enterprise relations. For example, Glocal team members have worked with more than 1,300 school children in Wujiang. Glocal Green Teams are now in place at our Wujiang plant, Taicang campus and Engineering and Technology Center Asia Pacific, all located in China.

Trane Partners with St. Jude Children's Research Hospital®

What began as the personal mission of a single Ingersoll Rand employee has grown into a movement of support for St. Jude Children's Research Hospital® across our Trane residential HVAC business internally and externally. Territory manager Angie McCann first kicked off a connection with St. Jude in 2013, successfully orchestrating a regional equipment donation in three states. This connection grew to become a national St. Jude Dream Home® Giveaway sponsorship in 2014, with Trane contributing HVAC systems for nearly 30 custom-built homes that were given away during the year, making it one of the largest single-event fundraisers for St. Jude nationwide. Additionally, more than 260 Trane employees, distributors, dealers and strategic partners participated in supporting and attending St. Jude *Give Thanks. Walk.*™ events to fight childhood cancer.

In addition to fostering innovation and engagement within Ingersoll Rand, the ERG activities result in talent acquisition and retention as we continue to attract growing numbers of military veterans, women and minorities.

In the United States, for instance, in 2014 the Ingersoll Rand Foundation donated $135,000 to the National Association of Manufacturers to help create a leadership program designed to help develop female talent in the manufacturing industry. In Europe, we launched a Women's Network initiative that partners mentors from third-party organizations with Ingersoll Rand women employees across the continent. Our Women's Leadership program, which for the past two years has enhanced retention and increased promotions for our female employees in Europe, launched in North America in 2014.

Learning and Development. Ingersoll Rand is committed to personal and organizational learning and development. More than 10,000 of our employees completed classroom learning programs and courses globally in 2014, and 27,000 participated in online courses. At the same time, we continued to execute on our longstanding priority of leadership development. We strive to develop inspirational, courageous leaders with the skills to achieve results through teamwork and collaboration. We expect our leaders to serve as coaches, helping their employees improve their skills and competencies, and as role models for the personal behaviors that underpin a winning culture.

Employees early in their careers gain exposure to leaders, experience leadership training and build their technical and functional skills. For experienced professionals and executives, we offer learning solutions that focus on skill-building in areas such as innovation, collaboration and business strategy. The centerpiece for these initiatives is Ingersoll Rand University (IRU). Founded in 2003, IRU offers a range of leadership development solutions, including custom executive programs developed in partnership with some of the top higher education partners in the world.

Engaged with our Neighbors. Ingersoll Rand employees strive to match their engagement in the workplace with involvement in the communities in which we live and do business. We believe a winning culture is one that assists employees in contributing both time and financial support to local philanthropies and community organizations. In keeping with this belief, we encourage our fellow employees to align their work as volunteers with our priority areas that improve communities around the world: energy efficiency; science, technology, engineering and math; nutrition and food waste reduction; and housing and shelter.

Employees volunteered more than 15,800 hours in 2014, a 28 percent increase over 2013, to strengthen our communities and provide assistance and relief to our neighbors around the world.

To align our global businesses and employees with a common vision for corporate citizenship, we have established the Ingersoll Rand Global Citizenship Council. The Council's mission is to make recommendations that focus resources

Three Ingersoll Rand Women Honored with Manufacturing Institute's STEP Award

Excelling in team sports, sharing their leadership skills with their communities, and bouncing back from setbacks are just a few of the qualities that distinguish the three Ingersoll Rand women honored with the Manufacturing Institute's 2014 Science, Technology, Engineering and Production (STEP) Awards for their achievements in the manufacturing industry. Katie Boor, program management leader, Thermo King; Lycinda McDaniel, plant manager, Trane; and Sheila Tierney, vice president, product management, HVAC Parts and Supply Solutions joined other women leaders from 110 companies around the world in receiving this honor.

28%

INCREASE IN EMPLOYEE VOLUNTEER HOURS

24%

INCREASE IN PHILANTHROPIC GIFTS AND DONATIONS

Power Tools Business Launches Global Brand Day

Ingersoll Rand Power Tools celebrated its first Global Brand Day to help employees understand how to represent and deliver on the brand. Employees engaged with end-use customers to identify with the Power Tools brand and gain firsthand experience using our products. Global Brand Day included Power Tools auto racing program activities for end users and a North American tour to demonstrate our QX Series of assembly power tools, in addition to development of a new Power Tools brand and product launches. Global Brand day originated with employee ideas in one region that were leveraged around the world.

Ingersoll Rand India Wins 2014 Dream Employer to Work For Award

Announced in Mumbai, India, the 2014 Dream Company to Work For award is part of the Global HR Excellence Awards organized by the World HRD Congress. Ingersoll Rand in India has retained the No. 1 ranking in India for two consecutive years within the manufacturing sector and moved up one spot to No. 3 across all industries.

on areas where we truly can make a difference. This mission reflects our belief that we are not simply supporting a "worthy cause" — we are making resource investments that lead to measurable, observable changes in people, communities and our environment. In 2014, we donated a 24 percent increase in philanthropic gifts and donations over 2013. Our culture of giving advances the quality of life in communities around the world, while building employee morale and engagement and nurturing trust in Ingersoll Rand.

Sustainability through our Green Teams. Ingersoll Rand employees around the world have long been engaged and empowered around sustainability. Since we founded our employee "Green Team" network in 2011, the teams have focused on organizational awareness, education and operational improvement by working internally and partnering with community groups to advance our sustainability efforts.

2014 Green Team Accomplishments

Total Waste Diverted from Landfill (Pounds):	**1,083,176**
Total CO_2e Reduced (Metric Tons):	**2,701**
Total Energy Saved (Btu):	**4,685,097,669**
Total Water Saved (Gallons):	**2,473,289**

Corporate Responsibility Magazine Ranks Ingersoll Rand on 100 Best Corporate Citizens List

In early 2014, Ingersoll Rand ranked on Corporate Responsibility Magazine's "100 Best Corporate Citizens" list. Inclusion on the list is based on a company's disclosure and performance in seven key areas, including climate change, employee relations, environmental, financial, governance, human rights, and philanthropy. This recognition affirms our approach to corporate responsibility; highlighting our transparency and commitment to helping customers find solutions to critical global needs, such as reducing energy demand and improving productivity.

Vision

A world of sustainable progress and enduring results.

Purpose

We advance the quality of life by creating comfortable, sustainable and efficient environments.

Values

Integrity: We act with the highest ethical and legal standards in everything we do.

Respect: We respect and value the worth of all people, cultures, viewpoints and backgrounds.

Teamwork: We work together and share resources to provide greater value to our customers, employees, business partners and shareholders.

Innovation: We use our diverse skills, talents and ideas to develop customer-driven, innovative and imaginative solutions.

Courage: We speak up for what we believe is right and take measured risks to create progress.

2015 Notice and Proxy Statement

Ingersoll Rand

Ingersoll Rand	**Ingersoll-Rand plc** Registered in Ireland No. 469272	U.S. Mailing Address: 800-E Beaty Street Davidson, NC 28036 (704) 655-4000

NOTICE OF 2015 ANNUAL GENERAL MEETING OF SHAREHOLDERS

The Annual General Meeting of Shareholders of Ingersoll-Rand plc (the "Company") will be held on Thursday, June 4, 2015, at 2:30 p.m., local time, at Carton House Hotel, Carton House, Maynooth, County Kildare, Ireland, to consider and vote upon the following proposals:

1. By separate resolutions, to re-elect or elect as directors for a period of 1 year expiring at the end of the Annual General Meeting of Shareholders of Ingersoll-Rand plc in 2016, the following 12 individuals:

(a)	Ann C. Berzin	(g)	Linda P. Hudson
(b)	John Bruton	(h)	Michael W. Lamach
(c)	Elaine L. Chao	(i)	Myles P. Lee
(d)	Jared L. Cohon	(j)	John P. Surma
(e)	Gary D. Forsee	(k)	Richard J. Swift
(f)	Constance J. Horner	(l)	Tony L. White

2. To give advisory approval of the compensation of the Company's Named Executive Officers.
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.
4. To renew the Directors' existing authority to issue shares.
5. To renew the Directors' existing authority to issue shares for cash without first offering shares to existing shareholders. *(Special Resolution)*
6. To determine the price range at which the Company can reissue shares that it holds as treasury shares. *(Special Resolution)*
7. To conduct such other business properly brought before the meeting.

Only shareholders of record as of the close of business on April 8, 2015, are entitled to receive notice of and to vote at the Annual General Meeting. **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.**

Directions to the meeting can be found in <u>Appendix A</u> of the attached Proxy Statement.

Registered Office:	By Order of the Board of Directors,
170/175 Lakeview Dr. Airside Business Park Swords, Co. Dublin Ireland	EVAN M. TURTZ Secretary

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 4, 2015

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

The Notice of Internet Availability of Proxy Materials, or this Notice of 2015 Annual General Meeting of Shareholders, the Proxy Statement and the Annual Report are first being mailed to shareholders on or about April 23, 2015.

TABLE OF CONTENTS

	Page
SUMMARY INFORMATION	1
PROPOSALS REQUIRING YOUR VOTE	5
Item 1. Election of Directors	5
Item 2. Advisory Approval of the Compensation of Our Named Executive Officers	10
Item 3. Approval of Appointment of Independent Auditors	11
Audit Committee Report	11
Fees of the Independent Auditors	12
Item 4. To renew the Directors' existing authority to issue shares.	13
Item 5. To renew the Directors' existing authority to issue shares for cash without first offering shares to existing shareholders. (Special Resolution)	14
Item 6. To determine the price range at which the Company can reissue shares that it holds as treasury shares. (Special Resolution)	15
CORPORATE GOVERNANCE	16
Corporate Governance Guidelines	16
Director Independence	18
Communication with Directors	19
Code of Conduct	19
Anti-Hedging Policy and Other Restrictions	19
Committees of the Board	20
Compensation of Directors	23
COMPENSATION DISCUSSION AND ANALYSIS	26
COMPENSATION COMMITTEE REPORT	38
SUMMARY OF REALIZED COMPENSATION	39
EXECUTIVE COMPENSATION	40
INFORMATION CONCERNING VOTING AND SOLICITATION	58
Why Did I Receive This Proxy Statement?	58
Why Are There Two Sets Of Financial Statements Covering The Same Fiscal Period?	58
How Do I Attend The Annual General Meeting?	58
Who May Vote?	58
How Do I Vote?	58
How May Employees Vote Under Our Employee Plans?	59
May I Revoke My Proxy?	59
How Will My Proxy Get Voted?	59
What Constitutes a Quorum?	59
What Vote is Required To Approve Each Proposal?	59
Who Pays The Expenses Of This Proxy Statement?	60
How Will Voting On Any Other Matter Be Conducted?	60
SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT	61
CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS	63
SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE	63
SHAREHOLDER PROPOSALS AND NOMINATIONS	63
HOUSEHOLDING	64
Appendix A - Directions to the Annual Meeting	A-1

SUMMARY INFORMATION

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

Annual General Meeting of Shareholders

Date and Time:	June 4, 2015 at 2:30 p.m., local time
Place:	Carton House Hotel, Carton House Maynooth, County Kildare Ireland
Record Date:	April 8, 2015
Voting:	Shareholders as of the record date are entitled to vote. Each ordinary share is entitled to one vote for each director nominee and each of the other proposals.
Attendance:	All shareholders may attend the meeting.

Meeting Agenda and Voting Recommendations

The Board of Directors recommends that you vote "For" each of the following items that will be submitted for shareholder approval at the Annual General Meeting.

Agenda Item	Vote Required	Page
Election of 12 directors named in the proxy statement.	Majority of votes cast	5
Advisory approval of the compensation of the Company's Named Executive Officers.	Majority of votes cast	10
Approval of appointment of PricewaterhouseCoopers LLP as the Company's independent auditors and authorize the Audit Committee to set the auditors' remuneration.	Majority of votes cast	11
Renew the Directors' authority to issues shares.	Majority of votes cast	13
Renew the Directors' authority to issue shares for cash without first offering shares to existing shareholders *(Special Resolution)*	75% of votes cast	14
Determine the price at which the Company can reissue shares held as treasury shares *(Special Resolution)*	75% of votes cast	15

Corporate Governance Highlights

- Substantial majority of independent directors (9 of 10) current directors and (11 of 12) if all nominees are elected
- Annual election of directors
- Majority vote for directors
- Independent Lead Director
- Board oversight of risk management
- Succession planning at all 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 sustainability program

Director Nominees

Set forth below is summary information about each director nominee.

Nominee	Age	Director Since	Principal Occupation	Independent	Committee Memberships
Ann C. Berzin	63	2001	Former Chairman and CEO of Financial Guaranty Insurance Company	✓	• Audit • Finance (Chair)
John Bruton	67	2010	Former Prime Minister of the Republic of Ireland and Former European Union Commission Head of Delegation to the United States	✓	• Compensation • Corporate Governance and Nominating
Elaine L. Chao	62	Nominee	24th Secretary of Labor from 2001 until 2009	✓	• Nominee to Compensation • Nominee to Corporate Governance and Nominating
Jared L. Cohon	67	2008	President Emeritus of Carnegie Mellon University, University Professor of Civil and Environmental Engineering and of Engineering and Public Policy, and Director of the Scott Institute for Energy Innovation	✓	• Compensation • Corporate Governance and Nominating
Gary D. Forsee	65	2007	Former President of University of Missouri System and Former Chairman of the Board and Chief Executive Officer of Sprint Nextel Corporation	✓	• Compensation • Corporate Governance and Nominating (Chair)
Constance J. Horner	73	1994	Former Commissioner of U.S. Commission on Civil Rights	✓	• Compensation • Corporate Governance and Nominating
Linda P. Hudson	64	Nominee	Founder, Chairman and CEO of The Cardea Group and Former President and CEO of BAE Systems, Inc.	✓	• Nominee to Audit • Nominee to Finance
Michael W. Lamach	51	2010	Chairman and CEO of Ingersoll-Rand plc		• None
Myles P. Lee	61	2015	Former Director and CEO of CRH plc	✓	• Audit • Finance

John P. Surma	60	2013	Former Chairman and CEO of United States Steel Corporation	✓	• Audit • Finance
Richard J. Swift	70	1995	Former Chairman of Financial Accounting Standards Advisory Council and Former Chairman, President and CEO of Foster Wheeler Ltd.	✓	• Lead Independent Director • Audit (Chair) • Finance
Tony L. White	68	1997	Former Chairman, President and CEO of Applied Biosystems Inc.	✓	• Compensation (Chair) • Corporate

Advisory Approval of Our Executive Compensation

We are asking for your advisory approval of the compensation of our named executive officers ("NEOs"). 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. Before considering this proposal, please read our Compensation Discussion and Analysis, which explains our executive compensation programs and the Compensation Committee's compensation decisions.

Executive Compensation

Pay for Performance

Our executive compensation programs are based on the principles of (i) market competitiveness, (ii) pay for performance, (iii) mix of short and long-term incentives, (iv) internal parity, (v) shareholder alignment and (vi) business strategy alignment. Consistent with these principles, the Compensation Committee has adopted executive compensation programs with a strong link between pay and achievement of short and long-term Company goals.

2014 Results

During 2014, our first full year after the spin-off of our commercial and residential security businesses ("Allegion") and the reorganization of our Company, we achieved strong financial performance. The following table documents the results realized in 2014:

Metric	Performance
Revenue	Adjusted annual Revenue of $12.875 billion, an increase of 4.2% over 2013
OI	Adjusted OI of $1.423 billion, an increase of 19.8% over 2013
OI Margin	Adjusted OI margin of 11.05%, an increase of 1.45 percentage points over 2013
Cash Flow	Adjusted Cash Flow of $853 million, a decrease of 1.1% from 2013
EPS	Adjusted EPS of $3.30, an increase of 25% over 2013
3-Year EPS Growth	3-year EPS growth (2012 - 2014) of 19.37%, which ranks at the 88th percentile of the companies in the S&P 500 Industrials Index
3-Year TSR	3-year TSR (2012-2014) of 153.66%, which ranks at the 91st percentile of the companies in the S&P 500 Industrials Index

Based on our adjusted 2014 results for Revenue, Operating Income ("OI"), Cash Flow and OI margin, we achieved an Annual Incentive Matrix ("AIM") financial score of 102.41% of target for the Enterprise. At the Segment level, 2014 AIM financial scores were 164.60% of target for the Climate Segment and 61.86% of target for the Industrial Segment.

Based on our achievement of an earnings per share ("EPS") growth rate of 19.37% and Total Shareholder Return ("TSR") of 153.66% during the 2012 to 2014 performance period, Performance Share Units ("PSUs") under our Performance Share Program ("PSP") paid out at 200% of target (maximum payout allowed under the plan).

Approval of Appointment of Independent Auditors

We are asking you to approve the appointment of PricewaterhouseCoopers LLP ("PwC") as our independent auditors for 2015 and to authorize the Audit Committee to set PwC's remuneration.

Renew the Directors' authority to issues shares

We are asking you to renew our Directors' authority to issue shares under Irish law. This authority is fundamental to our business and granting the Board this authority is a routine matter for public companies incorporated in Ireland.

Renew the Directors' authority to issue shares for cash without first offering shares to existing shareholders

We are asking you to renew the Directors' authority to issue shares for cash without first offering shares to existing shareholders. This authority is fundamental to our business and 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.

Determine the price at which the Company can reissue shares held as treasury shares

We are asking you to determine the price at which the Company can reissue shares held as treasury shares. From time to time the Company may acquire ordinary shares and hold them as treasury shares. The Company may reissue such treasury shares, and under Irish law, our shareholders must authorize the price range at which we may reissue any shares held in treasury.

2016 Annual Meeting

Deadline for shareholder proposals for inclusion in the proxy statement:	December 26, 2015
Deadline for business proposals and nominations for director:	March 6, 2016

Ingersoll-Rand plc

U.S. Mailing Address:
800-E Beaty Street
Davidson, NC 28036
(704) 655-4000

PROXY STATEMENT

In this Proxy Statement, "Ingersoll Rand," the "Company," "we," "us" and "our" refer to Ingersoll-Rand 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, 2015 (the "Record Date") on or about April 23, 2015.

PROPOSALS REQUIRING YOUR VOTE

Item 1. Election of Directors

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 2015 Annual General Meeting of Shareholders to be held on June 4, 2015 (the "Annual General Meeting") and expiring at the end of the 2016 Annual General Meeting of Shareholders. Mr. Edward E. Hagenlocker and Mr. Theodore E. Martin are retiring at the 2015 Annual General Meeting in accordance with our Corporate Governance Guidelines due to each attaining the age 75 prior to such meeting.

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. Each director standing for election was elected as a director at our 2014 Annual General Meeting except for Myles Lee who was elected February 3, 2015 and Elaine L. Chao and Linda P. Hudson who are standing for election for the first time at this Annual General Meeting.

The Board of Directors recommends a vote FOR the directors nominated for election listed under proposals 1 (a) through (l) below.

(a) Ann C. Berzin – age 63, director since 2001

- 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 Directorships:
  - Exelon Corporation
  - Baltimore Gas & Electric Company
- Other Directorships Held in the Past Five Years:
  - Constellation Energy Group, Inc.
  - Kindred Healthcare, Inc.

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 Ingersoll Rand's access to capital markets. Her board memberships provide deep understanding of trends in the energy and healthcare sectors, both of which present ongoing opportunities and challenges for Ingersoll Rand.

(b) John Bruton – age 67, director since 2010

- 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 Directorships:
  - Montpelier Re Holding Ltd.
- Other Directorships Held in the Past Five Years: None

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

Proxy Statement

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 Ingersoll Rand's economic and financial oversight.

(c) **Elaine L. Chao -** age 62, director nominee for 2015 Annual General Meeting

- 24th U.S. Secretary of Labor from 2001 until 2009, the first Asian American woman cabinet officer in American history.
- Chairwoman of the Ruth Mulan Chu Chao Foundation, 2013 to present.
- Distinguished Fellow at the Heritage Foundation from August 1996 to January 2001 and January 2009 to August 2014.
- President and Chief Executive Officer of United Way of America from November 1992 to August 1996.
- Current Directorships:
  - News Corp.
  - Wells Fargo & Co.
  - Vulcan Materials Company
- Other Directorships Held in the Past Five Years: Dole Food Company, Inc., Protective Life

Ms. Chao's extensive leadership experience including high profile positions at large, complex organizations in the public, private and non-profit sectors will bring valuable perspective to matters relevant to the Company in the areas of global competitiveness, international geopolitical dynamics, workforce development, trends in governmental policies and corporate governance. In particular, Ms. Chao's service as U.S. Secretary of Labor will provide extensive knowledge and experience regarding labor and employment trends, workforce health and safety, pension benefits and competition in a worldwide economy. Ms. Chao's ongoing board memberships in the financial and communications industries will also provide further insight into finance, macroeconomics and new media developments.

(d) **Jared L. Cohon** – age 67, director since 2008

- 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 and Director of the Scott Institute for Energy Innovation.
- Current Directorships:
  - Lexmark, Inc.
  - Unisys
- Other Directorships Held in the Past Five Years: None
- Other Activities:
  - Carnegie Corporation, Trustee
  - Heinz Endowments, Trustee
  - Center for Sustainable Shale Gas Development, Director and Chair
  - Health Effects Institute, Director

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. 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.

(e) **Gary D. Forsee** – age 65, director since 2007

- 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 Directorships:

- Great Plains Energy Inc.
- DST Systems Inc. - Mr. Forsee's nomination as a director of the DST board will be presented at the DST 2015 Annual Meeting.

- Other Directorships Held in the Past Five Years: None
- Other Activities:
  - Trustee, Midwest Research Institute
  - Board, University of Missouri – Kansas City Foundation
  - Board, University of Missouri – Kansas City Bloch Business School Foundation

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

(f) **Constance J. Horner** – age 73, director since 1994

- Guest Scholar at the Brookings Institution (a non-partisan research institute) from 1993 to 2005.
- Commissioner of U.S. Commission on Civil Rights from 1993 to 1998.
- Assistant to the President and Director of Presidential Personnel from 1991 to 1993.
- Deputy Secretary, U.S. Department of Health and Human Services from 1989 to 1991.
- Current Directorships:
  - Pfizer Inc. - Ms. Horner will not be standing for reelection to the board of directors at Pfizer's 2015 annual meeting of stockholders because she has reached the mandatory retirement age for directors.
  - Prudential Financial, Inc.
- Other Directorships Held in the Past Five Years: None
- Other Activities:
  - Trustee, The Prudential Foundation
  - Fellow, National Academy of Public Administration

Ms. Horner's substantial leadership experience and public-policy expertise resulting from her service in two presidential administrations and several U.S. government departments provide Ingersoll Rand with important perspective on matters that directly affect the Company's operations and financial affairs. In particular, Ms. Horner has deep insight into employee relations, talent development, diversity, operational management and healthcare through her leadership positions at various federal departments and commissions. Ms. Horner's board memberships afford engagement in the areas of healthcare, risk management and financial services, all of which have a direct influence on Ingersoll Rand's success.

(g) **Linda P. Hudson** - age 64, director nominee

- Founder, Chairman, and Chief Executive Officer of The Cardea Group, a business management consulting firm
- Former President and Chief Executive Officer of BAE Systems, Inc.
- Current Directorships:
  - The Southern Company
  - Bank of America
- Other Directorships Held in the Past Five Years: BAE Systems Plc
- Other Activities:
  - Director, University of Florida Foundation, Inc. and the University of Florida Engineering Leadership Institute
  - Director, Center for a New American Security
  - Director, Wake Forest Charlotte Center

Proxy Statement

Ms. Hudson's prior role as President and CEO of BAE Systems and her extensive experience in the defense and engineering sectors will provide the Company with strong operational insight and understanding of matters crucial to the Company's business. Prior to becoming CEO, Ms. Hudson was president of BAE Systems' Land & Armaments operating group, the world's largest military vehicle and equipment business, with operations around the world. In addition, Ms. Hudson has broad experience in strategic planning and risk management in complex business environments.

(h) Michael W. Lamach – age 51, Chairman since June 2010 and director since February 2010

- Chief Executive Officer (since February 2010) of the Company.
- President and Chief Operating Officer of the Company from February 2009 to February 2010.
- Senior Vice President and President, Trane Commercial Systems, of the Company from June 2008 to September 2009.
- Current Directorships:
  - Iron Mountain Incorporated - Mr. Lamach has informed Iron Mountain that he will retire from its board of directors and will not be standing for reelection to the board of directors at Iron Mountain's 2015 annual meeting of stockholders.
  - PPG Industries, Inc.
- Other Directorships Held in the Past Five Years: None

Mr. Lamach's extensive career of successfully leading global businesses, including ten years with Ingersoll Rand, brings significant experience and expertise to the Company's management and governance. His 30 years of business leadership encompass global automotive components, 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 Chief Executive Officer, he led the successful spin-off of the Company's commercial and residential security business and has been instrumental in driving growth and operational excellence initiatives across the Company's global operations.

(i) Myles P. Lee – age 61, director since 2015

- Former Director and Chief Executive Officer of CRH plc
- Current Directorships: Babcock International Group plc
- Other Directorships Held in the Past Five Years
  - CRH plc
- Other Activities:
  - Director, St. Vincent's Healthcare Group

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.

(j) John P. Surma – age 60, director since 2013

- Former Chairman (from 2006-2013) and Chief Executive Officer (from 2004-2013) of United States Steel Corporation (a steel manufacturing company).
- Current Directorships:
  - Marathon Petroleum Corporation
  - MPLX LP (a publicly traded subsidiary of Marathon Petroleum Corporation)
  - Concho Resources Inc.
- Other Directorships Held in the Past Five Years:
  - The Bank of New York Mellon Corporation
- Other Activities:
  - Director and Deputy Chair, Federal Reserve Bank of Cleveland
  - Director, UPMC

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 Ingersoll Rand'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 past and present 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.

(k) Richard J. Swift – age 70, Lead Director since 2010 and director since 1995

- Chairman of Financial Accounting Standards Advisory Council from 2002 through 2006.
- Chairman, President and Chief Executive Officer of Foster Wheeler Ltd. (provider of design, engineering, construction, manufacturing, management and environmental services) from 1994 to 2001.
- Current Directorships:
  - CVS Caremark Corporation
  - Hubbell Incorporated
  - Kaman Corporation
  - Public Service Enterprise Group
- Other Directorships Held in the Past Five Years: None

Mr. Swift's experience as chairman and chief executive officer of a global engineering firm, the fact that he was a licensed professional engineer for 35 years prior to the retirement of his license and his five-year leadership of the advisory organization to a major accounting standards board imparts substantial expertise to all of the Company's operational and financial matters. His leadership of an organization that was instrumental in some of the world's most significant engineering projects provides unique insight into the complex systems involved in the efficient and effective development of buildings and industrial operations, which represent key global market segments for Ingersoll Rand's products and services. Mr. Swift's board memberships include firms engaged in the manufacture and distribution of industrial, electrical and electronic products, which directly correspond to key elements of the Company's growth and operational strategies.

(l) Tony L. White – age 68, director since 1997

- 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:
  - C.R. Bard, Inc.
  - CVS Caremark Corporation
- Other Directorships Held in the Past Five Years: None

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 Ingersoll Rand'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 ongoing board memberships, where developments related to biotechnology and healthcare delivery systems can offer instructive process methodologies to accelerate our innovation efforts.

Item 2. Advisory Approval of the Compensation of Our Named Executive Officers

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:

- *Market competitiveness*
- *Pay for performance*
- *Mix of short and long-term incentives*
- *Internal parity*
- *Shareholder alignment*
- *Business strategy alignment*

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.

The Board of Directors recommends that you vote <u>FOR</u> 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.

Item 3. Approval of Appointment of Independent Auditors

At the Annual General Meeting, shareholders will be asked to approve the appointment of PricewaterhouseCoopers LLP ("PwC") as our independent auditors for the fiscal year ending December 31, 2015, and to authorize the Audit Committee of our Board of Directors to set the independent auditors' remuneration. PwC has been acting as our independent auditors for many years and, both by virtue of its long familiarity with the Company's affairs and its ability, is considered best qualified to perform this important function.

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.

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.

Audit Committee Report

While management has the primary responsibility for the financial statements and the 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) 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 Public Company Accounting Oversight Board (United States).

In addition, the Audit Committee has received and reviewed the written disclosures and the letter from PwC required by the Public Company Accounting Oversight Board 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, 2014 ("2014 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, 2015.

AUDIT COMMITTEE

Richard J. Swift (Chair)
Ann C. Berzin
Edward E. Hagenlocker
Myles P. Lee
Theodore E. Martin
John P. Surma

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, 2014 and 2013:

	2014		2013	
Audit Fees (a)	$	12,660,000	$	14,831,000
Audit-Related Fees (b)		319,000		3,985,000
Tax Fees (c)		5,391,000		10,785,000
All Other Fees (d)		21,000		1,643,000
Total	$	18,391,000	$	31,244,000

(a) Audit Fees for the fiscal years ended December 31, 2014 and 2013, 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, comfort letters and assistance with, and review of, documents filed with the SEC.

(b) Audit-Related Fees consist of assurance services that are related to performing the audit and review of our financial statements. Audit-Related Fees for the fiscal year ended December 31, 2014 include employee benefit plan audits, abandoned and unclaimed property tax assessments, and comfort letter related to the 2014 bond offering. Audit-Related Fees for the fiscal year ended December 31, 2013 include employee benefit plan audits, abandoned and unclaimed property tax assessments, systems implementation risk assessment, comfort letter related to a bond offering of disposed businesses and carve-out audits of disposed businesses primarily related to the Spin-off.

(c) Tax Fees for the fiscal years ended December 31, 2014 and 2013 include consulting and compliance services in the U.S. and non-U.S. locations and primarily relate to Spin-off costs.

(d) All Other Fees for the fiscal year ended December 31, 2014 include license fees for technical accounting software. All Other Fees for the fiscal year ended December 31, 2013 include trading platform redesign services, advisory services for the transition of insourcing of information technology services and 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 over $100,000, even if 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.

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 2014 annual general meeting on June 5, 2014 for a period of 18 months. Because this share authorization period will expire in December 2015, 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 Directors to issue up to 33% of our issued ordinary share capital as of April 8, 2015 (the latest practicable date before this proxy statement), for a period expiring 18 months from the passing of this resolution, unless renewed.

Granting the 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 Directors the authority to issue shares that are already authorized under our articles 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 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 U.S. 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 of the date of this Proxy Statement, the Companies Act 2014 (the "Act") is not yet in effect. It is expected to be commenced in June 2015. The Act consolidates existing company law in Ireland and will make a number of amendments to existing legislation. Reference is made to the Act in each of Items 4 to 6 to ensure that the resolutions passed at the Annual General Meeting will be effective after the commencement of the Act, whether this occurs before or after the date of the Annual General Meeting, and prior to the date of the annual general meeting in 2016.

As required under Irish law, the resolution in respect of Item 4 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 20 of the Companies (Amendment) Act 1983) up to an aggregate nominal amount of $87,355,827 (87,355,827 shares) (being equivalent to approximately 33% of the aggregate nominal value of the issued ordinary share capital of the Company as of April 8, 2015 (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.

With the commencement of the Companies Act 2014, the authority conferred by this resolution shall be applied as if the reference to Section 20 of the Companies Act (Amendment) Act 1983 in this resolution is deemed to refer to Section 1021 of the Companies Act 2014."

The Board of Directors recommends that you vote <u>FOR</u> renewing the Directors' authority to issue shares.

Item 5: Renewal of Directors' existing authority to issue shares for cash without first offering shares to existing shareholders.

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 2014 annual general meeting on June 5, 2014 for a period of 18 months. Because this share authorization period will expire in December 2015, 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 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, 2015 (the latest practicable date before this proxy statement), for a period expiring 18 months from the passing of this resolution, unless renewed.

Granting the 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 Directors the authority to issue shares in the manner already permitted under our articles 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 U.S. 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 24 of the Companies (Amendment) Act 1983 to allot equity securities (as defined in Section 23 of that Act) for cash, pursuant to the authority conferred by Item 4 as if sub-section (1) of Section 23 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 $13,235,731 (13,235,731 shares) (being equivalent to approximately 5% of the aggregate nominal value of the issued ordinary share capital of the Company as of April 8, 2015 (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.

With the commencement of the Companies Act 2014, the authority conferred by this resolution shall be applied as if the references to Sections 20, 23 and 24 of the Companies (Amendment) Act 1983 in this resolution are deemed to refer to their equivalent provisions in Sections 1021, 1022 and 1023 of the Companies Act 2014."

The Board of Directors recommends that you vote <u>FOR</u> renewing the Directors' authority to opt-out of statutory pre-emption rights.

Item 6: Determine the price at which the Company can reissue 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 reissue 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-issued. 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 reissued 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 reissuance 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 reissue price range at which any treasury shares held by the Company may be reissued off-market shall be as follows:

(a) the maximum price at which such treasury share may be reissued off-market shall be an amount equal to 120% of the "market price"; and

(b) the minimum price at which a treasury share may be reissued off-market 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-issued.

FURTHER, that this authority to reissue 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 Section 209 of the Companies Act 1990.

With the commencement of the Companies Act 2014, the authority conferred by this resolution shall be applied as if the references to Section 209 of the Companies Act 1990 in this resolution are deemed to refer to Section 1078 of the Companies Act 2014."

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

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.ingersollrand.com* under the heading "Investor Relations – 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:

- selecting, 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 policy 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 for a three-year minimum term 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 confidant to 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 when the Chairman is not present;
- 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;
- Counsel the Chairman on issues of interest/concern to directors and encourage all directors to engage the Chairman with their interests and concerns;
- Work with the Chairman 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 Chairman to develop the Board and Committee agendas and approve the final agendas;
- Keep abreast of key Company activities and advise the Chairman 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 Corporate Governance and Nominating Committee in compliance with Governance Committee processes to interview all Board candidates and make recommendations to the Board of Directors;
- 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 Corporate Governance 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 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. Swift has been the Company's Lead Director since January 2010.

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 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 is responsible for considering strategic risks and succession planning and, at each Board meeting, receives reports from each Committee as to risk oversight within their areas of responsibility. The Board of Directors has delegated to its various committees the oversight of risk management practices for categories of risk relevant to their functions as follows:

- The 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.
- The Compensation Committee considers risks related to the attraction and retention of talent and risks related to the design of compensation programs and arrangements.
- The Corporate Governance and Nominating Committee oversees risks associated with sustainability.
- The Finance Committee oversees risks associated with foreign exchange, insurance, credit and debt.

The Company has appointed the Chief Financial Officer 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.

Finally, 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.

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 four 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. Directors are required to retain this minimum level of Company share ownership until their resignation or retirement from the Board.

Board Size and Composition

The Board of Directors consists of a substantial majority of independent, non-employee directors. In addition, our Corporate Governance Guidelines require that all members of the committees of the Board must be independent directors. The Board of Directors has the following four standing committees: Audit Committee, Compensation Committee, Corporate Governance and Nominating Committee, and Finance Committee. 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. 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 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 has two female directors, one African-American director, one Hispanic director and two international directors out of a total of 12 directors. If all director nominees are elected at this meeting, the Company will have four female directors, one Hispanic director and two international directors out of a total of 12 directors.

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 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 Nomination Process

The 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, makes recommendations to the Board concerning the appropriate size and needs of the Board and, on its own or with the assistance of management, a search firm or others, identifies candidates with those qualifications. In considering candidates, the 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 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 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.

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 his or her 75^{th} birthday. Directors who change the occupation they held when initially elected must offer to resign from the Board of Directors. At that time, the 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 M.W. 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. A copy of Exhibit I to our Corporate Governance Guidelines is available on our website, *www.ingersollrand.com*, under the heading "Investor Relations—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 *irboard@irco.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).

Code of Conduct

The Company has adopted a worldwide Code of Conduct, applicable to all employees, directors and officers, including our Chief Executive Officer, our Chief Financial Officer and our Controller. 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.ingersollrand.com* under the heading "Investor Relations—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 and (ii) engaging in any form of short-term speculative trading in Company securities. Directors and executive officers are also prohibited from holding Company securities in a margin account or pledging Company securities as collateral for a loan unless the Senior Vice President and General Counsel provides pre-clearance after the director or executive officer clearly demonstrates the financial capability to repay the loan without resort to the pledged securities.

Committees of the Board

Audit Committee

Members: Richard J. Swift (Chair)
Ann C. Berzin
Myles P. Lee
John P. Surma
Linda P. Hudson (nominee)

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 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.

The Board of Directors has determined that each current member and each director nominee who will become a member of the Audit Committee upon election is "independent" for 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 each current member and each director nominee who will become a member of the Audit Committee upon election meets the qualifications of an "audit committee financial expert," as that term is defined by rules of the SEC.

A copy of the charter of the Audit Committee is available on our website, *www.ingersollrand.com*, under the heading "Investor Relations—Corporate Governance."

Compensation Committee

Members: Tony L. White (Chair)
John Bruton
Jared L. Cohon
Gary D. Forsee
Constance J. Horner
Elaine L. Chao (nominee)

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.
- Approve compensation of 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 and an "outside director" within the meaning of Section 162(m) of the Code.

A copy of the charter of the Compensation Committee is available on our website, *www.ingersollrand.com*, under the heading "Investor Relations—Corporate Governance."

Corporate Governance and Nominating Committee

Members: Gary D. Forsee (Chair)
John Bruton
Jared L. Cohon
Constance J. Horner
Tony L. White
Elaine L. Chao (nominee)

Key Functions:

- Identify individuals qualified to become directors and recommend the candidates for all directorships.
- Recommend individuals for election as officers.
- 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 corporate governance of the Company.
- Oversee the Company's sustainability efforts.

The Board of Directors has determined that each current member and each director nominee who will become a member of the 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 Corporate Governance and Nominating Committee is available on our website, *www.ingersollrand.com*, under the heading "Investor Relations—Corporate Governance."

Finance Committee

Members: Ann C. Berzin (Chair)
Myles P. Lee
John P. Surma
Richard J. Swift
Linda P. Hudson (nominee)

Key Functions:

- Review proposed borrowings and issuances of securities.
- 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.

The Board of Directors has determined that each current member and each director nominee who will become a 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.ingersollrand.com*, under the heading "Investor Relations—Corporate Governance."

Board, Committee and Annual Meeting Attendance

The Board of Directors and its committees held the following number of meetings during the fiscal year ended December 31, 2014:

Board	6
Audit Committee	9
Compensation Committee	7
Corporate Governance and Nominating Committee	6
Finance Committee	6

Each incumbent director attended 95% 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 six independent director meetings without management present during the fiscal year 2014. 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. Ten of our eleven Board members standing for re-election at the 2014 Annual General Meeting attended that meeting, which was held on June 5, 2014.

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 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 2014 director compensation program for non-employee directors consisted of the following elements:

Compensation Element	Compensation Value	
Annual Retainer (1/2 paid in cash and 1/2 paid in restricted stock units)*	$	285,000
Audit Committee Chair Cash Retainer	$	30,000
Compensation Committee Chair Cash Retainer	$	20,000
Corporate Governance and Nominating Committee Chair and Finance Committee Chair Cash Retainer	$	15,000
Audit Committee Member Cash Retainer (other than Chair)	$	7,500
Lead Director Cash Retainer	$	50,000
Additional Meetings or Unscheduled Planning Session Fees **	$ 2,500 (per meeting or session)	

* The number of restricted stock units granted are determined by dividing the grant date value of the award, $142,500 by the average of the high and low closing price of the Company's common stock on the date of grant. Beginning in 2015, a director who retires, resigns or otherwise separates from the Company will receive 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.

** The Board and each Committee, other than Audit, has 6 regularly scheduled meetings each year. The Audit Committee has 9 regularly scheduled meetings each year.

In addition, non-employee directors were previously eligible to receive a tax equalization payment if the Irish income taxes owed on their director compensation exceed the income taxes owed on such compensation in their country of residence. Without these tax equalization payments, a director would be subject to double taxation since they are already paying taxes on their director income in their country of residence. We believe these tax equalization payments were appropriate to ensure our ability to continue to attract highly qualified persons who do not reside in Ireland. In 2014, three non-employee directors received a tax equalization payment for the year 2013. In 2014, our Corporate Governance and Nominating Committee eliminated the tax equalization payments on retainers beginning with the retainers earned for the 2014 fiscal year.

Share Ownership Requirement

To align the interests of directors with shareholders, the Board of Directors has adopted a share ownership requirement of four 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. Directors are required to retain this minimum level of Company share ownership until their resignation or retirement from the Board.

2014 Director Compensation

The compensation paid or credited to our non-employee directors for the year ended December 31, 2014, is summarized in the table below.

Name	Fees earned or paid in cash ($)(a)	Equity / Stock Awards ($) (b)	All Other Compensation ($)(c)	Total ($)
A. C. Berzin	165,000	142,503	235,331	542,834
J. Bruton	145,000	142,503	6,867	294,370
J. L. Cohon	145,000	142,503	—	287,503
G. D. Forsee	160,000	142,503	10,363	312,866
E. E. Hagenlocker	150,000	142,503	13,058	305,561
C. J. Horner	145,000	142,503	—	287,503
T. E. Martin	150,000	142,503	—	292,503
N. Peltz (d)	61,463	142,503	—	203,966
J. P. Surma	150,000	142,503	—	292,503
R. J. Swift	222,500	142,503	—	365,003
T. L. White	165,000	142,503	—	307,503

(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 ($)	Total Fees earned or paid in cash ($)
A. C. Berzin	142,500	15,000	7,500	—	—	165,000
J. Bruton	142,500	—	—	—	2,500	145,000
J. L. Cohon	142,500	—	—	—	2,500	145,000
G. D. Forsee	142,500	15,000	—	—	2,500	160,000
E. E. Hagenlocker	142,500	—	7,500	—	—	150,000
C. J. Horner	142,500	—	—	—	2,500	145,000
T. E. Martin	142,500	—	—	—	2,500	145,000
N. Peltz	61,463	—	—	—	—	61,463
J. P. Surma	142,500	—	7,500	—	—	150,000
R. J. Swift	142,500	30,000	—	50,000	—	222,500
T. L. White	142,500	20,000	—	—	2,500	165,000

(b) Represents RSUs awarded in 2014 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 11, "Share-Based Compensation," to the Company's consolidated financial statements contained in its 2014 Form 10-K.

For each non-employee director at December 31, 2014, the following table reflects unvested RSUs:

Name	Number of RSUs (#)
A. C. Berzin	2,382
J. Bruton	2,382
J. L. Cohon	2,382
G. D. Forsee	2,382
E. E. Hagenlocker	2,382
C. J. Horner	2,382
T. E. Martin	2,382
N. Peltz[1]	—
J. P. Surma	2,382
R. J. Swift	2,382
T. L. White	2,382

[1] Mr. Peltz resigned effective June 5, 2014 and vested in his RSUs at the time of his resignation.

(c) Represents tax equalization payments made in 2014, and in the case of Mr. Bruton, reimbursement of Irish taxes for travel expenses.

(d) Nelson Peltz resigned effective June 5, 2014. Fees earned by Mr. Peltz were paid to Trian Fund Management, L.P. ("Trian").

For each non-employee director at December 31, 2014, the following table reflects unexercised stock options, all of which are vested:

Name	Number of stock options
A. C. Berzin	–
J. Bruton	–
J. L. Cohon	20,160
G. D. Forsee	–
E. E. Hagenlocker	–
C. J. Horner	–
T. E. Martin	–
N. Peltz	–
J. P. Surma	–
R. J. Swift	–
T. L. White	–

COMPENSATION DISCUSSION AND ANALYSIS

The Compensation Discussion and Analysis ("CD&A") set forth below provides an overview of our executive compensation programs, including the philosophy and 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 from the 2014 fiscal year. The executive officers serving as NEOs are:

NEO	Title
Mr. Michael W. Lamach	Chairman and Chief Executive Officer
Ms. Susan K. Carter,	Senior Vice President and Chief Financial Officer
Ms. Marcia J. Avedon, Ph.D.	Senior Vice President, Human Resources, Communications and Corporate Affairs
Mr. Didier P. M. Teirlinck, Ph.D.	Executive Vice President, Climate Segment
Mr. Robert G. Zafari	Executive Vice President, Industrial Segment

This discussion and analysis is divided into the following sections: (I) Executive Summary, (II) Compensation Philosophy and Design Principles, (III) Factors Considered in the Determination of Target Total Direct Compensation ("TDC"), (IV) Role of the Committee, Independent Advisor, and Committee Actions, (V) Compensation Program Descriptions and Compensation Decisions and (VI) Other Compensation and Tax Matters.

I. Executive Summary

At the end of 2013, the organization was restructured from four business sectors into two business segments, Climate and Industrial following the spin-off of our security businesses. In consideration of this reorganization and the refreshed business strategy, a comprehensive review of our compensation philosophy as well as the design of our executive compensation programs was conducted in 2014. The review confirmed that, consistent with our historical intent, the design of these programs allows our Company to attract, retain and focus the talents and energies of executives, including our NEOs, who are capable of meeting the Company's current and future goals, most notably, the creation of sustainable shareholder value.

Overall, our executive compensation programs were designed by incorporating the following principles:

(i) market competitiveness,

(ii) pay for performance,

(iii) mix of short and long-term incentives,

(iv) internal parity,

(v) shareholder alignment, and

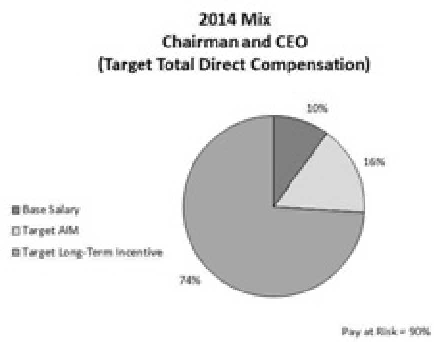
(vi) business strategy alignment.

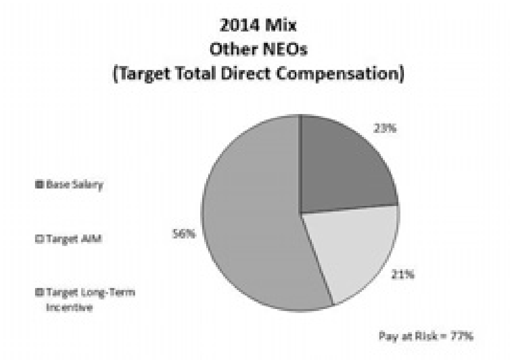
Consistent with these principles, the Compensation Committee (the "Committee") has adopted executive compensation programs with a strong link between pay and the achievement of short and long-term Company goals. The primary elements of the executive compensation programs are:

Total Direct Compensation	
Element[1]	*Objective of Element*
Base Salary	Fixed cash compensation.
Annual Incentive *(the Annual Incentive Matrix or "AIM")*	Variable cash incentive compensation. Any award earned is based on performance against pre-defined annual revenue ("Revenue"), Operating Income ("OI"), cash flow ("Cash Flow") and OI margin percent objectives, as well as individual performance.
Long-Term Incentives *("LTI")*	Variable long-term incentive compensation. Performance is aligned with the Company's stock price and is awarded in the form of stock options, RSUs and performance share units ("PSUs"). PSUs are only payable if the Company's earnings per share ("EPS") growth and total shareholder return ("TSR") relative to companies in the S&P 500 Industrials Index exceed threshold performance against pre-defined objectives.

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

As illustrated in the charts below, the Committee places significant emphasis on variable compensation (AIM and LTI) so that a substantial percentage of each NEO's target total direct compensation is contingent on the successful achievement of the Company's short-term and long-term goals.





2014 Results

During 2014, our first full year after the spin-off of our commercial and residential security businesses ("Allegion") and the reorganization of our Company, we achieved strong financial performance. The following table documents the results realized in 2014:

Metric	Performance
Revenue	Adjusted annual Revenue of $12.875 billion, an increase of 4.2% over 2013
OI	Adjusted OI of $1.423 billion, an increase of 19.8% over 2013
OI Margin	Adjusted OI margin of 11.05%, an increase of 1.45 percentage points over 2013
Cash Flow	Adjusted Cash Flow of $853 million, a decrease of 1.1% from 2013
EPS	Adjusted EPS of $3.30, an increase of 25% over 2013
3-Year EPS Growth	3-year EPS growth (2012 - 2014) of 19.37%, which ranks at the 88th percentile of the companies in the S&P 500 Industrials Index
3-Year TSR	3-year TSR (2012-2014) of 153.66%, which ranks at the 91st percentile of the companies in the S&P 500 Industrials Index

Based on our adjusted 2014 results for Revenue, OI, Cash Flow and OI margin, we achieved an AIM financial score of 102.41% of target for the Enterprise. At the Segment level, 2014 AIM financial scores were 164.60% of target for the Climate Segment and 61.86% of target for the Industrial Segment.

Based on our achievement of an average EPS growth rate of 19.37% and a TSR of 153.66% during the 2012 to 2014 performance period, PSUs under our Performance Share Program ("PSP") paid out at 200% of target (maximum payout allowed under the plan).

2014 Committee Actions

The Committee took the following actions in 2014:

- Reviewed the executive compensation philosophy and strategy in relation to the Company's going-forward business strategy. The Committee concluded that the general design and construct of the programs aligned with the business strategy and was appropriate for the foreseeable future.
- Given the spin-off of Allegion and the reorganization of our Company, reviewed and approved a new peer group to be used to benchmark executive compensation levels and program design in 2015.
- Approved a modification to the definition of "major restructuring" in the Company's Major Restructuring Severance Plan to reflect the reorganization of the Company from four business sectors to two business segments.

Consideration of 2014 Advisory Vote on Executive Compensation

The Committee regularly reviews the philosophy, objectives and elements of our executive compensation programs in relation to our short and long-term business objectives. In undertaking this review, the Committee considers the views of shareholders as reflected in their annual advisory vote on our executive compensation proposal. At our 2014 annual general meeting, shareholders approved our executive compensation proposal by an overwhelming majority (over 97%). 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.

II. Compensation Philosophy and Design Principles

The objective of our executive compensation programs is to enable us to attract, retain and focus the talents and energies of executive officers (including our NEOs) who are capable of meeting the Company's current and future goals, most notably the creation of sustainable shareholder value. Our compensation programs and decisions are driven by this objective. 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 design principles that govern our executive compensation programs are:

1. Market competitiveness

The compensation opportunities must serve to attract and retain high performing executives in a competitive environment for talent. Therefore, all of our executive compensation program targets are established using relevant market data to ensure their competitiveness. In aggregate, we structure our executive compensation to provide target total direct compensation ("TDC") at the 50th percentile of the markets in which we compete for talent. However, each executive's target TDC may be above or below the 50th percentile based on his or her experience and proficiency in performing the duties of his or her position.

2. Pay for performance

A strong pay for performance culture is paramount among the considerations that lead to our Company's success. As a result, a substantial percentage of each executive's TDC is contingent on, and variable with performance of the Company, the applicable business, and the individual. Company and business performance are measured against pre-established financial, operational and strategic objectives. Individual performance is measured against pre-established individual goals as well as demonstrated leadership competencies and behaviors consistent with our Company values. In addition, a portion of the long-term incentive is earned based upon earnings and shareholder value performance relative to peer companies.

3. 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 Annual Operating Plan ("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 in addition to competitive market practice.

4. Internal parity

Each executive's target TDC opportunity is proportionate with the responsibility, scope and complexity of his or her role within the Company. Thus, similar jobs are assigned similar target compensation opportunities.

5. Shareholder alignment

Our executive compensation programs align the interests of our executives with those of our shareholders by rewarding the achievement of key financial targets such as revenue growth, EPS, and cash flow which should correlate with share price appreciation over time. In addition, our long-term incentives are tied to total shareholder returns and increase in value as share price increases. Other program requirements, including share ownership guidelines for executives and vesting schedules on equity awards further align executives' and shareholders' interests.

6. Business strategy alignment

Our executive compensation programs provide flexibility to align with changing Company or business unit strategies. In addition, 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 unit outperforms the Company as a whole. Conversely, if a business fails to meet its performance goals, that business' leader may earn a lesser award in that year than his or her peers in a business that met or exceeded its goals. To provide a balanced incentive, all executives have a significant portion of their compensation tied to Company performance.

III. Factors Considered in the Determination of Target Total Direct Compensation ("TDC")

Our Committee reviews and evaluates our executive compensation levels and practices against those companies with which we compete for executive talent. These reviews are conducted throughout the year using a variety of methods such as:

- the direct analysis of the proxy statements of other diversified industrial companies (refer to peer group below),

- a review of compensation survey data of other 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 2014 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. The peer group is comprised of global diversified companies that have comparable revenue and/or industry fit with our lines of business and are those with which we compete for both business and talent. The following peer group was adopted in August 2012 and used for benchmarking with respect to the 2014 compensation matters:

3M	Eaton Corp	Johnson Controls Inc.	Pentair
Cummins, Inc.	Emerson Electric	Paccar Inc.	Stanley Black & Decker
Danaher Corp	Honeywell International	Parker Hannifin Corp	Textron
Dover	Illinois Tool Works	PPG Industries	Tyco International

Given the spin-off of Allegion and the reorganization of our Company, in 2014 the Committee reviewed the compensation peer group used to benchmark 2015 compensation matters, and based on their review, added SPX Corporation. The addition of SPX Corporation increased the number of companies in the peer group to 17 (up from 16) and reduced the median revenue of the peer group from $16.1 billion to $15.1 billion for fiscal year 2013.

In addition, the Committee annually reviews tally sheets on the NEOs in order to understand fully all elements of current and potential future compensation when making compensation decisions.

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 major 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.ingersollrand.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 2014, the Committee continued to engage Hay Group, Inc. ("Hay Group") to serve as its independent advisor. Hay Group also provided the Corporate Governance and Nominating Committee advice on director compensation matters. The Committee has determined that the Hay Group is independent and does not have a conflict of interest because (a) Hay Group did not perform any other services for the Company, (b) the fees received by Hay Group for its services for the Compensation and Corporate Governance and Nominating Committees were nominal as a percentage of Hay Group's total revenues, (c) Hay Group has adopted policies and procedures that are designed to prevent conflicts of interest, (d) neither any member of the Committee nor any executive officer has a business or personal relationship with Hay Group, and (e) neither Hay Group nor its consultants that work with the Company directly own stock in the Company.

In addition to the actions taken in 2014, which are described in the Executive Summary, our Committee has adopted a number of changes over the past few years, including:

- Diversified and expanded the metrics associated with our AIM and PSP programs to better align with business strategies and shareholder interests;
- Adopted a claw-back/recoupment policy. Our current policy will be revised, if necessary, to comply with the requirements of the Dodd-Frank Act when the final regulations are issued;
- Incorporated provisions in the 2007 and 2013 Incentive Stock Plans to replace full payout at target of outstanding PSP awards in the event of a Change in Control of the Company with prorated PSP payout at target based on the point in the performance period when the Change in Control occurs; and

- Closed the Ingersoll-Rand Company Elected Officer Supplemental Pension Program ("EOSP") to new participants effective April 30, 2011.

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 total direct compensation 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, it is important that an appropriate level of cash compensation is not variable.	Targeted, on average, at the 50th percentile of our peer group. Adjustments are determined by the Committee based on an evaluation of the NEO's proficiency in fulfilling his or her responsibilities, as well as performance against key objectives and behaviors. Only 10% of the CEO's target total direct compensation and only 23% on average for the other NEOs is comprised of base salary.
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 business units. 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.	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 and/or enterprise financial and individual performance. The financial metrics used to determine the awards for 2014 were Revenue, OI, and Cash Flow, modified (up or down) based on OI Margin performance. 16% of the CEO's target total direct compensation is comprised of AIM and 21%, on average, for the other NEOs.
Performance Share Program ("PSP")	To serve as a long-term incentive tied to the achievement of pre-established performance objectives relative to companies in the S&P 500 Industrials Index. To promote long-term strategic planning and discourage an overemphasis on attaining short-term goals. Amount 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.	Earned over a 3-year performance period. The number of PSUs earned is based on relative TSR and relative EPS growth 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. 37% of the CEO's target total direct compensation is comprised of PSP and 28%, on average, for the other NEOs.
Stock Options / Restricted Stock Units ("RSUs")	Aligns the interests of the NEOs and shareholders. Awards provide a balanced approach between risk and retention. Awards are subject to a claw-back in the event of a financial restatement.	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, one-third per year. Stock options expire on the 10th anniversary (less one day) of the grant date (unless employment terminates sooner). 37% of the CEO's target total direct compensation is comprised of a mix of stock options and RSUs and 28%, on average, for the other NEOs.

Base Salary

Our Committee generally targets base salaries for the NEOs around the median for executives in our peer group or other relevant comparative companies who have similar roles and responsibilities. However, the Committee will also consider each NEO's experience, proficiency, performance and potential to impact future business results, as well as behavior against competencies and key Company values when making base salary decisions.

The table below reflects the base salary adjustments for the NEOs for the 2014 performance period. When determining base salary adjustments, each NEO is evaluated on the results achieved and the behaviors demonstrated to generate these results.

(dollar amounts annualized)

Name	2013	2014	Percentage Change (%)
M. W. Lamach	$ 1,250,000	$ 1,250,000	—
S. K. Carter	$ 635,000	$ 654,000	3.0%
M. J. Avedon	$ 528,000	$ 555,000	5.1%
D. P. M. Teirlinck(1)	$ 655,000	$ 655,000	—
R. G. Zafari(1)	$ 550,000	$ 550,000	—

(1) Messrs. Teirlinck and Zafari received based salary increases in December 2013 in conjunction with their promotion to EVP, Segment roles. There were no base salary increases in 2014 for Messrs. Teirlinck and Zafari.

Annual Incentives (Annual Incentive Matrix or "AIM")

The AIM program is an annual cash incentive program designed to reward NEOs for Revenue growth, increases in OI, 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 in the table below:

Financial Score: Core Financial Metrics	x	**Multiplier**	=	**Adjusted Financial Score** *(0% to 200%)*	x	**Individual Performance Score** *(0% to 150%)*	=	**AIM Payout Percentage** *(0% to 200%)*
1/3 Revenue 1/3 Operating Income 1/3 Cash Flow		Operating Margin Percent		Financial Score x Multiplier		Performance against Individual Objectives		Adjusted Financial Score x Individual Performance Score

Financial Performance: AIM incentive opportunity is tied to pre-established goals for three equally-weighted performance metrics ("Core Financial Metrics"): Revenue, OI, and Cash Flow. 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 OI margin percentage multiplier ("Multiplier"), which can range from 85% to 115%.

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. Adjustments to reported financial results are intended to better reflect an executives' line of sight and ability to affect performance results, align award payments with decisions which support the AOP, avoid artificial 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.

2014 AIM financial performance goals for the NEOs are summarized in the following table:

	Pre-Established Financial Targets *($ million)**			Payout as % of Target**	OI Margin	OI Margin Multiplier**
	Revenue	OI	Cash Flow			
Enterprise						
Threshold	$12,159.7	$1,226.7	$810.0	30%	10.1%	85%
Target	$12,799.7	$1,363.0	$900.0	100%	10.7%	100%
Maximum	$13,439.7	$1,644.9	$1,100.0	200%	12.2%	115%
Climate Segment						
Threshold	$9,338.2	$977.4	$977.4	30%	10.5%	85%
Target	$9,829.7	$1,086.0	$1,086.0	100%	11.0%	100%
Maximum	$10,321.2	$1,326.4	$1,326.4	200%	12.9%	115%
Industrial Segment						
Threshold	$2,821.5	$432.9	$432.9	30%	15.3%	85%
Target	$2,970.0	$481.0	$481.0	100%	16.2%	100%
Maximum	$3,118.5	$553.2	$553.2	200%	17.7%	115%

* Reflects the financial goals for the Enterprise and segments to which incentive opportunity for our 2014 NEOs was tied.

** Results are interpolated between performance levels.

For 2014 AIM purposes, the CEO, CFO and SVP of Human Resources, Communication and Corporate Affairs were measured on the basis of the Enterprise financial metrics. The other two NEOs were measured based on a combination of Enterprise financial objectives (50% weighting) and their respective 2014 Segment financial objectives (50% weighting). We believe this weighting appropriately focuses segment leaders on achieving the pre-established objectives for their business as well as aligning their interests with Enterprise goals to help deliver sustainable shareholder value.

The table below summarizes 2014 performance relative to performance targets and corresponding 2014 AIM payout levels.

(in millions)	Financial Targets	Adjusted Financial Performance	Payout as a % of Target	Aggregate Payout as % of Target	OI Margin Multiplier	AIM Financial Payout
Enterprise						
Revenue	$12,799.7	$12,875.4	112%	98.69%	103.77%	102.41%
OI	$1,363.0	$1,422.5	121%			
Cash Flow	$900.0	$852.6	63%			
OI Margin	10.7%	11.05%	N/A			
Climate Segment						
Revenue	$9,829.7	$9,863.6	107%	151.01%	109.00%	164.60%
OI	$1,086.0	$1,196.9	146%			
Cash Flow	$1,086.0	$1,327.4	200%			
OI Margin	11.1%	12.13%	N/A			
Industrial Segment						
Revenue	$2,970.0	$3,011.7	128%	72.78%	85.00%	61.86%
OI	$481.0	$451.4	57%			
Cash Flow	$481.0	$435.2	33%			
OI Margin	16.2%	14.99%	N/A			

Individual Performance: Individual objectives are established annually and include strategic initiatives as well as financial and non-financial metrics. Each NEO is evaluated based upon actual results against established measures and our core competencies. At the end of the fiscal year the CEO evaluates each NEO's overall performance against individual objectives and submits a recommendation to the Committee. The Committee evaluates the CEO's performance against individual objectives. Based on its evaluation of the CEO and the CEO's recommendation for other NEOs, the Committee determines the individual performance score for each NEO, which can range from 0% to 150%.

In determining the individual factor for each NEO's AIM award, the Committee considered pre-established individual performance objectives, including the following:

- Successful achievement of milestones to further implement the business operating system and operational excellence initiatives.
- Execution of key growth initiatives including product management excellence initiatives, enterprise sales excellence initiatives and innovation programs.
- Accomplishments to further implement the information technology strategy and system launches.
- Improvements in employee engagement, talent development and retention.

Determination of Payout: The actual 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. In that event, the CEO and the Committee may establish a discretionary pool (equal to 30% of the target payout levels) for top performers and/or other deserving employees in an amount determined to be appropriate based on their performance against objectives.

In determining the 2014 performance levels for 2014 AIM purposes, the Committee approved certain adjustments to financial results at the enterprise and segment levels to (a) exclude the impact of spin-off related and restructuring payments made in 2014 from enterprise Free Cash Flow, (b) adjust operating income and cash flow upwards to offset the impact of acquisitions during the year, (c) adjust revenue and operating income downward and cash flow upward to offset the financial impact of unplanned regulatory changes associated with energy efficiency implementation requirements issued during 2014, and (d) adjust cash flow upward to offset the impact of debt refinancing in 2014. None of these events had been contemplated when the 2014 performance goals were determined. Prior to the Committee approving these adjustments, they were also reviewed with the Audit Committee.

The Committee approved the following AIM awards for NEOs based on achieving both the 2014 financial and individual objectives:

Name	AIM Target	AIM Payout Percent for 2014	Individual Performance Score	AIM Award for 2014
M. W. Lamach	160% of $1,250,000	102.41%	100%	$2,048,200
S. K. Carter	100% of $654,000	102.41%	100%	$669,761
M. J. Avedon	85% of $555,000	102.41%	100%	$483,119
D. P. M. Teirlinck	90% of $655,000	133.51%	100%	$787,041
R. G. Zafari	85% of $550,000	82.14%	100%	$384,005

Long-Term Incentive Program

Our long-term incentive program is comprised of PSUs, stock options and RSUs. It is designed to further align the executives' interests with the interests of our shareholders. This approach enables us to develop and implement long-term strategies that we believe are in the best interest of shareholders.

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 the Company's performance relative to other companies in the S&P 500 Industrials Index. PSUs are earned over a 3-year performance period based equally on our relative EPS growth (from continuing operations) and TSR as compared to the companies within the S&P 500 Industrials Index. The actual number of PSUs earned for grants made in 2014 (which can range from 0% to 200% of target) is based on the following thresholds:

Ingersoll Rand's Performance Relative to the Companies within the S&P 500 Industrials Index	% of Target PSUs Earned*
< 25^{th} Percentile	0%
25^{th} Percentile	25%
50^{th} Percentile	100%
$\geq 75^{th}$ Percentile	200%

* Results are interpolated between percentiles achieved.

Proxy Statement

The NEOs' PSP target awards, expressed as a dollar amount, are set by assessing competitive market values for executives in our peer group with similar roles and responsibilities. The dollar target is converted to share equivalent PSUs based on the fair market value of the Company's shares on the date that the award is granted. 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. EPS is calculated in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP"), subject to adjustments for extraordinary, 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 with obtaining or losing control of a business. As a result, expense for outstanding PSP awards is recorded using fixed accounting.

- EPS growth is measured as the average of the annual EPS growth in each of the three years of the performance cycle.
- TSR is measured as the total stock price appreciation and 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.

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

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 risk 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 strong retentive value because they have value even if our stock price does not grow during the restricted period. Our Committee annually reviews our equity mix and grant policies 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. In order to determine the target stock option and RSU awards for our NEOs, the Committee considers factors such as market competitiveness with our peer group, demonstrated potential to drive future business results and sustained individual performance.

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 are paid to shareholders. Dividend equivalents on RSUs are only payable if the underlying RSU award vests. At the time of vesting, one ordinary share is issued for each RSU and any accrued dividend equivalents are paid in cash.

2014 Equity Awards

In 2014, the Committee approved the PSU, stock option and RSU awards based on its evaluation of market competitiveness and each NEO's demonstrated potential to drive future business results and sustained individual performance. The values in the table below reflect equity-based awards approved by the Committee. These values 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 its determination based on expected grant date value while the accounting and proxy statement values are determined as of the grant date in accordance with GAAP requirements. The difference is most significant for the PSU awards which are earned, in part, based on TSR relative to the S&P 500 Industrials Index over a three-year performance period. The accounting and proxy report values are greater because they take into account the expected payout distribution from 0-200% of target.

Name	Target Value 2014-16 PSU Award ($)	Stock Option Award ($)	RSU Award ($)
M. W. Lamach	4,625,000	2,312,500	2,312,500
S. K. Carter	950,000	475,000	475,000
M. J. Avedon	550,000	275,000	275,000
D. P. M. Teirlinck	825,000	412,500	412,500
R. G. Zafari	600,000	300,000	300,000

Performance Share Units Payout

As discussed above, PSUs for the 2012 - 2014 performance period were earned based on the Company's EPS growth (from continuing operations) and TSR performance relative to all of the companies in the S&P 500 Industrials Index.

- EPS growth is measured as the average of the annual EPS growth in each of the three years of the performance cycle. The rate of EPS growth was 19.37% for the 2012 to 2014 period, which ranked at the 88th percentile of the companies in the S&P 500 Industrials Index. 2013 EPS growth was calculated including earnings from the residential and commercial security business spun-off to form Allegion. 2014 EPS growth was calculated based on 2013 EPS excluding the residential and commercial security business spun-off to form Allegion.
- TSR is measured as the total stock price appreciation and 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 153.66% for the 2012 to 2014 period, which ranked at the 91st percentile of the companies in the S&P 500 Industrials Index. The TSR calculation includes $14.63 for the Allegion share dividend associated with the spin-off of the residential and commercial security business.

PSUs for the 2012 to 2014 performance cycle paid out at 200% of target levels as summarized in the table below.

Performance Metric	Ingersoll Rand Performance	Percentile Rank	Metric Payout	Weighting	Payout Level
Relative EPS Growth	19.37%	88th %ile	200%	50%	100%
Relative TSR	153.66%	91st %ile	200%	50%	100%
				Total Award Payout Percentage:	**200%**

2015 Compensation Decisions

The Committee annually reviews the total direct compensation for each NEO and, using its discretion based on its compensation philosophy and design principles, may revise such compensation. For 2015, the Committee has set the base salary and target AIM award for each NEO as follows:

Name	Base Salary ($)	Change From 2014 (%)	Target AIM Award (%)
M. W. Lamach	$1,300,000	4.0%	160%
S. K. Carter	$675,000	3.2%	100%
M. J. Avedon	$575,000	3.6%	85%
D. P. M. Teirlinck	$685,000	4.6%	90%
R. G. Zafari	$570,000	3.6%	85%

The Committee established the following target long-term incentives including PSU awards for the 2015 - 2017 performance period and granted the following stock option and RSU awards for each NEO in 2015:

Name	Target 2015 Long-Term Incentive Value(1) ($)	Shares Underlying Stock Option Awards(2) (#)	RSU Shares(3) (#)	Target 2015-17 PSU Shares (#)(3)
M. W. Lamach	9,250,000	158,499	34,487	68,974
S. K. Carter	1,950,000	33,414	7,271	14,541
M. J. Avedon	1,200,000	20,563	4,474	8,948
D. P. M. Teirlinck	1,750,000	29,987	6,525	13,049
R. G. Zafari	1,250,000	21,419	4,661	9,321

(1) The target long-term incentive value is delivered 25% in stock options, 25% in RSUs and 50% in PSUs.

(2) The number of stock options was determined based on the Black-Scholes ratio on December 31, 2014 and the fair market value of our ordinary shares on the date of grant.

(3) The number of RSUs and target PSUs were determined using the fair market value of our ordinary shares on the date of grant.

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 and number of years of service. These plans include the Pension Plan, the Trane Pension Plan, the Supplemental Pension Plans and the EOSP or the KMP. 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 Ingersoll-Rand Company Employee Savings Plan (the "ESP") to our salaried non-union and 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 a number of investment options and is an important component of our retirement program.

We also have a nonqualified defined contribution plan. The Ingersoll-Rand Company Supplemental Employee Savings Plan (the "Supplemental ESP") is an unfunded plan that makes up matching contributions that cannot be made to the ESP due to Internal Revenue Code limitations. The Supplemental ESP is 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 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 (employees of our Club Car business are generally not eligible for the basic employer contribution). Effective as of December 31, 2022, accruals in the 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 Ingersoll Rand Executive Deferred Compensation Plan (the "EDCP Plan I") and the Ingersoll Rand Executive Deferred Compensation Plan II (the "EDCP Plan II" and, together with the EDCP Plan I, the "EDCP Plans") allow eligible employees to defer receipt of a part of their annual salary, AIM award and/or PSP award in exchange for investments in ordinary shares or mutual fund investment equivalents. Refer to the Nonqualified Deferred Compensation table for additional details on the EDCP Plans.

We provide an enhanced, long-term disability plan to certain executives. The plan provides for a higher monthly maximum than the standard group plan and a more favorable definition of disability and has an underlying individual policy that is portable when the executive terminates.

In light of the American Jobs Creation Act of 2004 governing Section 409A of the Code, "mirror plans" for several of our nonqualified plans, including the Ingersoll-Rand Company Supplemental Pension Plan ("Supplemental Pension Plan I") and the EDCP I, were created. The mirror plans are the Ingersoll-Rand Company 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 Plans, the mirror plan benefits are calculated by subtracting the original benefit value to avoid duplication of 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, Ms. Carter and Ms. Avedon have such arrangements. In 2012 we adopted a Severance Plan, amended outstanding award agreements and adopted new equity award agreements 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). In addition, 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, Ms. Carter 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. Our incentive stock plans provide for the accelerated vesting of outstanding stock awards in the event of a change in control of the Company. 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

Section 162(m) of the Code imposes a limit of $1,000,000 on the amount that we may deduct for federal income tax purposes in any one year for compensation paid to our CEO and any of our three other highest-paid NEOs, other than our CFO, who are employed as of the end of the year. However, to the extent compensation is “performance-based” within the meaning of Section 162(m), the Section’s limitations will not apply. We intend most of the variable compensation (*i.e.*, AIM, PSP and stock options) paid to NEOs to qualify as performance-based within the meaning of Section 162(m) so as to be tax deductible by us, which benefits our shareholders. In order to qualify as performance based, the compensation must, among other things, be paid pursuant to a shareholder approved plan upon the attainment of objective performance criteria. Our Committee believes that tax deductibility of compensation is an important factor, but not the sole factor, in setting executive compensation policies and in rewarding superior executive performance. Accordingly, although our Committee generally intends to avoid the loss of a tax deduction due to Section 162(m), it reserves the right, in appropriate circumstances, to pay amounts that are not deductible. In determining variable compensation programs, we consider other tax and accounting implications of particular forms of compensation, such as the implications of Section 409A of the Code governing deferred compensation arrangements and favorable accounting treatment afforded certain equity based plans that are settled in shares. However, the forms of variable compensation we utilize are determined primarily by their effectiveness in creating maximum alignment with our key strategic objectives and the interests of our shareholders.

Senior Executive Performance Plan (“SEPP”)

The SEPP is a shareholder approved plan that funds the annual cash incentive awards that may be granted to each of the NEOs. Under the SEPP, the maximum amount of cash incentive that can be paid to the CEO is 0.6% of Consolidated OI from Continuing Operations (as defined in the SEPP) and the maximum amount of cash incentive that can be paid to any other covered executive is 0.3% of Consolidated OI from Continuing Operations. Our Committee generally exercises its discretion to pay less than the maximum amount to the NEOs, after considering the factors described in the AIM Program.

Timing of Awards

Our regular annual equity grants are made by our Committee at a meeting held after the annual earnings release. The timing of this meeting allows management to review the prior year’s performance and assemble all of the necessary information for our Committee’s consideration. The date is never selected or changed to increase the value of equity awards for executives.

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 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 once the regulations implementing the claw-back policy requirements of that law have been issued.

Share-Ownership Guidelines

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. The requirements are as follows:

Position	Number of Active Participants as of the Record Date	Individual Ownership Requirement (Shares and Equivalents)
Chief Executive Officer	1	150,000
Executive Vice Presidents	2	75,000
Senior Vice Presidents	6	40,000
Corporate Vice Presidents	8	15,000

This equates to ownership of approximately eight times base salary for the CEO and the Executive Vice Presidents and in excess of four times base salary for the Senior Vice Presidents.

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 who have their ownership requirement increased, have three years to achieve the new level from the date of promotion. However, given the significant increase in the ownership requirement for an individual who is promoted to CEO, that individual has five years from the date of the promotion to achieve the new level. Ownership credit is given for actual ordinary shares owned, deferred compensation that is invested in ordinary shares within our EDCP Plans, ordinary share equivalents accumulated in our qualified and nonqualified employee savings plans as well as unvested RSUs. Stock options, SARs 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. As of the Record Date, all of our executives subject to the share-ownership guidelines were in compliance with these requirements.

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, 2014.

COMPENSATION COMMITTEE
Tony L. White (Chair)
John Bruton
Jared L. Cohon
Gary D. Forsee
Constance J. Horner

SUMMARY OF REALIZED COMPENSATION

The table below is a summary of the compensation actually realized by our CEO for 2014, 2013 and 2012. This information is intended as a supplement to and not as a substitute for the information shown on the Summary Compensation Table. The information required to be shown on the Summary Compensation Table includes elements of compensation that may or may not actually be realized by the NEOs at a future date. We believe this table enhances our shareholders' understanding of our CEO's compensation.

Year	Salary ($)	Performance-based Cash Compensation (1)($)	Equity Compensation (2)($)	Other Compensation (3)($)	Total Realized Compensation ($)
2014	$1,250,000	$2,650,000	$15,106,336	$394,328	$19,400,664
2013	$1,237,500	$1,821,270	$19,720,521	$319,785	$23,099,076
2012	$1,175,000	$1,522,950	$171,246	$311,363	$3,180,559

(1) Represents the AIM award paid in the applicable year and earned in the immediately previous year.

(2) Represents amount realized upon the exercise of stock options and the vesting of RSUs and PSUs, before payment of applicable withholding taxes and brokerage commissions, and includes the value of dividend equivalents paid on such awards. For 2014, this includes the following amounts:

	Value Realized	Total Shareholder Return ("TSR") Over the Period Outstanding *
Stock Options Exercise:		
February 1, 2006 Grant	$1,400,236	TSR for 2006-2014 was 126%
February 7, 2007 Grant	$1,121,317	TSR for 2007-2014 was 131%
February 15, 2008 Grant	$1,498,372	TSR for 2008-2014 was 92%
	$4,019,925	
Restricted Stock Units Vesting:		
February 24, 2012 Grant	$1,134,496	TSR for 2012-2014 was 173%
February 22, 2013 Grant	$1,049,467	TSR for 2013-2014 was 77%
	$2,183,963	
Performance Stock Units Earned:		
2011-2013 Performance Period	$8,902,447	TSR for 2011-2013 was 71%

* TSR calculated using closing stock price at the beginning and end of each period.

(3) Represents the amounts imputed as income under applicable IRS rules and regulations.

Proxy Statement

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, 2014, 2013 and 2012.

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	2014	1,250,000	—	7,493,591	2,096,815	2,048,200	6,026,605	502,295	19,417,506
Chairman and Chief Executive Officer	2013	1,237,500	250,000	7,176,489	2,265,976	2,650,000	917,847	490,026	14,987,838
	2012	1,175,000	—	6,288,586	1,697,045	1,571,270	4,920,650	483,868	16,136,419
S. K. Carter	2014	649,250		1,539,248	430,701	669,761	168,481	139,335	3,596,776
Senior Vice President and Chief Financial Officer	2013	163,790	960,000	2,302,436	65,408	218,050	29,347	364,657	4,103,688
M. J. Avedon	2014	548,250	—	891,174	249,361	483,119	985,227	114,066	3,271,197
Senior Vice President, Human Resources, Communications and Corporate Affairs	2013	523,500	100,000	902,256	275,006	615,125	46,862	87,814	2,550,563
	2012	503,400	—	960,778	259,277	371,657	603,324	99,207	2,797,643
D. P. M. Teirlinck	2014	655,000	—	1,336,792	374,026	787,041	1,159,571	150,536	4,462,966
Executive Vice President, Climate Segment	2013	604,167	—	1,939,504	362,505	855,547	356,770	186,124	4,304,617
	2012	580,000	—	1,179,131	318,197	225,695	750,764	117,538	3,171,325
R. G. Zafari	2014	550,000	—	972,208	272,024	384,005	815,343	94,916	3,088,496
Executive Vice President, Industrial Segment	2013	492,250	—	1,652,530	284,102	397,354	392,678	88,626	3,307,540
	2012	470,000	—	873,473	235,706	319,679	844,683	91,083	2,834,624

(a) Pursuant to the EDCP Plans, a portion of a participant's annual salary may be deferred into a number of investment options. In 2014 there were no salary deferrals by any NEO into the EDCP Plans.

(b) The amounts in this column for 2013 reflect completion recognition bonuses that were awarded in December, 2013 to certain individuals, including Mr. Lamach and Ms. Avedon, whose contributions were critical to the successful completion of the spin-off of the companies commercial and residential securities business. Ms. Carter, as part of her employment offer, received a cash payment of $960,000 in 2013 in consideration of the bonus and performance share plan payments forfeited at her prior employer. In the event Ms. Carter voluntarily leaves the company within two years of her hire date, she would have to repay this amount to the Company.

(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 11, “Share-Based Compensation,” to the Company’s consolidated financial statements contained in its 2014 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. 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 2014-16 PSU Awards ($)
M. W. Lamach	10,362,112
S. K. Carter	2,128,476
M. J. Avedon	1,232,318
D. P. M. Teirlinck	1,848,477
R. G. Zafari	1,344,371

Amounts in 2013 for Messrs. Teirlinck and Zafari include $814,968 from special RSU awards granted to them on December 6, 2013 in connection with the reorganization of the company or their respective promotions.

(d) Ms. Carter's 2013 AIM award was prorated to reflect her September 27, 2013 employment date. 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 11, “Share-Based Compensation,” to the Company’s consolidated financial statements contained in its 2014 Form 10-K. Please see “2014 Grants of Plan-Based Awards” and “Outstanding Equity Awards at December 31, 2014” for additional detail.

(e) This column reflects the amounts earned as annual awards under the AIM program. Unless deferred into the EDCP Plans, AIM program payments are made in cash. In 2014, Mr. Zafari was the only NEO who elected to defer a percentage (15%) of his AIM award into the EDCP Plans. Amounts shown in this column are not reduced to reflect deferrals of AIM awards into the EDCP Plans.

(f) Amounts reported in this column reflect the aggregate increase in the actuarial present value of the benefits under the qualified Ingersoll Rand Pension Plan Number One (the “Pension Plan”), Supplemental Pension Plans, Ingersoll-Rand Company Key Management Supplemental Program (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. Amounts are higher for those NEOs who are older and closer to retirement than for those who are younger and further from retirement since the period over which the benefit is discounted to determine its present value is shorter and the impact of discounting is therefore reduced.

Other external factors, outside the influence of the plan design, also impact the values shown in this column. For all the NEOs, the amounts in this column for 2012 and 2014 were impacted by decreasing interest rates (rates for ten-year Constant Maturities for US Treasury Securities), which cause the value of the lump sum distributions under the EOSP and the KMP to increase and in 2013 by increasing interest rates which cause the value of the lump sum distributions under the EOSP and the KMP to decrease. The 2014 change in value attributable to the change in interest rates is as follows for each of the NEOs: Lamach ($1,887,297), Carter ($15,034), Avedon ($259,400), Teirlinck ($121,415) and Zafari ($193,966). In addition, 2014 amounts for all NEOs were impacted by a change to the applicable mortality table as defined by the Internal Revenue Code that is used to estimate life expectancy. The change in value for each of the NEOs attributable to Changes in the applicable mortality table is as follows: Lamach ($1,357,339), Carter ($14,682), Avedon ($213,190), Teirlinck ($242,397) and Zafari ($259,258).

There was no above market interest earned by the NEOs during 2014.

(g) The following table summarizes the components of this column for fiscal year 2014:

Name	Company Contributions ($)(1)	Company Cost for Life Insurance ($)	Company Cost for Long Term Disability ($)	Tax Assistance ($)(2)	Other Benefits ($)(3)	Total ($)
M. W. Lamach	234,000	3,312	1,285	118,757	144,941	502,295
S. K. Carter	73,947	3,019	1,697	3,762	56,910	139,335
M. J. Avedon	69,803	1,319	1,824		41,120	114,066
D. P. M. Teirlinck	90,633	2,864	2,528	374	54,137	150,536
R. G. Zafari	56,841	2,276	2,029	93	33,677	94,916

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

(2) The amount for Mr. Lamach represents tax equalization payments related to Irish taxes owed on $315,000, 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. The amount for (i) Ms. Carter represents payments made on her behalf for taxes related to relocation costs and (ii) Messrs. Teirlinck and Zafari represent payments of taxes on their behalf related to Company contributions made to the Belgium social scheme.

(3) Represents: (i) 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 leased aircraft used by the Company is calculated based on the hourly average variable operating costs to the Company. Variable operating costs include fuel, maintenance, on-board catering and landing fees. The hourly average variable cost is multiplied by the amount of time flown for personal use to derive the incremental cost. The incremental cost to the Company of personal use of the Company's aircraft is calculated 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. 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 2014, the amount for Mr. Lamach includes $121,854 for personal use of Company-provided aircraft; (ii) the following relocation costs for Ms. Carter $36,159, (iii) the following incremental cost of the Company-leased cars, calculated based on the lease, insurance, fuel and maintenance costs to the Company (and for Ms. Avedon and Mr. Teirlinck, it also includes the difference between the resale value and the book value for the Company cars they purchased under the program): Mr. Lamach, $13,638; Ms. Carter $8,931; Ms. Avedon, $28,613; Mr. Teirlinck, $31,784; and Mr. Zafari, $21,056; (iv) additional incremental costs associated with the use of the Company 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. For 2014, the amount for Mr. Lamach includes $35,975 for such business-related travel; (v) the following costs for financial counseling services, which may include tax preparation and estate planning services: Mr. Lamach, $9,449; Ms. Carter $10,000; Ms. Avedon $9,449; Mr. Teirlinck, $5,000; and Mr. Zafari, $5,000; (vi) the following costs for medical services provided through an on-site physician under the Executive Health Program: Mr. Lamach, $0; Ms. Carter, $1,820; Ms. Avedon $3,058; Mr. Teirlinck, $1,817; and Mr. Zafari, $3,737; (vii) the payments of $15,536 and $3,884 to permit Messrs. Teirlinck and Zafari to remain covered under the Belgium social scheme and have access to the country's health plan should they return to Europe.

2014 Grants of Plan-Based Awards

The following table shows all plan-based awards granted to the NEOs during fiscal 2014. 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.

		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	All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards	Grant Date Fair Value of Stock and Option Awards
		Threshold	Target	Maximum	Threshold	Target	Maximum				
Name	Grant Date	($)(a)	($)(a)	($)(a)	(#)(b)	(#)(b)	(#)(b)	(#)(c)	(#)(c)	($/Sh)(d)	($)(e)
M. W. Lamach											
AIM	2/25/2014	600,000	2,000,000	4,000,000	—	—	—	—	—	—	—
PSUs (2014-16)	2/25/2014	—	—	—	19,328	77,309	154,618	—	—	—	5,181,056
Options	2/25/2014	—	—	—	—	—	—	—	146,733	59.8250	2,096,815
RSUs	2/25/2014	—	—	—	—	—	—	38,655	—	—	2,312,535
S. K. Carter											
AIM	2/25/2014	196,200	654,000	1,308,000	—	—	—	—	—	—	—
PSUs (2014-16)	2/25/2014	—	—	—	3,970	15,880	31,760	—	—	—	1,064,238
Options	2/25/2014	—	—	—	—	—	—	—	30,140	59.8250	430,701
RSUs	2/25/2014	—	—	—	—	—	—	7,940	—	—	475,011
M. J. Avedon											
AIM	2/25/2014	141,525	471,750	943,500	—	—	—	—	—	—	—
PSUs (2014-16)	2/25/2014	—	—	—	2,299	9,194	18,388	—	—	—	616,159
Options	2/25/2014	—	—	—	—	—	—	—	17,450	59.8250	249,361
RSUs	2/25/2014	—	—	—	—	—	—	4,597	—	—	275,016
D. P. M. Teirlinck											
AIM	2/25/2014	176,850	589,500	1,179,000	—	—	—	—	—	—	—
PSUs (2014-16)	2/25/2014	—	—	—	3,448	13,791	27,582	—	—	—	924,238
Options	2/25/2014	—	—	—	—	—	—	—	26,174	59.8250	374,026
RSUs	2/25/2014	—	—	—	—	—	—	6,896	—	—	412,553
R. G. Zafari											
AIM	2/25/2014	140,250	467,500	935,000	—	—	—	—	—	—	—
PSUs (2014-16)	2/25/2014	—	—	—	2,508	10,030	20,060	—	—	—	672,186
Options	2/25/2014	—	—	—	—	—	—	—	19,036	59.8250	272,024
RSUs	2/25/2014	—	—	—	—	—	—	5,015	—	—	300,022

(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 March 2015, based on performance in 2014. 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 2014 for all NEOs. The AIM program pays $0 for performance below threshold. 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.

(c) The amounts in these columns reflect the stock option and RSU awards. Awards in 2014 were granted in February 2014. 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.

(d) Stock options were granted under the Company's Incentive Stock Plan of 2013 (the "2013 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 2013 Plan as the average of the high and low trading 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 $59.65 on the February 2014 grant date.

(e) Amounts in this column include the grant date fair value of the equity awards 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 11, "Share-Based Compensation" to the Company's consolidated financial statements contained in its 2014 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.

Outstanding Equity Awards at December 31, 2014

		Option Awards (a)				Stock Awards (a)			
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable (b)	Number of Securities Underlying Unexercised Options (#) Unexercisable (b)	Option Exercise Price ($)	Option Expiration Date (d)	Number of Shares or Units of Stock that have Not Vested (#) (e)	Market Value of Shares or Units of Stock that have Not Vested ($) (f)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that have Not Vested (#) (g)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights that have Not Vested ($) (f)
M. W. Lamach	6/6/2008	100,000	—	34.6558	6/5/2018	—	—	—	—
	2/16/2010	250,000	—	25.2192	2/15/2020	—	—	—	—
	2/14/2011	140,351	—	37.7420	2/13/2021	—	—	—	—
	2/14/2011	88,083	—	37.7116	2/13/2021	—	—	—	—
	2/24/2012	41,351	—	32.4643	2/23/2022	—	—	—	—
	2/24/2012	51,903	51,903	32.4256	2/23/2022	18,507	1,173,159	111,025	7,037,575
	2/22/2013	55,469	110,938	41.9062	2/21/2023	34,801	2,206,035	104,400	6,617,916
	2/25/2014	—	146,733	59.8250	2/24/2024	38,655	2,450,340	77,309	4,900,618
S. K. Carter	10/1/2013 (c)	—	4,016	51.9167	9/30/2023	18,577	1,177,596	7,898	500,654
	10/1/2013	—	—	—	—	—	—	13,966	885,305
	2/25/2014	—	30,140	59.8250	2/24/2024	7,940	503,317	15,880	1,006,633
M. J. Avedon	2/15/2008	13,987	—	31.1121	2/14/2018	—	—	—	—
	2/16/2010	15,815	—	25.2192	2/15/2020	—	—	—	—
	2/14/2011	6,826	—	37.7116	2/13/2021	—	—	—	—
	2/14/2011	10,877	—	37.7420	2/13/2021	—	—	—	—
	2/24/2012	6,317	—	32.4643	2/23/2022	—	—	—	—
	2/24/2012	7,930	7,930	32.4256	2/23/2022	2,829	179,330	16,963	1,075,285
	2/22/2013	6,973	13,947	41.9062	2/21/2023	4,376	277,395	13,126	832,057
	2/25/2014	—	17,450	59.8250	2/24/2024	4,597	291,404	9,194	582,808
D. P. M. Teirlinck	2/24/2012	—	9,733	32.4256	2/23/2022	3,471	220,027	20,818	1,319,653
	2/22/2013	—	18,384	41.9062	2/21/2023	5,768	365,634	17,302	1,096,774
	12/6/2013	—	—	—		13,230	838,650	—	—
	2/25/2014	—	26,174	59.8250	2/24/2024	6,896	437,137	13,791	874,211
R. G. Zafari	2/1/2006	7,500	—	31.4502	1/31/2016	—	—	—	—
	2/24/2012	—	7,210	32.4256	2/23/2022	2,572	163,039	15,422	977,601
	2/22/2013	—	13,947	41.9062	2/21/2023	4,376	277,395	13,126	832,057
	12/6/2013	—	—	—	—	13,230	838,650	—	—
	2/25/2014	—	19,036	59.8250	2/24/2024	5,015	317,901	10,030	635,802

(a) In connection with the spin-off of our commercial and residential security businesses in December 2013 (the "Spin-off"), certain adjustments were made to outstanding equity awards held by our employees, including the NEOs, as described below:

- Vested and exercisable stock options and SARs were adjusted such that the holder of such awards was also afforded the right to options in the number of shares of Allegion plc ("Allegion") that he or she would have received had the ordinary shares of the Company subject to the vested and exercisable stock options and SARs been outstanding shares as of the record date for the Spin-off. The aggregate exercise price of the stock options and SARs was allocated between the adjusted awards in shares of the Company and Allegion in order to preserve the intrinsic value of the awards immediately before and after the Spin-off.

- Unvested stock options were adjusted wholly into stock options in the ordinary shares of the Company such that the number of shares and the exercise price of the options were adjusted to preserve their intrinsic value based on the value of the shares immediately before and after the Spin-off.
- PSUs and RSUs were adjusted such that the number of ordinary shares of the Company subject to the PSU and RSU awards was adjusted based on the value of the shares immediately before and after the Spin-off to preserve their intrinsic value. In addition, with respect to the PSU performance metrics, for purposes of calculating EPS growth, 2013 EPS was calculated as the combined 2013 full year reported EPS for the Company and Allegion; for purposes of calculating TSR in the outstanding award cycles, the stock price of Allegion immediately after the Spin-off, adjusted for the distribution ratio of 1 share of Allegion for every 3 shares of the Company, will be treated as a dividend.

(b) These columns represent stock option and SARs awards. Except as noted in (c) below, these awards generally become exercisable in three equal installments beginning on the first anniversary after the date of grant, subject to continued employment or retirement.

(c) Ms. Carter's option grant dated October 1, 2013, vests and becomes exercisable on the 3^{rd} anniversary of the grant date.

(d) All of the options granted to the NEOs expire on the tenth anniversary (less one day) of the grant date.

(e) This column represents unvested RSUs. Except as described in the following sentence, RSUs generally become exercisable in three equal installments beginning on the first anniversary after the date of grant, subject to continued employment or retirement. In the case of Ms. Carter's grant dated October 1, 2013 and Messrs. Zafari and Teirlinck's grants dated December 6, 2013, 100% of the grant vests on the third anniversary of the grant date.

(f) The market value was computed based on $63.39, the closing market price of the Company's ordinary shares on the NYSE at December 31, 2014.

(g) This column represents 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.

2014 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, 2014:

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	145,040	4,019,926	181,020	10,832,125	(b)
S. K. Carter	—	—	—	—	
M. J. Avedon	20,000	588,984	31,609	1,888,694	(c)
D. P. M. Teirlinck	27,731	749,195	40,668	2,429,911	(c)
R. G. Zafari	84,856	2,514,728	23,415	1,398,799	(d)(e)

(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 22, 2014 and February 24, 2014 and PSUs that vested on February 25, 2014, based on the average of the high and low stock price of the Company's ordinary shares on the vesting date.

(c) Reflects the value of the RSUs that vested on February 14, 2014, February 22, 2014 and February 24, 2014 and PSUs that vested on February 25, 2014 based on the average of the high and low stock price of the Company's ordinary shares on the vesting date.

(d) Reflects the value of the RSUs that vested on February 14, 2014, February 22, 2014 and February 24, 2014 and PSUs that vested on February 25, 2014 (other than with respect to shares that were deferred as described in footnote (e) below), based on the average of the high and low stock price of the Company's ordinary shares on the vesting date.

(e) Mr. Zafari elected to defer a portion of the shares acquired upon the vesting of his PSU award on February 25, 2014 into the Company's EDCP II. Mr. Zafari deferred 4,222 shares having a value of $252,581. Mr. Zafari's cash dividends of $6,425.24 that had accrued on the PSU award were also deferred under the EDCP II. Please see "2014 Nonqualified Deferred Compensation" for more information about the terms of the Company's EDCP Plans.

2014 Pension Benefits

The NEOs participate in one or more of the following defined benefit plans, 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 highest consecutive years out of the last ten years of eligible compensation) multiplied by years of credited service. 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 a 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. Since the Code limits the annual compensation and benefits recognized when calculating benefits under the qualified Pension Plan, the Supplemental Pension Plans restore what is lost in the Pension Plan due to these limits. 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 for 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.

NEOs participate in either the EOSP or the KMP. 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 that are provided by 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. Each NEO, other than Ms. Carter who was hired after the plan was closed, participates in the EOSP.

The KMP is an unfunded, nonqualified, non-contributory defined benefit plan available to certain key management employees. 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. Benefits are only available as a lump sum after termination and paid in accordance with Section 409A of the Code. Ms. Carter is the only NEO who participates 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 ($) (b)	Payments During Last Fiscal Year ($)
M.W. Lamach	Pension Plan	10.917		120,917	—
	Supplemental Pension Plan II	10.917		1,190,924	—
	EOSP	28	(c)	19,736,930	—
S.K. Carter	KMP	1.333		197,828	—
M. J. Avedon	Pension Plan	7.92		94,388	—
	Supplemental Pension Plan II	7.92		245,215	—
	EOSP	8.00	(d)	2,966,408	—
D.P.M. Teirlinck	Pension Plan	6.33	(e)	90,496	—
	Supplemental Pension Plan II	6.33	(e)	290,161	—
	EOSP	10	(f)	3,378,282	—
R. G. Zafari	Pension Plan	4.42	(e)	59,168	—
	Supplemental Pension Plan II	4.42	(e)	148,511	—
	EOSP	14.75	(f)	3,812,725	—

(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, 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 the Pension Plan, EOSP, KMP and Supplemental Pension Plan II are the years of credited service through December 31, 2014.

(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, 2014, consistent with the assumptions described in Note 9, "Pensions and Postretirement Benefits Other than Pensions," to the consolidated financial statements in the 2014 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 $13,032,052.

(d) 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 $1,300,591.

(e) Service in the Pension Plan and the Supplemental Pension Plan II for Messrs. Teirlinck and Zafari began in September 2008 and August 2010, respectively, when they transferred to the United States.

(f) Benefits for Messrs. Teirlinck and Zafari under the EOSP use all their service with the Company, not just the service in the United States. The benefit will be reduced by any and all benefits accrued or accumulated while covered under any non-U.S. plan in respect to any period of service that is counted as a year of service in this plan. The value of these non-U.S. benefits is not readily accessible until retirement, and therefore the amount shown for EOSP reflects the value of this benefit prior to these reductions.

2014 Nonqualified Deferred Compensation

The Company's EDCP Plans are unfunded, nonqualified plans that permit certain employees, including the NEOs, to defer receipt of up to 50% of their annual salary and up to 100% of their AIM awards, PSP awards and RSUs received upon commencement of employment. Elections to defer must be made prior to the beginning of the performance period. 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 Plans. 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 (approximately 60 mutual fund investments and ordinary share equivalents), 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 five, 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	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 II	—	—	165,910	—	3,741,545
Supplemental ESP	—	218,400	78,819	—	1,791,463
S. K. Carter					
Supplemental ESP	—	48,584	1,140	—	49,724
M. J. Avedon					
EDCP II	—	—	184,888	—	4,169,542
Supplemental ESP	—	54,203	7,517	—	385,703
D. P. M. Teirlinck					
EDCP II	—	—	237,868	—	5,364,336
Supplemental ESP	—	75,033	30,050	—	478,989
R. G. Zafari					
EDCP II	262,078	—	20,401	—	419,504
Supplemental ESP	—	41,241	10,314	—	232,710

(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 previously reported as compensation to the NEOs in the Company's Summary Compensation Table in proxy statements for prior years. Each of Messrs. Lamach, Teirlinck and Zafari and Ms. Carter and Ms. Avedon first became NEOs and therefore had their compensation reported in the Company's proxy statements for fiscal years 2005 (Lamach), 2014 (Carter), 2010 (Avedon), 2010 (Teirlinck) and 2012 (Zafari).

Name	EDCP Plans ($)	Supplemental ESP ($)
M. W. Lamach	1,529,086	771,033
S. K. Carter	—	—
M. J. Avedon	376,016	110,543
D. P. M. Teirlinck	3,213,525	171,157
R. G. Zafari	354,098	113,866

Post-Employment Benefits

The following discussion describes the compensation to which each NEO would be entitled in the event of termination of such executive's employment, including termination following a change in control.

Employment Arrangements and Severance. All of the NEOs are entitled to certain benefits upon termination of their employment following a change in control. Mr. Lamach, Ms. Carter 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. In addition, any unvested PSP awards from completed performance periods would vest and Mr. Lamach would also receive prorated PSP awards (not to exceed target) for the open performance periods at the end of the respective performance periods. These awards would be based on actual performance in accordance with the terms of the PSP program. Under the terms of her employment agreement, Ms. Carter is eligible for 12 months of base salary plus a prorated AIM award (not to exceed target) 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 plus an AIM award equal to the target amount. In addition, any unvested PSP awards from completed performance periods would vest and Ms. Avedon would also receive prorated PSP awards (not to exceed target) for the open performance periods at the end of the respective performance periods. These awards would be based on actual performance in accordance with the terms of the PSP program.

In the event of a change in control or termination due to a Major Restructuring, severance for Mr. Lamach, Ms. Carter and Ms. Avedon 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. Although the Company does not have a formal severance policy for officers, NEOs who are terminated by the Company other than for cause will generally be entitled to received up to 12 months' base salary as severance and, depending on the circumstances and timing of the termination, a pro-rated portion of their AIM award, not to exceed target. In addition, the Company's equity award agreements provide for the following upon the occurrence of one of the specified events in the table below:

<table>
<tr><th></th><th>Stocks Options</th><th>RSUs</th><th>PSUs</th></tr>
<tr><td>Retirement</td><td>Continue to vest on the same basis as active employees and remain exercisable for a period of five years (or three years in the case of retirement for awards granted prior to 2007) following termination.</td><td>Continue to vest on the same basis as active employees.</td><td rowspan="3">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.</td></tr>
<tr><td>Group Termination</td><td>Immediately vest in the portion of the awards that would have vested within twelve months of termination and remain exercisable for a period of three years following termination.</td><td>Immediately vest in the portion of the awards that would have vested within twelve months of termination.</td></tr>
<tr><td>Job Elimination</td><td>Unvested awards are forfeited and vested awards remain exercisable for a period of one year following termination.</td><td>Unvested awards are forfeited.</td></tr>
<tr><td>Death or Disability</td><td>Either vest or continue to vest on the same basis as active employees and the stock options remain exercisable for a period of three years following termination.</td><td>Either vest or continue to vest on the same basis as active employees.</td><td>Vest pro-rata based on the time worked during the performance period and the achievement of performance goals from the beginning of the performance period through the end of the calendar quarter in which employment terminated.</td></tr>
</table>

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 Mr. Zafari and Ms. Carter, 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" 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 Messrs. Lamach and Teirlinck and Ms. Avedon, a lump sum payment equal to three times for Mr. Lamach and two and one-half times for Ms. Avedon and Mr. Teirlinck 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.

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). The Company would also provide each NEO up to $100,000 of outplacement services. For purposes of calculating the NEO's nonqualified pension benefits, 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 severance benefit under his 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. 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.

Under the Company's incentive plans, outstanding unvested stock options, SARs and RSUs immediately vest and become exercisable or payable, as applicable, following a change in control. PSUs will be deemed to have earned a pro-rata award based on the target award opportunity and total number of months worked in the applicable performance period.

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 (iv) 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.

Enhanced Retirement Benefits. An officer is vested in the EOSP or KMP upon the earlier of: (i) the attainment of age 55 and the completion of 5 years of service; (ii) attainment of age 62 for the EOSP and age 65 for the KMP; (iii) death; (iv) disability (as provided under plan term); or (iv) change in control. A termination within two years following a change in control also triggers the payment of an enhanced benefit (as described above). Benefits under the EOSP or KMP are forfeited in the event of termination for cause. In order to be eligible for an EOSP or KMP benefit in the event of disability, a participant must remain disabled until age 65. An officer becomes vested in both the Pension Plan and the Supplemental Pension Plans upon the completion of 5 years of service. As of December 31, 2014, Mr. Lamach and Ms. Avedon were not vested in the EOSP and Ms. Carter was not vested in the KMP.

Health Benefits. In the event of a change in control, health benefits are provided, which include the Company cost of both active health and welfare benefits for the severance period (three years for Mr. Lamach and two and one-half years for the other NEOs), as well as retiree medical, if applicable.

Major Restructuring. The Company has adopted a 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 the 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. In addition, the participants would 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. As of December 31, 2014, the value of cash severance for the NEOs was: Mr. Lamach, $8,125,000; Ms. Carter, $2,616,000; Ms. Avedon, $2,053,500; Mr. Teirlinck, $2,489,000; and Mr. Zafari, $2,035,000.

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, (iii) receive a prorated payout of outstanding PSUs based on actual performance at the end of performance period , and (iv) have the right to exercise all vested SARs at any time within the following three-year period (five years if retirement eligible) or the remaining term of the SAR, if shorter. As of December 31, 2014, the value of unvested equity awards was: Mr. Lamach, $23,425,074; Ms. Carter, $3,260,587; Ms. Avedon, $3,179,631; Mr. Teirlinck, $4,993,099; and Mr. Zafari, $3,931,848.

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 two business segments (*i.e.* , Climate and Industrial), so long as such transaction or transactions do not constitute a Change in Control (as defined in the applicable plan).

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, 2014, 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, 2014. 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)	–	2,500,000	–	9,750,000	–	–
Earned but Unpaid AIM Award(s) (b)	–	2,048,200	–	2,048,200	–	–
PSP Award Payout (c)	–	13,081,921	–	19,772,424	13,081,921	13,081,921
Value of Unvested Equity Awards (d)	–	–	–	10,343,153	10,343,153	10,343,153
Enhanced Retirement Benefits (e)	–	–	–	3,896,906	–	–
Outplacement (f)	–	13,400	–	100,000	–	–
Health Benefits (g)	–	–	–	26,843	–	–
Tax Assistance (h)	–	–	–	26,055,045	–	–
Total	–	17,643,521	–	71,992,571	23,425,074	23,425,074
S. K. Carter						
Severance (a)	–	654,000	–	3,270,000	–	–
Earned but Unpaid AIM Award(s) (b)	–	654,000	–	669,761	–	–
PSP Award Payout (c)	–	–	–	1,426,465	1,426,148	1,426,148
Value of Unvested Equity Awards (d)	–	–	–	1,834,439	1,834,439	1,834,439
Enhanced Retirement Benefits (e)	–	–	–	1,233,855	–	–
Outplacement (f)	–	13,400	–	100,000	–	–
Health Benefits (g)	–	–	–	22,397	–	–
Tax Assistance (h)	–	–	–	–	–	–
Total	–	1,321,400	–	8,556,917	3,260,587	3,260,587
M. J. Avedon						
Severance (a)	–	555,000	–	2,566,875	–	–
Earned but Unpaid AIM Award(s) (b)	–	471,750	–	483,119	–	–
PSP Award Payout (c)	–	1,824,111	–	2,614,439	1,824,111	1,824,111
Value of Unvested Equity Awards (d)	–	–	–	1,355,520	1,355,520	1,355,520
Enhanced Retirement Benefits (e)	–	–	–	1,115,184	–	–
Outplacement (f)	–	13,400	–	100,000	–	–
Health Benefits (g)	–	–	–	22,397	–	–
Tax Assistance (h)	–	–	–	4,094,820	–	–
Total	–	2,864,261	–	12,352,354	3,179,631	3,179,631
D. P. M. Teirlinck						
Severance (a)	–	655,000	–	3,111,250	–	–
Earned but Unpaid AIM Award(s) (b)	–	589,500	–	787,041	–	–
PSP Award Payout (c)	2,342,007	2,342,007	–	4,198,053	2,342,007	2,342,007
Value of Unvested Equity Awards (d)	2,651,092	2,651,092	–	2,651,092	2,651,092	2,651,092
Enhanced Retirement Benefits (e)	–	–	–	1,590,345	–	–
Outplacement (f)	–	13,400	–	100,000	–	–
Health Benefits (g)	–	–	–	22,397	–	–
Tax Assistance (h)	–	–	–	5,111,936	–	–
	4,993,099	6,250,999	–	17,572,114	4,993,099	4,993,099

Name	Voluntary Resignation/ Retirement ($)	Involuntary without Cause ($)	Involuntary with Cause ($)	Change in Control ($)	Disability ($)	Death ($)
R. G. Zafari						
Severance (a)	–	550,000	–	2,543,750	–	–
Earned but Unpaid AIM Award(s) (b)	–	384,005	–	384,005	–	–
PSP Award Payout (c)	1,744,112	1,744,112	–	1,744,303	1,744,112	1,744,112
Value of Unvested Equity Awards (d)	2,187,735	2,187,735	–	2,197,898	2,187,735	2,187,735
Enhanced Retirement Benefits (e)	–	–	–	1,577,109	–	–
Outplacement (f)	–	13,400	–	100,000	–	–
Health Benefits (g)	–	–	–	22,397	–	–
Tax Assistance (h)	–	–	–	–	–	–
Total	3,931,847	4,879,252	–	8,569,462	3,931,847	3,931,847

(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. 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 (i) AIM award earned by Mr. Lamach and Ms. Avedon in 2014 and paid pursuant to the terms of their employment agreements and (ii) prorated AIM award (up to target) earned by Ms. Carter in 2014 and (iii) 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 2014 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 (i) Mr. Lamach and Ms. Avedon pursuant to the terms of their employment agreements and (ii) Messrs. Teirlinck and Zafari because they were retirement eligible at December 31, 2014. For the "Change in Control" column for Messrs. Lamach and Teirlinck 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. Zafari and Ms. Carter, these values represent what would be provided under the terms of the 2007 Plan and 2013 Plan, which provide a pro-rated payment for all outstanding awards at target. 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, 2014 ($63.69).

(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, 2014 ($63.69), and (ii) the intrinsic value of the unvested stock options and SARs, which is calculated based on the difference between the closing stock price of the ordinary shares on December 31, 2014 ($63.69) and the relevant exercise price. However, only in the event of termination following a "Change in Control" or, beginning with the 2013 awards, termination due to death or disability is there accelerated vesting of unvested awards. In addition, in the event of a "Change in Control," holders of outstanding stock options and SARs under the Stock Incentive Plan of 1998 may elect to receive a cash payment based on the difference between the highest fair market value of the shares during the 60 days prior to the event ($64.745) and the exercise price. For "Retirement," "Disability" (before 2013 grant) and "Death" (before 2013 grant), the awards do not accelerate but continue to vest on the same basis as active employees. Because Messrs. Teirlinck and Zafari were retirement eligible, they would continue to vest in stock options and RSUs after termination of employment for any reason other than cause.

(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 EOSP, KMP and Supplemental Pension Plans 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 $13,400. 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.

(h) Pursuant to the change-in-control agreements for Messrs. Lamach and Teirlinck 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.

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 2014 Form 10-K, which includes our financial statements prepared in accordance with U.S. GAAP. These financial statements are included in the mailing of this Proxy Statement. Irish law also requires us to provide you with our Irish Statutory Accounts for our 2014 fiscal year, including the reports of our Directors and auditors thereon, which accounts have been prepared in accordance with Irish law. The Irish Statutory Accounts are available on the Company’s website at *www.ingersollrand.com/irishstatutoryaccounts* and will be laid before the Annual General Meeting.

How Do I Attend The Annual General Meeting?

All shareholders are invited to attend the Annual General Meeting. **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.

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
Ingersoll-Rand 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, 2015, the Record Date. At that time, there were 264,714,628 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.

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.

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 5:00 p.m. Eastern Time on June 3, 2015 (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 Ingersoll-Rand Company Employee Savings Plan for Bargained Employees, the Ingersoll-Rand Retirement Savings Plan for Participating Affiliates in Puerto Rico, the Ingersoll-Rand Individual Account Retirement Plan for Bargaining Unit Employees at the Buffalo, New York Plant 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.

To allow plan administrators to properly process your vote, your voting instructions must be received by 11:59 p.m. on June 1, 2015. 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 Ingersoll-Rand plc, 170/175 Lakeview Dr., 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 and 6 (routine matter) if it does not receive instructions from you. However, your bank, brokerage firm or nominee may not vote your shares on Items 1, 2 and 5 (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 Georgeson Inc. to assist in the distribution of proxy materials and the solicitation of proxies for a fee estimated at $17,500 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 and director nominee 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[a]	Notional Shares[b]	Options Exercisable Within 60 Days[c]
A. C. Berzin	21,837	32,119	—
J. Bruton	4,775	—	—
E. L. Chao	—	—	—
J. L. Cohon	24,175	—	10,080
G. D. Forsee	23,541	—	—
E. E. Hagenlocker	10,682	—	—
C. J. Horner	3,101	43,306	—
L. P. Hudson	80	—	—
T. E. Martin	28,433	76,929	—
M. P. Lee	—	—	—
J. P. Surma	4,338	—	—
R. J. Swift	9,348	58,870	—
T. L. White	22,998	45,357	—
M.W. Lamach	123,986	59,276	733,440
S.K. Carter	10,649	—	10,046
M. J. Avedon	29,702	66,056	82,444
D. P. M. Teirlinck	4	84,985	27,649
R. G. Zafari	32,523	5,659	28,028
All directors and executive officers as a group (22 persons)[e]	400,874	582,466	1,063,507

(a) 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 Trane Deferred Compensation Plan (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.

(b) Represents ordinary shares and ordinary share equivalents notionally held under the Ingersoll Rand Directors Deferred Compensation Plan (the "DDCP I") and the Ingersoll Rand Directors Deferred Compensation and Stock Award Plan II (the "DDCP II" and, together with the DDCP I, referred to as the "DDCP Plans"), the EDCP Plans and the TDCP that are not distributable within 60 days of the Record Date.

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

(d) The Company's ordinary shares beneficially owned by all directors and executive officers as a group (including shares issuable under exercisable options) aggregated approximately 0.55% of the total outstanding ordinary shares. Ordinary shares and ordinary share equivalents notionally held under the DDCP Plans, the EDCP Plans 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 2015 for the year ended December 31, 2014 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(a)
BlackRock, Inc. 40 East 52nd Street New York, New York 10022	14,944,106	5.66%
Vanguard Group Inc. 100 Vanguard Blvd. Malvern, PA 19355	13,560,384	5.12%

(a) 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.

(b) Information regarding BlackRock, Inc. and its stockholdings was obtained from a Schedule 13G filed with the SEC on February 2, 2015. The filing indicated that, as of December 31, 2014, BlackRock, Inc. had sole voting power as to 12,242,741 of such shares and sole dispositive power as to 14,911,198 of such shares.

(c) Information regarding Vanguard Group Inc. and its stockholdings was obtained from a Schedule 13G filed with the SEC on February 10, 2015. The filing indicated that, as of December 31, 2014, Vanguard Group Inc. had sole voting power as to 460,003 of such shares and sole dispositive power as to 13,124,938 of such shares.

Equity Compensation Plan Information

The following table provides information as of December 31, 2014, 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)	10,390,360	$36.18	16,315,042
Equity compensation plans not approved by security holders (2)	1,376,071	0	0
Total	11,766,431	$36.18	16,315,042

(1) Consists of the Incentive Stock Plan of 1998, the 2007 Plan, the 2013 Plan and the Trane 2002 Omnibus Incentive Plan.

(2) Consists of EDCP Plans, DDCP Plans and the TDCP. Plan participants acquire Company shares under these plans as a result of the deferral of salary, AIM awards and PSUs.

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 Corporate Governance and Nominating Committee for consideration and approval by the disinterested directors. The 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 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.ingersollrand.com* or on a current report on Form 8-K. No such waivers were requested or granted in 2014.

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.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

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 2014 other than with respect to one Form 4 filing for Mr. Richard Weller due to administrative error.

SHAREHOLDER PROPOSALS AND NOMINATIONS

Any proposal by a shareholder intended to be presented at the 2016 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 26, 2015, 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 2015 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 2016 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 6, 2015. If the date of the 2016 Annual General Meeting occurs more than 30 days before, or 60 days after, the anniversary of the 2015 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.

The 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 *irboard@irco.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.ingersollrand.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.

NOTICE REGARDING ADOPTION OF FINANCIAL REPORTING STANDARD ("FRS") 102

Recent changes in Irish accounting regulations require the Company to adopt FRS 101 or FRS 102 for the parent company's Irish statutory accounts for the fiscal year starting January 1, 2015. The transition date for the purpose of preparing a prior year comparative will be January 1, 2014. The Board of Directors considers it to be in the best interest of the Company to adopt FRS 102 (the financial reporting standard applicable in the UK and Ireland) for the fiscal year starting January 1, 2015. The Company intends to utilize the disclosure exemptions available under this framework. No disclosures in the current Irish GAAP financial statements would be omitted on adoption of FRS 102. If shareholders wish to object to the use of the disclosure exemptions and have a holding in aggregate of 5% or more of the Company's total allotted shares, they may do so in writing to the Company Secretary at Ingersoll-Rand plc, 170-175 Lakeview Drive, Airside Business Park, Swords, Co. Dublin, Ireland stating their objection by the deadline date of May 31, 2015.

Dated: April 23, 2015

Appendix A

Directions to the Annual General Meeting

Direction from Dublin to Carton House Hotel, Maynooth, Co. Kildare, Ireland

- Take the main M4 motorway westbound.
- From the motorway, take the "Leixlip West" exit (Junction 6) and follow the signs to Carton House Hotel.

2014 Financials

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

(Mark One)

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

For the fiscal year ended December 31, 2014
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
INGERSOLL-RAND PUBLIC LIMITED COMPANY
(Exact name of registrant as specified in its charter)

Ireland	**98-0626632**
(State or other jurisdiction of incorporation or organization)	*(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	Name of each exchange on which registered
Ordinary Shares, Par Value $1.00 per Share	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 X 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 X

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 X NO____

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). YES X NO____

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

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

Large accelerated filer X	Accelerated filer _____
Non-accelerated filer ____ (Do not check if a smaller reporting company)	Smaller reporting company ______

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES____ NO X

The aggregate market value of ordinary shares held by nonaffiliates on June 30, 2014 was approximately $16.6 billion based on the closing price of such stock on the New York Stock Exchange.

The number of ordinary shares outstanding as of February 2, 2015 was 263,321,574.

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 4, 2015 are incorporated by reference into Part II and Part III of this Form 10-K.

INGERSOLL-RAND PLC

Form 10-K
For the Fiscal Year Ended December 31, 2014

TABLE OF CONTENTS

			Page
Part I	Item 1.	Business	3
	Item 1A.	Risk Factors	7
	Item 1B.	Unresolved Staff Comments	14
	Item 2.	Properties	14
	Item 3.	Legal Proceedings	15
	Item 4.	Mine Safety Disclosures	18
Part II	Item 5.	Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	18
	Item 6.	Selected Financial Data	21
	Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	22
	Item 7A.	Quantitative and Qualitative Disclosure About Market Risk	40
	Item 8.	Financial Statements and Supplementary Data	42
	Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	43
	Item 9A.	Controls and Procedures	43
	Item 9B.	Other Information	43
Part III	Item 10.	Directors, Executive Officers and Corporate Governance	44
	Item 11.	Executive Compensation	44
	Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	44
	Item 13.	Certain Relationships and Related Transactions, and Director Independence	44
	Item 14.	Principal Accountant Fees and Services	44
Part IV	Item 15.	Exhibits and Financial Statement Schedules	45
	Signatures		59

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," "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; any statements regarding pending investigations, claims or disputes, including those relating to the Internal Revenue Service audit of our consolidated subsidiaries' tax filings; 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 SEC. 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:

- overall economic, political and business conditions in the markets in which we operate;
- the demand for our products and services;
- competitive factors in the industries in which we compete;
- changes in tax requirements (including tax rate changes, new tax laws and revised tax law interpretations);
- the outcome of any litigation, governmental investigations or proceedings;
- the outcome of any income tax audits or settlements;
- interest rate fluctuations and other changes in borrowing costs;
- other capital market conditions, including availability of funding sources;
- currency exchange rate fluctuations, exchange controls and currency devaluations;
- availability of and fluctuations in the prices of key commodities and the impact of higher energy prices;
- the ability to achieve cost savings in connection with our productivity programs;
- impairment of our goodwill, indefinite-lived intangible assets and/or our long-lived assets;
- climate change, changes in weather patterns and seasonal fluctuations;
- the impact of potential information technology or data security breaches;
- the strategic acquisition of businesses, product lines and joint ventures; and
- the possible effects on us of future legislation in the U.S. that may limit or eliminate potential U.S. tax benefits resulting from our incorporation in a non-U.S. jurisdiction, such as Ireland.

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 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 Item 7 of this report and our Consolidated Financial Statements and related notes in Item 8 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

Ingersoll-Rand plc (IR-Ireland), a public limited company incorporated in Ireland in 2009, and its consolidated subsidiaries (collectively, we, our, the Company) is a diversified, global company that provides products, services and solutions to enhance the quality and comfort of air in homes and buildings, transport and protect food and perishables, and increase industrial productivity and efficiency. Our business segments consist of Climate and Industrial, both with strong brands and leading positions within their respective markets. We generate revenue and cash primarily through the design, manufacture, sale and service of a diverse portfolio of industrial and commercial products that include well-recognized, premium brand names such as Ingersoll-Rand®, Trane®, Thermo King®, American Standard® and Club Car®.

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

Recent Divestitures

Discontinued Operations

On December 1, 2013, the Company completed the previously announced separation of its commercial and residential security businesses by distributing the related ordinary shares of Allegion, on a pro rata basis, to the Company's shareholders of record as of November 22, 2013. After the Distribution Date, Allegion became an independent publicly traded company.

The results of the commercial and residential security businesses prior to the spin-off are presented as a discontinued operation on the Consolidated Statement of Comprehensive Income and Consolidated Statement of Cash Flows for all periods presented.

See “Discontinued Operations” within Management's Discussion and Analysis of Financial Condition and Results of Operations and also Note 15 to the Consolidated Financial Statements for a further discussion of our discontinued operations.

Business Segments

Our business segments provide products, services and solutions used to increase the efficiency and productivity of both industrial and commercial operations and homes, as well as improve the health and comfort of people around the world.

Our business segments are as follows:

Climate

Our Climate segment delivers energy-efficient solutions globally and includes Trane® and American Standard® Heating & Air Conditioning which provide heating, ventilation and air conditioning (HVAC) systems, and commercial and residential building services, parts, support and controls; and Thermo King® transport temperature control solutions. This segment had 2014 net revenues of $9.9 billion.

Industrial

Our Industrial segment delivers products and services that enhance energy efficiency, productivity and operations. It includes Ingersoll Rand® compressed air systems and services, power tools, material handling systems, ARO® fluid management equipment, as well as Club Car® golf, utility and rough terrain vehicles. This segment had 2014 net revenues of $3.0 billion.

Segment Revenue and profit information and additional financial data and commentary on recent financial results for operating segments are provided in the Review of Business Segments section in Part II, Item7. “Management's Discussion and Analysis of Financial Condition and Results of Operations” and in Note 18 to the Consolidated Financial Statements in Part II, Item 8. “Financial Statements and Supplementary Data” of this Annual Report on Form 10-K.

Products and Services

Our principal products and services by business segment include the following:

Climate	
Aftermarket parts and service	Energy management services
Air cleaners	Facility management services
Air conditioners	Furnaces
Air exchangers	Heat pumps
Air handlers	Humidifiers
Airside and terminal devices	Installation contracting
Auxiliary idle reduction	Package heating and cooling systems
Auxiliary temperature management	Performance contracting
Building management systems	Repair and maintenance services
Bus and rail HVAC systems	Service agreements
Chillers	Temporary heating and cooling systems
Coils and condensers	Thermostats/controls
Container refrigeration systems and gensets	Trailer refrigeration systems
Control systems	Unitary systems
Cryogenic refrigeration systems	Vehicle-powered truck refrigeration systems
Diesel-powered refrigeration systems	

Industrial	
Air compressors (centrifugal, reciprocating, and rotary)	Hoists (air, electric, and manual)
Aftermarket parts and accessories	Motion control components
Airends	Power tools (air, cordless, and electric)
Blowers	Precision fastening systems
Dryers	Pumps (diaphragm and piston)
Engine starting systems	Rough terrain (AWD) vehicles
Ergonomic material handling systems	Service contracts and programs
Filters	Utility and low-speed vehicles
Fluid handling systems	Visage® mobile golf information systems
Golf vehicles	Winches (air, electric, and hydraulic)

These products are sold primarily under our name and under other names including American Standard, ARO, Club Car, Thermo King and Trane.

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, air compression systems, transport temperature control products, air tools, and golf and utility vehicles.

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.

Customers

We have no customer that accounted for more than 10% of our consolidated net revenues in 2014, 2013 or 2012. 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. In the past, variability in prices for some commodities, particularly steel and non-ferrous metals, have caused pricing pressures in some of our businesses. We have historically been able adjust pricing with customers to maintain our margins; however, we may not always be able to offset these cost changes with price changes.

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. However, significant changes in certain material costs may have an adverse impact on our costs and operating margins. To mitigate this potential impact, we enter into long-term supply contracts in order to manage our exposure to potential supply disruptions.

Working Capital

We manufacture products that must be readily available to meet our customers' rapid delivery requirements. Therefore, we maintain an adequate level of working capital to support our business needs and our customers' requirements. Such working capital requirements are not, however, in the opinion of management, materially different from those experienced by our major competitors. We believe our sales and payment terms are competitive in and appropriate for the markets in which we compete.

Seasonality

Demand for certain of our products and services is influenced by weather conditions. For instance, Trane's sales have historically tended to be seasonally higher in the second and third quarters of the year because this represents summer in the U.S. and other northern hemisphere markets, which is the peak season 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 unexpected cool trends or unseasonably warm trends during the summer season 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. In addition, we continually evaluate developing technologies in areas that we believe will enhance our business for possible investment or acquisition. We anticipate that we will continue to make significant expenditures for research and development activities as we look to maintain and improve our competitive position. Research and development expenditures were approximately $212.3 million in 2014, $218.2 million in 2013 and $235.4 million in 2012.

Patents and Licenses

We own numerous patents and patent applications, and are licensed under others. Although in aggregate we consider our patents and licenses to be valuable to our operations, we do not believe that our business is materially dependent on a single patent or license 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.

Operations by Geographic Area

Approximately 40% of our net revenues in 2014 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 nationalization and establishment of common markets, may have an adverse impact on our non-U.S. operations. For a discussion of risks associated with our non-U.S. operations, see "Risk Factors – Our global operations subject us to economic risks," and "Risk Factors – Currency exchange rate fluctuations and other related risks may adversely affect our results," in Item 1A and "Quantitative and Qualitative Disclosure about Market Risk" in Item 7A. Additional geographic data is provided in Note 18 to the Consolidated Financial Statements.

Backlog

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

In millions	2014	2013
Climate	$ 1,499.3	$ 1,342.7
Industrial	489.6	517.4
Total	$ 1,988.9	$ 1,860.1

These backlog figures are based on orders received. While the major portion of our products are built in advance of order and either shipped or assembled from stock, orders for specialized machinery or specific customer application are submitted with extensive lead times and are often subject to revision, deferral, cancellation or termination. We expect to ship substantially all the December 31, 2014 backlog during 2015.

Environmental Matters

We continue to be dedicated to an environmental program to reduce the utilization and generation of hazardous materials during the manufacturing process 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.

We incurred $5.2 million, $(0.5) million, and $3.1 million of expenses during the years ended December 31, 2014, 2013, and 2012, respectively, for environmental remediation at sites presently or formerly owned or leased by us. As of December 31, 2014 and 2013, we have recorded reserves for environmental matters of $45.2 million and $47.9 million, respectively. Of these amounts $36.3 million and $42.1 million, respectively, relate to remediation of sites previously disposed by us. Our total current environmental reserve at December 31, 2014 and 2013 was $17.1 million and $13.5 million, respectively. Given the evolving nature of environmental laws, regulations and technology, the ultimate cost of future compliance is uncertain.

For a further discussion of our potential environmental liabilities, see also Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, Contingent Liabilities, as well as Note 17 to the Consolidated Financial Statements.

Asbestos Related Matters

Certain of our wholly-owned subsidiaries are 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 have been filed against either Ingersoll-Rand Company (IR-New Jersey) or Trane U.S. Inc. (Trane) and generally allege injury caused by exposure to asbestos contained in certain historical products sold by IR-New Jersey or Trane, primarily pumps, boilers and railroad brake shoes. Neither IR-New Jersey nor Trane was a producer or manufacturer of asbestos, however, some formerly manufactured products utilized asbestos-containing components such as gaskets and packings purchased from third-party suppliers.

We incurred net costs after insurance recoveries of $(64.9) million, $56.2 million, and $7.8 million during the years ended December 31, 2014, 2013, and 2012, respectively, related to the settlement and defense of asbestos-related claims. Our total liability for asbestos-related matters and our total asset for probable asbestos-related insurance recoveries were $776.6 million and $335.7 million, respectively, as of December 31, 2014 and $846.2 million and $321.8 million, respectively, as of December 31, 2013.

See also the discussion under Part I, Item 3, Legal Proceedings, and Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, Contingent Liabilities, as well as further detail in Note 17 to the Consolidated Financial Statements.

Employees

As of December 31, 2014, we employed approximately 43,000 people throughout the world.

Available Information

We file annual, quarterly, and current reports, proxy statements, and other documents with the SEC under the Securities Exchange Act of 1934. The public may read and copy any materials filed with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Also, the SEC maintains an Internet website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The public can obtain any documents that are filed by us at http://www.sec.gov.

In addition, 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 (http://www.ingersollrand.com) as soon as reasonably practicable after such reports are electronically filed with or furnished to the SEC. The Board of Directors of the Company has also adopted and posted in the Investor Relations section of the Company's website our Corporate Governance Guidelines and charters for each of the Board's standing committees. The contents of the Company's website are not incorporated by reference in this report.

Certifications

New York Stock Exchange Annual Chief Executive Officer Certification

The Company's Chief Executive Officer submitted to the New York Stock Exchange the Annual CEO Certification as the Company's compliance with the New York Stock Exchange's corporate governance listing standards required by Section 303A.12 of the New York Stock Exchange's listing standards.

Sarbanes-Oxley Act Section 302 Certification

The certifications of the Chief Executive Officer and Chief Financial Officer of the Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 are filed as exhibits to this Annual Report on Form 10-K.

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 but 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.

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, including Europe, China, Brazil, Venezuela, Africa, India, Argentina, Mexico and Russia. 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;
- imposition of burdensome tariffs and quotas;
- 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
- 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.

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 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. 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 the market. Failure to develop new products and services that are accepted by the market could have a material adverse impact on our competitive position, results of operations, financial condition, and cash flows.

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 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.

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.

Our consolidated financial results reported in U.S. dollars are exposed to changes in the exchange rates used to translate certain non-U.S. operations into U.S. dollars. The majority of our Net revenues are denominated in U.S. dollars or Chinese Yuan, which currently has a fixed rate of exchange with the U.S. dollar. The largest concentration of non-U.S. denominated sales is in the Euro functional currency. If the average exchange rate used to translate revenue from Euro-denominated operations into U.S. dollars were to change we are exposed to impacts on Net earnings.

We are also exposed to gains or losses on purchases, sales and other transactions at the operating unit level that are denominated in foreign currencies. We use derivative instruments to hedge those exposures that cannot be naturally offset to an insignificant amount. The instruments utilized are viewed as risk management tools, 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 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.

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, product liability 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.

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, 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.

We may be 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, to manage and operate our business. We are also investing in new information technology systems that are designed to continue improving our operations. 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 our technology systems, infrastructure or products could negatively impact our business and financial results.

Our information technology systems and infrastructure and technology embedded in certain of our control products may be subject to cyber attacks and unauthorized security intrusions. In addition, hardware, software or applications we develop or obtain from third parties may contain defects in design or manufacture or other problems that could unexpectedly result in security breaches or disruptions. The methods used to obtain unauthorized access, disable or degrade service, or sabotage 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, the ever-evolving threats mean we must continually evaluate and adapt our systems and processes, and there is no guarantee that they will be adequate to safeguard against all data security breaches or misuses of data. Our systems, networks and certain of our control products may be vulnerable to system damage, malicious attacks from hackers, employee errors or misconduct, viruses, power and utility outages, and other catastrophic events that could cause significant harm to our business by negatively impacting our business operations, compromising the security of our proprietary information or the personally identifiable data relating to our customers, employees and business partners and exposing us to litigation that could adversely affect our reputation. Such events could have a material adverse impact on our results of operations, financial condition and cash flows.

Commodity shortages and price increases and higher energy prices 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, the Company may experience pressure from its customers to reduce prices. There can be no assurance that the Company would be able to reduce its costs (through negotiations with suppliers or other measures) to offset any such price concessions which could adversely impact results of operations and cash flows. We do not currently use financial derivatives to hedge against this volatility. While we use fixed price contracts to mitigate this exposure, we expect any future hedging activity to seek to minimize near-term volatility of the commodity prices which would not protect us from long-term commodity price increases.

Additionally, we are exposed to large fluctuations in the price of petroleum-based fuel due to the instability of current market prices. Higher energy costs increase our operating costs and the cost of shipping our products, and supplying services, to customers around the world. Consequently, sharp price increases, the imposition of taxes or an interruption of supply, could cause us to lose the ability to effectively manage the risk of rising fuel prices and may have a material adverse impact on our results of operations and cash flows.

Our operational excellence efforts may not achieve the improvements we expect.

We utilize a number of tools, such as Lean Six Sigma, to improve operational efficiency and productivity. Implementation of new processes to our operations could cause disruptions and there is no assurance that all of our planned operational excellence projects will be fully implemented or, if implemented, will realize the expected improvements.

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

At December 31, 2014, the net carrying value of our goodwill and other indefinite-lived intangible assets totaled $5.4 billion and $2.6 billion, respectively. In accordance with generally accepted accounting principles, we periodically assess these assets to determine if they are impaired. Significant negative industry or economic trends, disruptions to our business, unexpected significant changes or planned changes in use of the assets, divestitures and 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.

Changes in weather patterns and seasonal fluctuations may adversely affect certain segments of the Company's business and impact overall results of operations.

Demand for certain segments of the Company's products and services is influenced by weather conditions. For instance, Trane's sales have historically tended to be seasonally higher in the second and third quarters of the year because, in the U.S. and other northern hemisphere markets, summer is the peak season 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 unexpected cool trends or unseasonably warm trends during the summer season could negatively or positively affect certain segments of the Company's business and impact overall results of operations.

Global climate change could negatively affect our business.

Refrigerants are essential to many of our products and there is a growing awareness and concern regarding global warming potential of such materials. As such, national, regional and international regulations and policies are being considered to curtail their use. As we begin to see regulations impeding the use of the current class of widely used refrigerants we are planning for, and managing transitions to, sustainable solutions. We have committed to increase energy efficiency and reduce our climate impact with operational and product-related climate targets, including among other initiatives: (i) 50 percent reduction in the greenhouse gas refrigerant footprint of our products for customers by 2020 and lower global warming potential alternatives across our portfolio by 2030; (ii) $500 million investment in product-related research and development over the next five years to fund the long-term reduction of greenhouse gas emissions; and (iii) 35 percent reduction in the greenhouse gas footprint of our office buildings, manufacturing facilities and fleet by 2020. While we are committed to pursuing these sustainable solutions, there can be no assurance that our commitments will be successful, that our products will be accepted by the market or that economic returns will match the investment that we are making in new product development.

Concerns regarding global climate change may result in more international, regional and/or federal requirements to reduce or mitigate global warming and these regulations could mandate even more restrictive standards than the voluntary commitments that we have made or require such changes on a more accelerated timeframe. 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.

In addition, to the extent climate change influences weather patterns, such changes could also disrupt our operations by causing business interruptions or by impacting the availability and cost of materials needed for manufacturing and could increase insurance and other operating costs. These factors may impact our decisions to construct new facilities or maintain existing facilities in areas most prone to physical climate risks.

Weakness in the commercial and residential construction markets may adversely impact our results of operations and cash flow.

Our commercial and residential HVAC businesses, which collectively represent 60% of our net revenues, 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. Decrease in the demand for our products and services could have a material adverse impact on our results of operations and cash flow.

Our business strategy includes acquiring companies, entering into joint ventures and making investments that complement our existing businesses. We may not identify acquisition or joint venture candidates at the same rate as the past. Acquisition, 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 of strategic businesses and product lines, joint ventures and investments with the potential to strengthen our industry position, enhance our existing set of product and services offerings or grow revenues, earnings and cash flow. 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. Acquisitions, joint ventures and investments 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;
- difficulties in obtaining and verifying the financial statements and other business 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 acquired businesses or of ours;
- assumption of the liabilities and exposure to unforeseen liabilities of acquired businesses;
- 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.

It may be difficult for us to complete transactions quickly and to integrate acquired operations efficiently into our business operations. Any acquisitions, joint ventures or investments may ultimately harm our business, financial condition, results of operations and cash flows, as such transactions may not be successful and may ultimately result in impairment charges.

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. 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. Our failure to comply with applicable laws and regulations could lead to significant penalties, fines or other sanctions. If we are unable to effectively respond to changes to 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.

Risks Relating to our Past Spin-off Transaction

In December 2013, we completed the spin-off of our former commercial and residential security businesses to our shareholders (the spin-off) pursuant to which each shareholder as of the record date for the spin-off received one ordinary share of Allegion, plc (Allegion) for every three Ingersoll-Rand plc ordinary shares. Allegion is now an independent public company. This spin-off exposed us and our shareholders to the risks described below. In addition, we cannot be assured that all of the anticipated benefits of the spin-off and subsequent to the spin-off will be realized.

If the distribution or certain internal transactions undertaken in anticipation of the spin-off are determined to be taxable for U.S. federal income tax purposes, we, our shareholders as of the time of the distribution that are subject to U.S. federal income tax and/or Allegion could incur significant U.S. federal income tax liabilities.

We received a ruling from the U.S. Internal Revenue Service (the "IRS") substantially to the effect that, among other things, the distribution of Allegion plc's ordinary shares, together with certain related transactions, will qualify for tax-free treatment under Sections 355 and 368(a) of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), with the result that we and our shareholders will not recognize any taxable income, gain or loss for U.S. federal income tax purposes as a result of the spin-off, except to the extent of cash received in lieu of fractional shares (the “IRS Ruling”). The IRS Ruling also provides that specified internal transactions undertaken in anticipation of the distribution will qualify for favorable treatment under the Code. In addition, we received opinions from the law firm of Simpson Thacher & Bartlett LLP substantially to the effect that specified requirements, including certain requirements that the IRS will not rule on, necessary to obtain tax-free treatment have been satisfied, such that the distribution for U.S. federal income tax purposes and certain other matters relating to the distribution, including certain internal transactions undertaken in anticipation of the distribution, will receive tax-free treatment under Section 355 of the Code. The IRS Ruling and the opinions relied on certain facts and assumptions and certain representations and undertakings from us and Allegion regarding the past and future conduct of our respective businesses and other matters.

Notwithstanding the IRS Ruling and the opinions, the IRS could determine on audit that the distribution or the internal transactions should be treated as taxable transactions if it determines that any of these facts, assumptions, representations or undertakings is not correct or has been violated, or that the distribution or the internal transactions should be taxable for other reasons, including as a result of significant changes in shares or asset ownership after the distribution. A legal opinion represents the tax adviser’s best legal judgment and is not binding on the IRS or the courts, and the IRS or the courts may not agree with the opinion. In addition, the opinion is based on current law and cannot be relied upon if current law changes with retroactive effect. If the distribution, and/or internal transactions, ultimately is determined to be taxable, we or Allegion 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.

Furthermore, if, notwithstanding receipt of the IRS Ruling and opinions, the spin-off were determined to be a taxable transaction, each shareholder subject to U.S. federal income tax who received shares of Allegion in the spin-off would generally be treated as receiving a taxable distribution of property in an amount equal to the fair market value of the Allegion shares received. That distribution would be taxable as a dividend to the extent of our then-current and accumulated earnings and profits. Any amount that exceeded our earnings and profits would be treated first as a non-taxable return of capital to the extent of the applicable shareholder's tax basis in our ordinary shares with any remaining amount being taxed as a capital gain.

Under the terms of the Tax Matters Agreement between us and Allegion executed in connection with the spin-off, in the event the distribution or the internal transactions were determined to be taxable as a result of actions taken after the distribution by us or Allegion, the party responsible for such failure would be responsible for all taxes imposed on us or Allegion as a result thereof. If such failure is not the result of actions taken after the distribution by us or Allegion, then Allegion would be responsible for any taxes imposed on us or Allegion as a result of such determination. Such tax amounts could be significant. If Allegion were to default in its obligation to us to pay such taxes, we could be legally liable under applicable tax law for such liabilities and required to make additional tax payments. Accordingly, under certain circumstances, we may be obligated to pay amounts in excess of our agreed-upon share of tax liabilities. To the extent we are responsible for any liability under the Tax Matters Agreement, there could be a material adverse impact on our business, financial condition, results of operations and cash flows in future reporting periods.

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

We may be deterred from engaging in significant equity transactions in order to preserve, for U.S. federal income tax purposes, the tax-free nature of the distribution. Even if the distribution otherwise qualifies for tax-free treatment under Section 355 of the Code, it may result in corporate-level taxable gain to us and certain of our affiliates under Section 355(e) of the Code if 50% or more, by vote or value, of our shares or Allegion’s shares are acquired or issued as part of a plan or series of related transactions that includes the distribution. Any acquisitions or issuances of our shares or Allegion’s shares within two years after the distribution will generally be presumed to be part of such a plan, although we or Allegion may be able to rebut that presumption. As a result, we may not pursue strategic transactions or engage in new business or other transactions that would otherwise maximize the value of our business.

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

We received an opinion of the Irish Revenue regarding the Irish tax consequences of the distribution to the effect that certain reliefs and exemptions for corporate reorganizations apply. In addition to obtaining the opinion from Irish Revenue, we also received opinions from the law firm of Arthur Cox confirming the applicability of the relevant exemptions and reliefs to the distribution as well as received opinions from other external advisers that certain internal transactions will not trigger Irish tax costs as well. These opinions relied on certain facts and assumptions and certain representations and undertakings from us and Allegion regarding the past and future conduct of our respective businesses and other matters. Notwithstanding the opinions, Irish Revenue could determine on audit that the distribution or the internal transactions do not qualify for the relevant exemptions or reliefs if it determines that any of these facts, assumptions, representations or undertakings is not correct or has 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 not to fall within certain exemptions or reliefs, the distribution could result in certain of our shareholders having an Irish tax liability as a result of the distribution, or we or Allegion could incur Irish tax liabilities. To the extent we are responsible for any such liability under the Tax Matters Agreement, there could be a material adverse impact on our business, financial condition, results of operations and cash flows in future reporting periods.

Risks Relating to Our Past Reorganizations

We effected a corporate reorganization in December 2001 to become a Bermuda company (the Bermuda Reorganization) and a subsequent corporate reorganization in July 2009 to become an Irish public limited company. These reorganizations exposed us and our shareholders to the risks described below. In addition, we cannot be assured that all of the anticipated benefits of the reorganizations will be realized.

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 reorganizations 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. 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 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. For instance, recent U.S. legislative proposals would broaden the circumstances under which we would be considered a U.S. resident for U.S. tax purposes, which would significantly diminish the realization of any tax benefit related to our reorganizations. There are other recent U.S. legislative proposals that could modify or eliminate the tax deductibility of various currently deductible payments, which could materially and adversely affect our effective tax rate and cash tax position. Moreover, other U.S. legislative proposals could have a material adverse impact on us by overriding certain tax treaties and limiting the treaty benefits on certain payments by our U.S. subsidiaries to our non-U.S. affiliates, which could increase our tax liability. We cannot predict the outcome of any of these potential changes in any jurisdiction.

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 Ireland Reorganization, 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.

While our U.S. operations are subject to U.S. tax, we believe that a significant portion of our non-U.S. operations are generally not subject to U.S. tax other than withholding taxes. The IRS or a court, however, may not concur with our conclusions including our determination that we, and a significant number of our foreign subsidiaries, are not controlled foreign corporations (CFC) within the meaning of the U.S. tax laws. A contrary determination, which could also arise through significant future acquisitions of our stock by U.S. persons, could also potentially cause U.S. holders (direct, indirect or constructive owners) of 10% or more of our stock (or the voting stock of our non-U.S. subsidiaries) to include in their gross income their pro rata share of certain of our and our non-U.S. subsidiary income for the period during which we (and our non-U.S. subsidiaries) were a CFC. In addition, gain (or a portion of such gain) realized on CFC shares sold by such shareholders may be treated as ordinary income depending on certain facts. Treatment of us or any of our non-U.S. subsidiaries as a CFC could have a material adverse impact on our results of operations, financial condition, and cash flows.

As described further in "Legal Proceedings," we have received several notices from the IRS containing proposed adjustments to our tax filings in connection with audits of the 2001-2006 tax years. The IRS has not contested the validity of our reincorporation in Bermuda in any of these notices. We have and intend to continue to vigorously contest all of these proposed adjustments.

Although the outcome of these matters cannot be predicted with certainty, based upon an analysis of the merits of our position, we believe that we are adequately reserved for these matters and do not expect that the ultimate resolution will have a material adverse impact on our future results of operations, financial condition, or cash flows. As we move forward to resolve these matters with the IRS, the reserves established may be adjusted. Although we continue to contest the IRS's position, there can be no assurance that we will be successful. If the IRS's position with respect to 2002-2006 is ultimately sustained, we would be required to record additional charges and the resulting liability would have a material adverse impact on our future results of operations, financial condition and cash flows. Furthermore, a substantial amount of information has been provided to the IRS in connection with its audit of our 2007-2011 tax years. We expect the IRS to propose similar adjustments with respect to the intercompany debt incurred in connection with our reincorporation in Bermuda, although we do not know how the IRS will apply its position to the different facts presented in these years or whether the IRS will take a similar position with respect to intercompany debt instruments not outstanding in prior years.

The inability to realize any anticipated tax benefits related to our reorganizations could have a material adverse impact on our results of operations, financial condition, and cash flows.

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 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 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, these authorizations must be renewed by the shareholders every five years and we cannot guarantee that these authorizations will always be approved. Beginning with the 2014 proxy season, Institutional Shareholder Services (ISS) began taking the position that Irish companies should limit these authorizations in terms of the number of authorized but unissued shares that can be issued without shareholder approval to 33% of such company's issued ordinary share capital, the number of shares that can be issued without pre-emptive rights to up to 5% of such company's issued ordinary share capital and the duration of the authorizations to eighteen months. If we are required to conform these authorizations to the ISS standards in order to obtain shareholder approval, we will be limited in our ability to issue shares in ways that U.S. companies are not limited and will need to renew the authorizations even more frequently than the five-year period provided under Irish law.

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 20%) 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 IR-Ireland.

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 IR-Ireland.

Item 1B. **UNRESOLVED STAFF COMMENTS**

None.

Item 2. **PROPERTIES**

As of December 31, 2014, we owned or leased a total of approximately 14 million square feet of space worldwide. Manufacturing and assembly operations are conducted in 50 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 the conduct of our business.

The locations by segment of our principal plant facilities at December 31, 2014 were as follows:

Climate		
Americas	**Europe**	**Asia Pacific and India**
Curitiba, Brazil	Kolin, Czech Republic	Zhong Shan, China
Monterrey, Mexico	Charmes, France	Taicang, China
Arecibo, Puerto Rico	Golbey, France	Chennai, India
Fort Smith, Arkansas	Galway, Ireland	Penang, Malaysia
Pueblo, Colorado	Barcelona, Spain	Samut Prakan, Thailand
Lynn Haven, Florida		
Macon, Georgia		
Vidalia, Georgia		
Rushville, Indiana		
Lexington, Kentucky		
St. Paul, Minnesota		
Hastings, Nebraska		
Trenton, New Jersey		
Columbia, South Carolina		
Clarksville, Tennessee		
Tyler, Texas		
Waco, Texas		
La Crosse, Wisconsin		

Industrial		
Americas	**Europe**	**Asia Pacific and India**
Dorval, Canada	Unicov, Czech Republic	Changzhou, China
Augusta, Georgia	Sin le Noble, France	Guilin, China
Campbellsville, Kentucky	Wasquehal, France	Nanjing, China
Madison Heights, Michigan	Oberhausen, Germany	Wujiang, China
Mocksville, North Carolina	Fogliano Redipuglia, Italy	Naroda, India
Southern Pines, North Carolina	Vignate, Italy	Sahibabad, India
West Chester, Pennsylvania	Logatec, Slovenia	
Kent, Washington		

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 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.

Tax Related Matters

In 2007, we received a notice from the IRS containing proposed adjustments to our tax filings in connection with an audit of the 2001 and 2002 tax years. The IRS did not contest the validity of our reincorporation in Bermuda. The IRS proposed to ignore the entities that hold the intercompany debt incurred in connection with our reincorporation in Bermuda (the “2001 Debt”) and to which the interest was paid and impose 30% withholding tax on a portion of the interest payments as if they were made directly to a company that was not eligible for reduced U.S. withholding tax under a U.S. income tax treaty. The IRS asserted that we owe additional taxes with respect to 2002 of approximately $84 million plus interest. In 2010, we received an amended notice from the IRS assessing penalties of 30% on the asserted underpayment of tax described above.

We have so far been unsuccessful in resolving this dispute and in 2013 received a Notice of Deficiency from the IRS for 2002. The Company filed a petition in the United States Tax Court in November 2013 contesting this deficiency. In its January 2014 answer to our petition, the IRS asserted that we also owe 30% withholding tax on the portion of 2002 interest payments made on the 2001 Debt upon which it did not previously assert withholding tax. This increases the total tax liability proposed for 2002 to $109.0 million ($84.0 million referred to in the paragraph above plus an additional $25.0 million) plus 30% penalties and interest.

In 2013, we received notices from the IRS containing proposed adjustments to the Company's tax filings in connection with an audit of the 2003-2006 tax years. In these notices, the IRS asserts that we owe a total of approximately $665 million of additional taxes, as described more fully in the two paragraphs below, in connection with our interest payments on the 2001 Debt for the 2003-2006 period, plus penalties and interest on these unpaid taxes.

The IRS continues to take the position on the 2001 Debt, which was retired at the end of 2011, that it previously took for our 2002 tax year and which is described above. As a result of this recharacterization, the IRS asserts that we owe approximately $455 million of withholding tax for 2003-2006 plus 30% penalties.

The IRS also proposes to extend its position further and to treat all of the interest income from the 2001 Debt as creating earnings and profits at IR-Limited and, as a result, recharacterize the distributions made by IR-Limited during the 2002-2006 tax years as taxable dividends instead of as a return of capital. Consequently the IRS asserts that we owe approximately $210 million of income tax on these dividends plus penalties of 20%. We strongly disagree with the view of the IRS and filed a protest in January 2014 for the 2003-2006 tax years.

Furthermore, a substantial amount of information has been provided to the IRS in connection with its audit of our 2007-2011 tax years. We expect the IRS to propose similar adjustments with respect to the 2001 Debt, although we do not know how the IRS will apply its position to the different facts presented in these years or whether the IRS will take a similar position with respect to intercompany debt instruments not outstanding in prior years.

We have vigorously contested all of these proposed adjustments and intend to continue to do so. Although the outcome of these matters cannot be predicted with certainty, based upon an analysis of the merits of our position we believe that we are adequately reserved under the applicable accounting standards for these matters and do not expect that the ultimate resolution will have a material adverse impact on our future results of operations, financial condition, or cash flows. As we move forward to resolve these matters with the IRS, the reserves established may be adjusted. Although we continue to contest the IRS's position, there can be no assurance that we will be successful. If the IRS's position with respect to the 2002-2006 tax years is ultimately sustained we would be required to record additional charges and the resulting liability would have a material adverse impact on our future results of operations, financial condition and cash flows.

We believe that we have adequately provided for any reasonably foreseeable resolution of any tax disputes, but will adjust our reserves if events so dictate in accordance with GAAP. 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.

For a further discussion of tax matters, see Note 14 to the Consolidated Financial Statements.

Asbestos-Related Matters

Certain wholly-owned subsidiaries of the Company are 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 have been filed against either IR-New Jersey or Trane and generally allege injury caused by exposure to asbestos contained in certain historical products sold by IR-New Jersey or Trane, primarily pumps, boilers and railroad brake shoes. Neither IR-New Jersey nor Trane was a producer or manufacturer of asbestos, however, some formerly manufactured products utilized asbestos-containing components such as gaskets and packings purchased from third-party suppliers.

See also the discussion under Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, Contingent Liabilities, and also Note 17 to the Consolidated Financial Statements.

Executive Officers of the Registrant

The following is a list of executive officers of the Company as of February 13, 2015.

Name and Age	Date of Service as an Executive Officer	Principal Occupation and Other Information for Past Five Years
Michael W. Lamach (51)	2/16/2004	Chairman of the Board (since June 2010) and Chief Executive Officer and President (since February 2010); President and Chief Operating Officer (2009-2010); Senior Vice President and President, Trane Commercial Systems (2008-2009); Senior Vice President and President, Security Technologies (2004-2008)
Susan K. Carter (56)	10/2/2013	Senior Vice President and Chief Financial Officer (since October 2013); KBR Inc. (a global engineering, construction and services business), Executive Vice President and Chief Financial Officer (2009-2013); Lennox International Inc. (a heating, air conditioning and refrigeration company), Executive Vice President and Chief Financial Officer (2004 to 2009)
Marcia J. Avedon (53)	2/7/2007	Senior Vice President, Human Resources, Communications and Corporate Affairs (since June 2013); Senior Vice President, Human Resources and Communications (2007 - 2013)
Paul A. Camuti (53)	8/1/2011	Senior Vice President, Innovation and Chief Technology Officer (since August 2011); President, Smart Grid Applications, Siemens Energy, Inc. (an energy technology subsidiary of Siemens Corporation) (2010 -2011); President, Research Division, Siemens Corporation (a diversified global technology company) (2009 - 2010); President and Chief Executive Officer, Siemens Corporate Research, Inc. (the research subsidiary of Siemens Corporation) (2005 - 2009)
Robert L. Katz (52)	11/1/2010	Senior Vice President and General Counsel (since November 2010); Federal- Mogul Corporation (a global automotive supplier), Senior Vice President, General Counsel and Corporate Secretary (2007-2010)
Gary S. Michel (52)	8/1/2011	Senior Vice President and President, Residential HVAC (since December 2013); Senior Vice President and President, Residential Solutions (2011-2013); President and Chief Executive Officer, Club Car (2007 - 2011)
Didier Teirlinck (58)	6/4/2008	Executive Vice President Ingersoll Rand, Climate Segment (since December 2013); Senior Vice President and President, Climate Solutions (2009-2013); President, Climate Control Technologies (2008-2009); President, Climate Control Europe (2005-2008)
Todd D. Wyman (47)	11/16/2009	Senior Vice President, Global Operations and Integrated Supply Chain: (since November 2009); GE Transportation (a unit of General Electric Company), Vice President, Global Supply Chain (2007-2009)
Robert G. Zafari (56)	7/1/2010	Executive Vice President Ingersoll Rand, Industrial Segment (since December 2013); Senior Vice President and President, Industrial Technologies (2010-2013); President, TCS and Climate Solutions EMEIA (2009-2010); President, Security Technologies ESA (2007-2008)
Richard J. Weller (58)	9/8/2008	Vice President and Controller (since September 2008); Vice President, Finance (2008); Vice President, Finance, Security Technologies Sector (2005-2008)

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

Item 4. **MINE SAFETY DISCLOSURES**

Not applicable.

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 IR. As of February 2, 2015, the approximate number of record holders of ordinary shares was 3,910.

The high and low sales price per share and the dividend declared per share for the following periods were as follows:

	Ordinary shares		
2014	High	Low	Dividend
First quarter	$ 62.88	$ 55.70	$ 0.25
Second quarter	63.99	54.39	0.25
Third quarter	64.50	56.36	0.25
Fourth quarter	64.59	53.57	0.25
2013	High	Low	Dividend
First quarter [(a)]	$ 56.77	$ 48.06	$ —
Second quarter	58.92	52.03	0.21
Third quarter	66.62	55.32	0.21
Fourth quarter [(b)]	71.75	54.83	0.21

(a) In December 2012, we declared a dividend of $0.21 per ordinary share payable on March 28, 2013 to shareholders of record on March 12, 2013.

(b) On December 1, 2013, we spun off our commercial and residential security businesses to our shareholders. Each of our shareholders of record as of November 22, 2013 received one ordinary share of Allegion for every three Ingersoll-Rand plc ordinary shares owned.

Future dividends on our ordinary shares, if any, will be at the discretion of our Board of Directors and will depend on, among other things, our results of operations, cash requirements and surplus, financial condition, contractual restrictions and other factors that the Board of Directors may deem relevant, as well as our ability to pay dividends in compliance with the Irish Companies Act. Under the Irish Companies Act, dividends and distributions may only be made from distributable reserves. Distributable reserves, broadly, means the accumulated realized profits of Ingersoll-Rand plc (IR-Ireland). In addition, no distribution or dividend may be made unless the net assets of IR-Ireland are equal to, or in excess of, the aggregate of IR-Ireland's called up share capital plus undistributable reserves and the distribution does not reduce IR-Ireland's net assets below such aggregate.

Information regarding equity compensation plans required to be disclosed pursuant to this Item is incorporated by reference from our definitive proxy statement for the Annual General Meeting of Shareholders.

Issuer Purchases of Equity Securities

The following table provides information with respect to purchases by the Company of its ordinary shares during the quarter ended December 31, 2014:

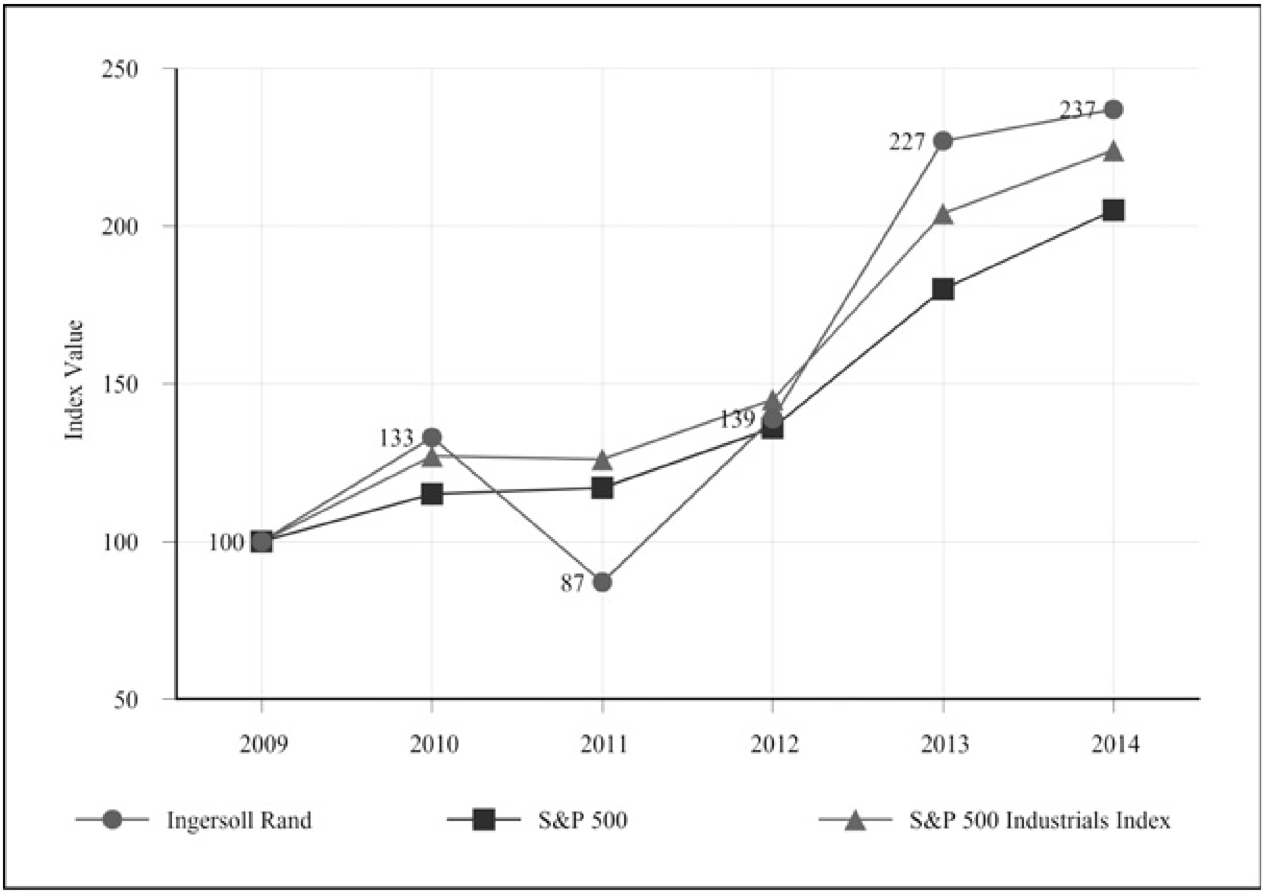
Period	Total number of shares purchased (000's) (a) (b)	Average price paid per share (a) (b)	Total number of shares purchased as part of program (000's) (a)	Approximate dollar value of shares still available to be purchased under the program ($000's) (a)
October 1 - October 31	1,445.5	$ 56.74	1,444.5	$ 1,036,638
November 1 - November 30	1,238.6	62.64	1,213.2	960,639
December 1 - December 31	702.0	63.04	697.9	916,639
Total	3,386.1	$ 60.21	3,355.6	

(a) In February 2014, our Board of Directors authorized the repurchase of up to $1.5 billion of our ordinary shares under a share repurchase program, which began in April 2014. Based on market conditions, share repurchases will be made from time to time in the open market and in privately negotiated transactions at the discretion of management. The repurchase program does not have a prescribed expiration date.

(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 1,005 shares in October; 25,442 shares in November; and 4,058 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, 2014. The graph assumes an investment of $100 in our ordinary shares, the Standard & Poor's 500 Stock Index and the Standard & Poor's 500 Industrial Index on December 31, 2009 and assumes the reinvestment of dividends.



Company/Index	2009	2010	2011	2012	2013	2014
Ingersoll Rand	100	133	87	139	227	237
S&P 500	100	115	117	136	180	205
S&P 500 Industrials Index	100	127	126	145	204	224

Item 6. **SELECTED FINANCIAL DATA**

In millions, except per share amounts:

At and for the years ended December 31,	2014	2013	2012	2011	2010
Net revenues	$ 12,891.4	$ 12,350.5	$ 11,988.3	$ 12,760.8	$ 12,033.4
Net earnings (loss) attributable to Ingersoll-Rand plc ordinary shareholders:					
Continuing operations	897.0	620.1	772.4	123.4	505.2
Discontinued operations	34.7	(1.3)	246.2	219.8	137.0
Total assets	17,298.5	17,658.1	18,482.1	18,819.6	20,078.0
Total debt	4,224.4	3,521.2	3,229.4	3,637.6	3,677.8
Total Ingersoll-Rand plc shareholders' equity	5,987.4	7,068.9	7,147.8	6,924.3	7,981.3
Earnings (loss) per share attributable to Ingersoll-Rand plc ordinary shareholders:					
Basic:					
Continuing operations	$ 3.32	$ 2.11	$ 2.54	$ 0.38	$ 1.56
Discontinued operations	0.12	—	0.81	0.68	0.42
Diluted:					
Continuing operations	$ 3.27	$ 2.08	$ 2.49	$ 0.36	$ 1.49
Discontinued operations	0.13	(0.01)	0.79	0.65	0.40
Dividends declared per ordinary share	$ 1.00	$ 0.63	$ 0.69	$ 0.59	$ 0.28

1. 2011 amounts represent the operating results of the Hussmann Business and Branches through their respective divestiture and transaction dates of September 30, 2011 and November 30, 2011, including an after-tax loss on sale and impairment charges of $546 million.
2. 2011 Dividends declared per ordinary share includes a dividend of $0.16 per ordinary share, declared in December 2011, and payable on March 30, 2012 to shareholders of record on March 12, 2012.
3. 2012 Dividends declared per ordinary share includes a dividend of $0.21 per ordinary share, declared in December 2012, and payable on March 28, 2013 to shareholders of record on March 12, 2013.

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.

Overview

Organization

We are a diversified, global company that provides products, services and solutions to enhance the quality and comfort of air in homes and buildings, transport and protect food and perishables and increase industrial productivity and efficiency. Our business segments consist of Climate and Industrial, both with strong brands and leading positions within their respective markets. We generate revenue and cash primarily through the design, manufacture, sale and service of a diverse portfolio of industrial and commercial products that include well-recognized, premium brand names such as Ingersoll-Rand®, Trane®, Thermo King®, American Standard® and Club Car®.

To achieve our mission of being a world leader in creating comfortable, sustainable and efficient environments, we continue to focus on increasing our recurring revenue stream from parts, service, used equipment and rentals; and to continuously improve the efficiencies and capabilities of the products and services of our high-potential businesses. Additional emphasis is placed on expanding market coverage in terms of geography or by taking advantage of a particular vertical market or opportunity. We also continue to focus on operational excellence strategies as a central theme to improving our earnings and cash flows.

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 factors, wherever we operate or do business. Our geographic and industry 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 the broad range of products manufactured and geographic markets served, management uses a variety of factors to predict the outlook for the 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 a key measure of anticipated performance. In those industry segments where we are a capital equipment provider, revenues depend on the capital expenditure budgets and spending patterns of our customers, who may delay or accelerate purchases in reaction to changes in their businesses and in the economy.

Current market conditions remain challenging across different international markets. Residential and Commercial new construction activity are slowly recovering in the United States. This is impacting the results of our commercial Heating, Ventilation and Air Conditioning (HVAC) business. Non-residential new construction remains sluggish in Europe and is growing at slower pace in Asia. However, HVAC equipment replacement and aftermarket continue to experience steady growth. We have seen slower worldwide industrial equipment and aftermarket activity. As economic conditions stabilize, we expect moderate growth in worldwide construction markets and slow growth in industrial markets, along with benefits from productivity programs for the remainder of the year.

Despite the current market environment, we believe we have a solid foundation of global brands and leading market shares in all of our major product lines. Our growing geographic and industry 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.

Significant events in 2014

Announcement to Acquire Cameron International Corporation's Centrifugal Compression Division

On August 18, 2014, the Company announced an agreement to acquire the assets of Cameron International Corporation’s Centrifugal Compression division (the Division) for $850 million. The acquisition was completed on January 1, 2015, and was funded through a combination of cash from operations and debt. The Division provides centrifugal compression equipment and aftermarket parts and services for global industrial applications, air separation, gas transmission and process. The assets acquired and the results of its operations will be reflected in our consolidated financial statements beginning in the first quarter of 2015.

Issuance of Senior Notes due 2020, 2024, and 2044

In October 2014, we issued $1.1 billion principal amount of Senior Notes in three tranches through a newly-created wholly-owned subsidiary, Ingersoll-Rand Luxembourg Finance S.A. (IR-Lux). The tranches consist of $300 million of 2.625% Senior Notes due in 2020, $500 million of 3.55% Senior Notes due 2024, and $300 million of 4.65% Senior Notes due in 2044. The notes are fully and unconditionally guaranteed by Ingersoll-Rand Plc (IR-Ireland) and certain of our wholly-owned subsidiaries.

The proceeds from the notes were primarily used to (i) fund the October 2014 redemption of the $200 million of 5.50% Notes due 2015 and $300 million 4.75% Senior Notes due 2015, and (ii) fund the acquisition of Cameron International Corporation's Centrifugal Compression division on January 1, 2015. Related to the redemption, the Company recognized $10.2 million of premium expense in Interest expense.

For additional information regarding the terms of the notes and the related guarantees, see Notes 7 and 19 to the Consolidated Financial Statements.

2014 Dividend Increase and Share Repurchase Activity

In February 2015, we announced an increase in our quarterly dividend from $0.25 to $0.29 per share beginning with our March 2015 payment.

In February 2014, our Board of Directors authorized the repurchase of up to $1.5 billion of our ordinary shares under a new share repurchase program. The new share repurchase program began in the second quarter of 2014. During 2014, the Company repurchased 23.0 million shares for $1.4 billion, of which 9.8 million shares for $583.4 million were under the 2014 program. Shares repurchased prior to October 2014 were canceled upon repurchase and beginning in October 2014, repurchased shares were held in treasury and recognized at cost.

In December 2012, our Board of Directors authorized the repurchase of up to $2.0 billion of our ordinary shares under a share repurchase program. The share repurchase program began in April 2013, and during 2013, we repurchased 20.8 million shares for $1.2 billion, excluding commissions. The remaining $0.8 billion of repurchases authorized under this program were made during the first and second quarter of 2014.

Venezuela Currency Devaluation

In February 2013, the government of Venezuela announced a devaluation of the Bolivar, from the pre-existing official exchange rate obtained through the National Center of Foreign Trade (CENCOEX, formerly CADIVI through April 2014) of 4.29 Bolivars to the U.S. dollar to 6.3 Bolivars to the U.S. dollar. We have one subsidiary with operations in Venezuela. Due to the designation of Venezuela as highly inflationary, the U.S. dollar was determined to be the functional currency for this subsidiary. As a result of the devaluation, we realized a foreign currency translation loss of approximately $3.8 million in the year ended December 31, 2013.

In January 2014, the Venezuelan government significantly expanded the use of the Supplementary Foreign Currency Administration System (SICAD) I exchange market and created a third exchange market called SICAD II. These markets have exchange rates significantly less favorable than the CENCOEX rate. The Venezuelan government also indicated that the CENCOEX rate will be reserved for purchases of “essential goods and services.” In February 2015, the Venezuelan government announced a new exchange market called the Marginal Currency System (SIMADI), which will replace the SICAD II exchange and allow for trading based on supply and demand. An exchange rate for the SIMADI market has not been published.

The financial position and results of our Venezuelan subsidiary as of December 31, 2014, are reflected in USD utilizing the CENCOEX rate and not the December 31, 2014 SICAD I (12.0 Bolivars to $1.00), SICAD II (49.98 Bolivars to $1.00) or SIMADI rates due to our belief that our imports will continue to qualify for the CENCOEX rate and our intent to continue to pursue this rate for future exchanges. However, we will continue to monitor the evolving Venezuela exchange market, including the establishment of the new SIMADI exchange market.

As of December 31, 2014, we had net monetary assets of approximately 273 million Bolivars. For 2014, annual net revenues of our Venezuela subsidiary were approximately 300 million Bolivars. Further devaluation of the Bolivar, or our inability to convert our net monetary assets denominated in bolivars into US Dollars at certain of the exchange rates discussed above, could negatively impact our results of operations, financial condition, or cash flows.

IRS Exam Results

In 2007, we received a notice from the IRS containing proposed adjustments to our tax filings in connection with an audit of the 2001 and 2002 tax years. The IRS did not contest the validity of our reincorporation in Bermuda. The IRS proposed to ignore the entities that hold the intercompany debt incurred in connection with our reincorporation in Bermuda (the "2001 Debt") and to which the interest was paid and impose 30% withholding tax on a portion of the interest payments as if they were made directly to a company that was not eligible for reduced U.S. withholding tax under a U.S. income tax treaty. The IRS asserted that we owe additional taxes with respect to 2002 of approximately $84 million plus interest. In 2010, we received an amended notice from the IRS assessing penalties of 30% on the asserted underpayment of tax described above.

We have so far been unsuccessful in resolving this dispute and in 2013 received a Notice of Deficiency from the IRS for 2002. The Company filed a petition in the United States Tax Court in November 2013 contesting this deficiency. In its January 2014 answer to our petition, the IRS asserted that we also owe 30% withholding tax on the portion of 2002 interest payments made on the 2001 Debt upon which it did not previously assert withholding tax. This increases the total tax liability proposed for 2002 to $109.0 million ($84 million referred to in the paragraph above plus an additional $25.0 million) plus 30% penalties and interest.

In 2013, we received notices from the IRS containing proposed adjustments to the Company's tax filings in connection with an audit of the 2003-2006 tax years. In these notices, the IRS asserts that we owe a total of approximately $665.0 million of additional taxes, as described more fully in the two paragraphs below, in connection with our interest payments on the 2001 Debt for the 2003-2006 period, plus penalties and interest on these unpaid taxes.

The IRS continues to take the position on the 2001 Debt, which was retired at the end of 2011, that it previously took for our 2002 tax year and which is described above. As a result of this recharacterization, the IRS asserts that we owe approximately $455.0 million of withholding tax for 2003-2006 plus 30% penalties.

The IRS also proposes to extend its position further and to treat all of the interest income from the 2001 Debt as creating earnings and profits at IR-Limited and, as a result, recharacterize the distributions made by IR-Limited during the 2002-2006 tax years as taxable dividends instead of as a return of capital. Consequently the IRS asserts that we owe approximately $210.0 million of income tax on these dividends plus penalties of 20%. We strongly disagree with the view of the IRS and filed a protest in January 2014 for the 2003-2006 tax years.

Furthermore, a substantial amount of information has been provided to the IRS in connection with its audit of our 2007-2011 tax years. We expect the IRS to propose similar adjustments with respect to the 2001 Debt, although we do not know how the IRS will apply its position to the different facts presented in these years or whether the IRS will take a similar position with respect to intercompany debt instruments not outstanding in prior years.

We have vigorously contested all of these proposed adjustments and intend to continue to do so. Although the outcome of these matters cannot be predicted with certainty, based upon an analysis of the merits of our position we believe that we are adequately reserved under the applicable accounting standards for these matters and do not expect that the ultimate resolution will have a material adverse impact on our future results of operations, financial condition, or cash flows. As we move forward to resolve these matters with the IRS, the reserves established may be adjusted. Although we continue to contest the IRS's position, there can be no assurance that we will be successful. If the IRS's position with respect to the 2002-2006 tax years is ultimately sustained we would be required to record additional charges and the resulting liability would have a material adverse impact on our future results of operations, financial condition and cash flows.

We believe that we have adequately provided for any reasonably foreseeable resolution of any tax disputes, but will adjust our reserves if events so dictate in accordance with GAAP. 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.

Significant events in 2013

Allegion Spin-Off

On December 1, 2013, the Company completed the previously announced separation of its commercial and residential security businesses by distributing the related ordinary shares of Allegion, on a pro rata basis, to the Company's shareholders of record as of November 22, 2013. Following the spin-off, Allegion became an independent publicly traded company.

We do not beneficially own any ordinary shares of Allegion, and no longer consolidate Allegion into our financial results. Allegion's historical financial results for all periods prior to December 1, 2013 are presented as a discontinued operation in our Consolidated Financial Statements.

See "Discontinued Operations" within Management's Discussion and Analysis of Financial Condition and Results of Operations and also Note 15 to the Consolidated Financial Statements for a further discussion of our discontinued operations.

Issuance of Senior Notes due 2019, 2023, and 2043

In June 2013, we issued $1.55 billion principal amount of Senior Notes in three tranches through our wholly-owned subsidiary, Ingersoll-Rand Global Holding Company Limited (IR-Global) pursuant to Rule 144A of the U.S. Securities Act of 1933 (Securities

Act). The tranches consist of $350 million of 2.875% Senior Notes due in 2019, $700 million of 4.250% Senior Notes due in 2023, and $500 million of 5.750% Senior Notes due in 2043. Later in 2013, the notes were modified to include IR-Jersey as a co-obligor. The notes are also fully and unconditionally guaranteed by IR-Ireland and certain of our wholly-owned subsidiaries.

The proceeds from these notes were primarily used to fund the July 2013 redemption of $600 million of 6.000% Senior Notes due 2013 and $655 million of 9.500% Senior Notes due 2014 and to fund expenses related to the spin-off of the commercial and residential security businesses. Related to this redemption, the Company recorded $45.6 million of premium expense in Interest expense.

For additional information regarding the terms of the notes and the related guarantees, see Notes 7 and 19 to the Consolidated Financial Statements.

Results of Operations - For the years ended December 31

Dollar amounts in millions, except per share data	2014	% of Revenues	2013	% of Revenues	2012	% of Revenues
Net revenues	$ 12,891.4		$ 12,350.5		$ 11,988.3	
Cost of goods sold	(8,982.8)	69.8%	(8,722.3)	70.6%	(8,533.5)	71.2%
Selling and administrative expenses	(2,503.9)	19.4%	(2,523.2)	20.4%	(2,382.9)	19.9%
Operating income	1,404.7	10.9%	1,105.0	8.9%	1,071.9	8.9%
Interest expense	(225.3)		(278.8)		(252.0)	
Other, net	30.0		3.4		28.1	
Earnings before income taxes	1,209.4		829.6		848.0	
Provision for income taxes	(293.7)		(189.0)		(56.0)	
Earnings from continuing operations	915.7		640.6		792.0	
Discontinued operations, net of tax	34.7		13.3		252.0	
Net earnings	950.4		653.9		1,044.0	
Less: Net earnings attributable to noncontrolling interests	(18.7)		(35.1)		(25.4)	
Net earnings attributable to Ingersoll-Rand plc	$ 931.7		$ 618.8		$ 1,018.6	
Diluted net earnings (loss) per ordinary share attributable to Ingersoll-Rand plc ordinary shareholders:						
Continuing operations	$ 3.27		$ 2.08		$ 2.49	
Discontinued operations	0.13		(0.01)		0.79	
Net earnings	$ 3.40		$ 2.07		$ 3.28	

Net Revenues

Net revenues for the year ended December 31, 2014 increased by 4.4%, or $540.9 million, compared with the same period of 2013, which primarily resulted from the following:

Volume/product mix	4.6 %
Pricing	0.5 %
Currency exchange rates	(0.7)%
Total	4.4 %

The increase in revenues was primarily driven by volume improvements within the Climate and Industrial segments.

Net revenues for the year ended December 31, 2013 increased by 3.0%, or $362.2 million, compared with the same period of 2012, which primarily resulted from the following:

Volume/product mix	2.3%
Pricing	0.7%
Total	3.0%

The increase in revenues was primarily driven by higher volumes and improved pricing across both segments.

Operating Income/Margin

Operating margin improved to 10.9% for the year ended December 31, 2014, compared to 8.9% for the same period of 2013. The increase was primarily due to productivity benefits in excess of other inflation (1.1%), favorable product mix and volume (0.6%), improved pricing net of material inflation (0.2%) and decreased restructuring spending (0.6%), partially offset by increased investment (0.5%).

Operating margin remained flat at 8.9% for the years ended December 31, 2013, and 2012. During 2013, we experienced improved pricing in excess of material inflation (0.5%) and productivity benefits in excess of other inflation (0.4%), offset by increased investment and restructuring spending (0.9%). During 2013 and 2012, the Company incurred costs of $82.3 million and $23.3

million, respectively, associated with ongoing restructuring actions. These actions included workforce reductions as well as the closure and consolidation of manufacturing facilities in an effort to improve the Company's cost structure.

Interest Expense

Interest expense for the year ended December 31, 2014 decreased by $53.5 million compared with the same period of 2013, primarily as a result of lower redemption premium expense from early debt retirements ($10.2 million in 2014 compared to $45.6 million in 2013) and lower interest rates on refinanced debt, as discussed in Liquidity and Capital Resources.

Interest expense for the year ended December 31, 2013 increased by $26.8 million compared with the same period of 2012, primarily as a result of the redemption premium expense incurred during the July 2013 debt redemption.

Other, Net

The components of Other, net, for the year ended December 31 are as follows:

In millions	2014	2013	2012
Interest income	$ 13.2	$ 12.8	$ 16.3
Exchange gain (loss)	(0.1)	(14.0)	0.2
Earnings (loss) from equity investments	7.8	(2.6)	(5.9)
Other	9.1	7.2	17.5
Other, net	$ 30.0	$ 3.4	$ 28.1

Exchange gain (loss) for the year ended December 31, 2013 includes a loss of approximately $3.8 million related to the devaluation of the Venezuela Bolivar.

For the years ended December 31, 2014, 2013 and 2012, we recognized equity earnings (loss) of $7.8 million, $(2.6) million and $(5.9) million, respectively, from our 37.2% ownership interest in Hussmann, a refrigeration display case business.

Other activity for the year ended December 31, 2014 includes a $6.0 million gain on the sale of an investment. Other activity in 2012 includes adjustments to insurance receivables as a result of favorable settlements.

Provision for Income Taxes

The 2014 effective tax rate was 24.3%. The 2014 effective tax rate is lower than the U.S. Statutory rate of 35% primarily due to earnings in non-U.S. jurisdictions, which in aggregate have a lower effective rate partially offset by U.S. State and Local income taxes and U.S. tax on non-U.S. earnings. Revenues from non-U.S. jurisdictions account for approximately 40% of our total revenues, such that a material portion of our pretax income is 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 on our overall effective tax rate.

The 2013 effective tax rate was 22.8%. The 2013 effective tax rate is lower than the U.S. Statutory rate of 35% primarily due to earnings in non-U.S. jurisdictions, which in aggregate, have a lower effective rate and a $36 million net reduction in our liability for unrecognized tax benefits primarily due to the settlement of an audit in a major tax jurisdiction, partially offset by a tax charge of $51 million as a result of a change in assertion in certain subsidiary earnings that the company has previously determined to be permanently reinvested and approximately $74 million of Allegion spin-off tax charges, primarily related to a net increase in our valuation allowances on certain deferred tax assets.

The 2012 effective tax rate was 6.6%, which included a tax benefit of approximately $140.0 million resulting from a reduction in valuation allowances on certain Non-U.S. deferred tax assets. The 2012 effective tax rate is lower than the U.S. Statutory rate of 35.0% primarily due to earnings in non-U.S. jurisdictions, which in aggregate, have a lower effective rate and a reduction in valuation allowances mentioned above, partially offset by a net increase in our liability for unrecognized tax benefits.

For a further discussion of tax matters, see Note 14 to the Consolidated Financial Statements.

Review of Business Segments

The segment discussions that follow describe the significant factors contributing to the changes in results for each segment included in continuing operations.

Segment operating income is the measure of profit and loss that our chief operating decision maker uses to evaluate the financial performance of the business and as the basis for performance reviews, compensation and resource allocation. For these reasons, we believe that Segment operating income represents the most relevant measure of segment profit and loss. We may exclude certain charges or gains from Operating income to arrive at a Segment operating income that is a more meaningful measure of profit and loss upon which to base our operating decisions. We define Segment operating margin as Segment operating income as a percentage of Net revenues.

Climate

Our Climate segment delivers energy-efficient solutions globally and includes Trane® and American Standard® Heating & Air Conditioning which provide heating, ventilation and air conditioning (HVAC) systems, and commercial and residential building services, parts, support and controls; and Thermo King®, the leader in transport temperature control solutions.

Climate segment results for the years ended December 31 were as follows:

Dollar amounts in millions	2014	% change	2013	% change	2012
Net revenues	$ 9,879.7	4.9%	$ 9,414.0	4.1%	$ 9,042.5
Segment operating income	1,195.6	27.7%	936.0	14.5%	817.6
Segment operating margin	12.1%		9.9%		9.0%

2014 vs 2013

Net revenues for the year ended December 31, 2014 increased by 4.9% or $465.7 million, compared with the same period of 2013, which primarily resulted from the following:

Volume/product mix	5.0 %
Pricing	0.6 %
Currency exchange rates	(0.7)%
Total	4.9 %

Commercial HVAC net revenues increased due to improvements in equipment, parts, services and solutions markets. Residential HVAC net revenues increased due to increased volume in all major product categories. Thermo King refrigerated transport revenues increases in North America were partially offset by declines overseas.

Segment operating margin improved to 12.1% for the year ended December 31, 2014, compared to 9.9% for the same period of 2013. The improvement was primarily driven by productivity benefits in excess of other inflation (1.2%), favorable volume/product mix (0.6%), pricing improvements in excess of material inflation (0.2%) and decreased restructuring spending (0.4%); partially offset by increased investment spending (0.2%).

2013 vs 2012

Net revenues for the year ended December 31, 2013 increased by 4.1% or $371.5 million, compared with the same period of 2012, which primarily resulted from the following:

Volume/product mix	3.5 %
Pricing	0.8 %
Currency exchange rates	(0.2)%
Total	4.1 %

Commercial HVAC business was impacted by weakness in the worldwide commercial building markets. Commercial HVAC revenues increased due to improvements in both equipment and parts, services and solutions markets. Residential HVAC revenues increased due to increased volume in all equipment categories. These improvements were slightly offset by a continued mix shift to lower SEER units. Thermo King refrigerated transport net revenues increased driven by improvements in the Americas and Europe.

Segment operating margin improved to 9.9% for the year ended December 31, 2013, compared to 9.0% for the same period of 2012. The improvement was primarily driven by productivity benefits in excess of other inflation (0.8%), pricing improvements in excess of material inflation (0.6%) and favorable volume/product mix (0.2%). These improvements were partially offset by increased investment and restructure spending (0.7).

Industrial

Our Industrial segment delivers products and services that enhance energy efficiency, productivity and operations. It includes Ingersoll Rand® compressed air systems and services, power tools and material handling systems, ARO® fluid management equipment, as well as Club Car® golf, utility and rough terrain vehicles.

Segment results for the years ended December 31 were as follows:

Dollar amounts in millions	2014	% change	2013	% change	2012
Net revenues	$ 3,011.7	2.6 %	$ 2,936.5	(0.3)%	$ 2,945.8
Segment operating income	443.0	(1.6)%	450.3	(1.2)%	455.8
Segment operating margin	14.7%		15.3%		15.5%

2014 vs 2013
Net revenues for the year ended December 31, 2014 increased by 2.6% or $75.2 million, compared with the same period of 2013, which primarily resulted from the following:

Volume/product mix	3.2 %
Pricing	0.3 %
Currency exchange rates	(0.9)%
Total	2.6 %

Air compressors and industrial product net revenues increased with gains in Americas. Club Car net revenues increased with growth in both golf car and utility vehicle sales.

Segment operating margin decreased to 14.7% for the year end December 31, 2014 compared to compared to 15.3% for the same period of 2013. The decrease was due to increased investment spending (1.2%), partially offset by lower restructuring spending (0.4%) and favorable volume/product mix (0.2%).

2013 vs 2012
Net revenues for the year ended December 31, 2013 decreased by 0.3%, or $9.3 million, compared with the same period of 2012, which primarily resulted from the following:

Pricing	0.6 %
Currency exchange rates	0.3 %
Volume/product mix	(1.2)%
Total	(0.3)%

Air compressors and industrial net revenues decreased due to declines in equipment sales, partially offset by growth in parts, service and solutions. Club Car revenues increased due to growth in both the golf car and utility vehicle markets.

Segment operating margin remained mostly flat for the year ended December 31, 2013 and 2012. Productivity benefits in excess of other inflation (1.0%) were offset by increased investment and restructuring spending (0.7%) and unfavorable volume/product mix (0.5%).

Discontinued Operations

The components of discontinued operations for the years ended December 31 are as follows:

In millions	2014	2013	2012
Net revenues	$ —	$ 1,889.9	$ 2,046.6
Pre-tax earnings (loss) from operations	41.2	84.7	379.5
Pre-tax gain (loss) on sale	—	—	2.3
Tax benefit (expense)	(6.5)	(71.4)	(129.8)
Discontinued operations, net of tax	$ 34.7	$ 13.3	$ 252.0

Discontinued operations by business for the years ended December 31 are as follows:

In millions	2014	2013	2012
Allegion spin-off, net of tax	$ 15.0	$ 12.4	$ 254.2
Other discontinued operations, net of tax	19.7	0.9	(2.2)
Discontinued operations, net of tax	$ 34.7	$ 13.3	$ 252.0

Allegion Spin-Off

On December 1, 2013, (the Distribution Date) we completed the spin-off of our commercial and residential security businesses, now under the name of Allegion, plc (Allegion), to our shareholders (the spin-off). On the Distribution Date, each of our shareholders of record as of the close of business on November 22, 2013 (the Record Date) received one ordinary share of Allegion for every three Ingersoll-Rand plc ordinary shares held as of the Record Date. Allegion is now an independently traded public company.

Net revenues and after-tax earnings of Allegion for the year ended December 31 were as follows:

In millions	2014	2013	2012
Net revenues	$ —	$ 1,889.9	$ 2,046.6
After-tax earnings (loss) from operations	$ 15.0	$ 12.4	$ 254.2

After-tax earnings from Allegion for the year ended December 31, 2014 primarily represent adjustments for certain tax matters. After-tax earnings from Allegion for the years ended December 31, 2013 and 2012 include spin costs of $128.0 million and $5.7 million, respectively. Also, the 2013 results include non-cash goodwill charges and tax of $111.4 million and $148.2 million, respectively.

Other Discontinued Operations

The components of other discontinued operations for the years ended December 31 were as follows:

In millions	2014	2013	2012
Retained costs, net of tax	$ 19.7	$ 0.9	$ (16.2)
Net gain (loss) on disposals, net of tax	—	—	14.0
Discontinued operations, net of tax	$ 19.7	$ 0.9	$ (2.2)

Other discontinued operations, net of tax for the years ended December 31, 2014, 2013 and 2012 are mainly related to postretirement benefits, product liability, worker's compensation, and legal costs (mostly asbestos-related) from previously sold businesses and tax effects of post-closing purchase price adjustments.

Retained costs recognized in 2012 are primarily related to the settlement of post-closing matters with Doosan Infracore related to its 2007 acquisition of our Bobcat Utility Equipment and Attachments business in 2007.

Liquidity and Capital Resources

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 currently do not intend nor foresee a need to repatriate funds to the U.S., and no provision for U.S. income taxes has been made with respect to such earnings. We expect existing cash and cash equivalents available to the U.S., 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. Should we require more capital in the U.S. than is generated by our U.S. operations, and we determine that repatriation of non-U.S. cash is necessary, such amounts would be subject to U.S. federal income taxes.

In February 2015, we announced an increase in our quarterly share dividend from $0.25 to $0.29 per share beginning with our March 2015 payment. In February 2014, our Board of Directors authorized the repurchase of up to $1.5 billion of our ordinary shares under a new share repurchase program upon completion of the current share repurchase program. The new share repurchase program began in April of 2014. During the year ended December 31, 2014, we repurchased 23.0 million shares for $1.4 billion, of which 9.8 million shares for $583.4 million were under the 2014 program. We expect our available cash flow, committed credit lines and access to the capital markets will be sufficient to fund the increased dividend and share repurchases.

On August 18, 2014, we announced an agreement to acquire the assets of Cameron International Corporation's Centrifugal Compression division for $850 million. The acquisition was completed on January 1, 2015, funded through a combination of cash from operations and debt.

Liquidity

The following table contains several key measures to gauge our financial condition and liquidity at the periods ended December 31:

In millions	2014	2013	2012
Cash and cash equivalents	$ 1,705.2	$ 1,937.2	$ 708.4
Short-term borrowings and current maturities of long-term debt	482.7	367.7	962.9
Long-term debt	3,741.7	3,153.5	2,266.5
Total debt	4,224.4	3,521.2	3,229.4
Total Ingersoll-Rand plc shareholders' equity	5,987.4	7,068.9	7,147.8
Total equity	6,045.4	7,131.3	7,229.3
Debt-to-total capital ratio	41.1%	33.1%	30.9%

Short-term borrowings and current maturities of long-term debt at December 31 consisted of the following:

In millions	2014	2013
Debentures with put feature	$ 343.0	$ 343.0
Other current maturities of long-term debt	23.6	8.0
Other short-term borrowings	116.1	16.7
Total	$ 482.7	$ 367.7

Commercial Paper Program

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 billion as of December 31, 2014. Under the commercial paper program, the Company may issue notes from time to time through Ingersoll-Rand Global Holding Company Limited (IR-Global) or Ingersoll-Rand Luxembourg Finance S.A. (IR-Lux), and the proceeds of the financing will be used for general corporate purposes. The Company had $100.0 million of commercial paper outstanding at December 31, 2014. No commercial paper was outstanding at December 31, 2013. See Notes 7 and 19 to the Consolidated Financial Statements for related guarantee information for our commercial paper program.

Debentures with Put Feature

At December 31, 2014 and December 31, 2013, we had outstanding $343.0 million and $343.0 million, respectively, of fixed rate debentures which only require early repayment at the option of the holder. These debentures contain a put feature that the holders may exercise on each anniversary of the issuance date, subject to a notice requirement. 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. If these options are not exercised, the final maturity dates would range between 2027 and 2028.

Holders of these debentures had the option to exercise the put feature on $37.2 million of the outstanding debentures in February 2014, subject to the notice requirement. No exercises were made. Holders of the remaining $305.8 million in outstanding debentures had the option to exercise the put feature, subject to the notice requirement, in November 2014. No material exercises were made.

Senior Notes due 2020, 2024, and 2044

In October 2014, we issued $1.1 billion principal amount of Senior Notes in three tranches through a newly-created wholly-owned subsidiary, Ingersoll-Rand Luxembourg Finance S.A. (IR-Lux). The tranches consist of $300 million of 2.625% Senior Notes due in 2020, $500 million of 3.55% Senior Notes due 2024, and $300 million of 4.65% Senior Notes due in 2044. The notes are fully and unconditionally guaranteed by IR-Ireland and certain of our wholly-owned subsidiaries.

The proceeds from the notes were primarily used to (i) fund the October 2014 redemption of the $200 million of 5.50% Notes due 2015 and $300 million 4.75% Senior Notes due 2015, and (ii) fund the previously announced acquisition of Cameron International Corporation's Centrifugal compression division on January 1, 2015. Related to the redemption, the Company recognized $10.2 million of premium expense in Interest expense.

For additional information regarding the terms of the notes and the related guarantees, see Notes 7 and 19 to the Consolidated Financial Statements.

Senior Notes due 2019, 2023, and 2043

In June 2013, we issued $1.55 billion principal amount of Senior Notes in three tranches through our wholly-owned subsidiary, IR-Global pursuant to Rule 144A of the Securities Act. The tranches consist of $350 million of 2.875% Senior Notes due in 2019, $700 million of 4.250% Senior Notes due in 2023, and $500 million of 5.750% Senior Notes due in 2043. Later in 2013, the notes were modified to include IR-Jersey as a co-obligor. The notes are also fully and unconditionally guaranteed by IR-Ireland and certain of our wholly-owned subsidiaries.

The proceeds from these notes were primarily used to fund the July 2013 redemption of $600 million of 6.000% Senior Notes due 2013 and $655 million of 9.500% Senior Notes due 2014 and to fund expenses related to the spin-off of the commercial and residential security businesses. Related to this redemption, the Company recorded $45.6 million of premium expense in Interest expense.

For additional information regarding the terms of the notes and the related guarantees, see Notes 7 and 19 to the Consolidated Financial Statements.

Exchangeable Senior Notes Due 2012

In April 2009, we issued $345 million of 4.5% Exchangeable Senior Notes (the Notes) through our wholly-owned subsidiary, IR-Global. We settled all remaining outstanding Notes during 2012. As a result, we paid $357.0 million in cash and issued 10.8 million ordinary shares to settle the principal, interest and equity portion of the Notes.

Other Credit Facilities

On March 20, 2014, the Company entered into an unsecured 5-year, $1.0 billion revolving credit facility through our wholly-owned subsidiary, IR-Global. The credit facility matures in March 2019. In connection with the entry into this credit facility, the Company's existing 4-year, $1.0 billion revolving credit facility, due to expire in May 2015, was terminated. The Company also has a 5-year, $1.0 billion revolving credit facility IR-Global maturing in March 2017. During the fourth quarter of 2014, both credit agreements were amended to include IR-Lux as an additional borrower.

The total committed revolving credit facilities of $2.0 billion are unused and provide support for the Company's commercial paper program, as well as other general corporate purposes.

For additional information regarding guarantees of these revolving credit facilities by certain of our wholly-owned subsidiaries, see Notes 7 and 19 to the Consolidated Financial Statements.

The Company also has various non-U.S. lines of credit that provide an aggregate borrowing capacity of $847.4 million, of which $610.2 million was unused at December 31, 2014. These lines provide support for bank guarantees, letters of credit and other general corporate purposes.

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. We use a dynamic approach to asset allocation whereby a plan's allocation to fixed income assets increases as the plan's funded status improves. We monitor plan funded status and asset allocation regularly in addition to investment manager performance.

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 the volatility in the markets. For further details on pension plan activity, see Note 9 to the Consolidated Financial Statements.

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	**2014**	**2013**	**2012**
Operating cash flow provided by (used in) continuing operations	$ 991.7	$ 798.8	$ 882.5
Investing cash flow provided by (used in) continuing operations	(197.0)	(213.2)	(128.2)
Financing cash flow provided by (used in) continuing operations	(859.5)	354.1	(1,295.7)

Operating Activities

Net cash provided by operating activities from continuing operations was $991.7 million for the year ended December 31, 2014 compared with $798.8 million in 2013. Operating cash flows for 2014 reflect improved earnings from continuing operations partially offset by rising working capital in 2014.

Net cash provided by operating activities from continuing operations was $798.8 million for the year ended December 31, 2013 compared with $882.5 million in 2012. Operating cash flows for 2013 reflect consistent earnings from continuing operations after taking into account spin-related tax charges with no cash impact in 2013 and favorable changes in working capital.

Investing Activities

Net cash used in investing activities from continuing operations was $197.0 million for the year ended December 31, 2014 compared with $213.2 million in 2013. The change in investing activities is primarily attributable to $30.3 million cash dividend received from equity investments during the year ended December 31, 2014.

Net cash used in investing activities from continuing operations was $213.2 million for the year ended December 31, 2013 compared with $128.2 million in 2012. The change in investing activities is primarily attributable to increased capital expenditures and decreased net proceeds from business dispositions and equity investments in 2013 compared to 2012.

Financing Activities

Net cash used in financing activities from continuing operations during the year ended December 31, 2014 was $859.5 million, compared with net cash provided by financing activities from continuing operations of $354.1 million in 2013. The change in financing activities is primarily related to a transfer of $1,274.2 million from Allegion in connection with the spin-off in 2013.

Net cash provided by financing activities from continuing operations during the year ended December 31, 2013 was $354.1 million, compared with net cash used in financing activities from continuing operations of $1,295.7 million during 2012. The change in financing activities is primarily related to net proceeds from refinancing of our long term debt in 2013 and a transfer of $1,274.2 million from Allegion in connection with the spin-off, partially offset by increased repurchases of ordinary shares in 2013.

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 repurchase programs, upcoming debt maturities, and other liquidity requirements associated with our operations for the foreseeable future.

Capital expenditures were $233.5 million, $242.2 million and $243.1 million for 2014, 2013 and 2012, respectively. Our investments continue to improve manufacturing productivity, reduce costs and provide environmental enhancements and advanced technologies for existing facilities. The capital expenditure program for 2015 is estimated to be approximately $320 million, 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, 2014, our credit ratings were as follows:

	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, 2014, our debt-to-total capital ratio was significantly beneath this limit.

Contractual Obligations

The following table summarizes our contractual cash obligations by required payment periods, in millions:

	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Short-term debt	$ 116.1	$ —	$ —	$ —	$ 116.1
Long-term debt	366.6 *	15.5	1,115.3	2,619.7	$ 4,117.1
Interest payments on long-term debt	209.2	414.3	331.6	1,463.8	2,418.9
Purchase obligations	795.1	36.2	—	—	831.3
Operating leases	114.8	161.4	88.2	59.4	423.8
Total contractual cash obligations	$ 1,601.6	$ 627.4	$ 1,535.1	$ 4,142.9	$ 7,907.0

* Includes $343.0 million of debt redeemable at the option of the holder. The scheduled maturities of these bonds range between 2027 and 2028. See Note 7 to the Consolidated Financial Statements for additional information.

Future expected obligations under our pension and postretirement benefit plans, income taxes, environmental, asbestos-related, and product liability matters have not been included in the contractual cash obligations table above.

Pensions

At December 31, 2014, we had net obligations of $701.0 million, which consist of noncurrent pension assets of $11.5 million and current and non-current pension benefit liabilities of $712.5 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 project that we will contribute approximately $59.9 million to our plans worldwide in 2015. 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 9 to the Consolidated Financial Statements for additional information.

Postretirement Benefits Other than Pensions

At December 31, 2014, we had postretirement benefit obligations of $700.7 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 $59.5 million in 2015. Because benefit payments are not required to be funded in advance, and the timing and amounts of future payments for are dependent on the cost of benefits for retirees covered by the plan, they have been excluded from the preceding table. See Note 9 to the Consolidated Financial Statements for additional information.

Income Taxes

At December 31, 2014, we have total unrecognized tax benefits for uncertain tax positions of $343.8 million and $69.7 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 14 to the Consolidated Financial Statements for additional information regarding matters relating to income taxes, including unrecognized tax benefits and Internal Revenue Service (IRS) tax disputes.

Contingent Liabilities

We are involved in various litigations, claims and administrative proceedings, including those related to environmental, asbestos-related, 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 17 to the Consolidated Financial Statements for additional information.

See Note 7 and Note 17 to the Consolidated Financial Statements for additional information on matters affecting our liquidity.

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 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.

- Allowance for doubtful accounts – We maintain an allowance for doubtful accounts receivable which represents our best estimate of probable loss inherent in our accounts receivable portfolio. This estimate is based upon our 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 our 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 statement of operations in the period that they are determined.

- Goodwill and indefinite-lived intangible assets – We have significant goodwill and indefinite-lived intangible assets on our balance sheet related to acquisitions. Our goodwill and other indefinite-lived intangible 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.

  Recoverability of goodwill is measured 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 two-step goodwill impairment test included in U.S. GAAP. For those reporting units where it is required, the first step 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 and the second step of the impairment test is not necessary. To the extent that the carrying value of the reporting unit exceeds its estimated fair value, a second step is performed, wherein the reporting unit's carrying value of goodwill is compared to the implied fair value of goodwill. To the extent that the carrying value exceeds the implied fair value, impairment exists and must be recognized.

  As quoted market prices are not available for our reporting units, the calculation of their estimated fair value in step one 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 the Company's estimates of future cash flows and explicitly addresses factors such as timing, growth and margins, with due consideration given to forecasting risk. The earnings and revenue 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. The similar transactions method considers prices paid in transactions that have recently occurred in our industry or in related industries. These methods are weighted 50%, 40% and 10%, respectively.

  In step 2, the implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination. The estimated fair value of the reporting unit is allocated to all of the assets and liabilities of the reporting unit (including any unrecognized intangible assets) as if the reporting unit had been acquired in a business combination and the fair value of the reporting unit, as determined in the first step of the goodwill impairment test, was the price paid to acquire that reporting unit.

  Recoverability 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 is recognized as an impairment loss equal to that excess.

  The determination of the estimated fair value and the implied fair value of goodwill and other indefinite-lived intangible assets 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.

  2014 Impairment Test

  For our annual impairment testing performed during the fourth quarter of 2014, we calculated the fair value for each of the reporting units and indefinite-lived intangibles. Based on the results of these calculations, we determined that the fair value of the reporting units and indefinite-lived intangible assets exceeded their respective carrying values. 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.

Goodwill - Under the income approach, we assumed a forecasted cash flow period of five years with discount rates ranging from 10.5% to 15.0%, near term growth rates ranging from 3.0% to 19.6% and terminal growth rates ranging from 3.0% to 3.5%. Under the market approach, we used an adjusted multiple ranging from 7.0 to 11.5 of projected earnings before interest, taxes, depreciation and amortization (EBITDA) based on the market information of comparable companies. Additionally, we compared the estimated aggregate fair value of our reporting units to our overall market capitalization.

For all reporting units, the excess of the estimated fair value over carrying value (expressed as a percentage of carrying value) was a minimum of 50%. A significant increase in the discount rate, decrease in the long-term growth rate, or substantial reductions in our end markets and volume assumptions could have a negative impact on the estimated fair value of these reporting units.

Other Indefinite-lived intangible assets - In testing our other indefinite-lived intangible assets for impairment, we assumed forecasted revenues for a period of five years with discount rates of 12.5%, terminal growth rate of 3.0%, and royalty rates ranging from 3.0% to 4.5%. For all tradenames, the excess of the estimated fair value over carrying value (expressed as a percentage of carrying value) was a minimum of 36%.

A significant increase in the discount rate, decrease in the long-term growth rate, decrease in the royalty rate or substantial reductions in our end markets and volume assumptions could have a negative impact on the estimated fair values of any of our tradenames.

2013 Impairment Test

For our annual impairment testing performed during the fourth quarter of 2013, we concluded it was necessary to calculate the fair value for each of the reporting units and indefinite-lived intangibles. Based on the results of these calculations, we determined that the fair value of the reporting units and indefinite-lived intangible assets exceeded their respective carrying values. 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.

Goodwill - Under the income approach, we assumed a forecasted cash flow period of five years with discount rates ranging from 10.0% to 15.5%, near term growth rates ranging from (0.2)% to 8.7% and terminal growth rates ranging from 3.0% to 4.0%. Under the market approach, we used an adjusted multiple ranging from 7.2 to 9.8 of projected earnings before interest, taxes, depreciation and amortization (EBITDA) and 0.9 to 2.4 of projected revenues based on the market information of comparable companies. Additionally, we compared the estimated aggregate fair value of our reporting units to our overall market capitalization.

For all reporting units, the excess of the estimated fair value over carrying value (expressed as a percentage of carrying value) was a minimum of 15%. A significant increase in the discount rate, decrease in the long-term growth rate, or substantial reductions in our end markets and volume assumptions could have a negative impact on the estimated fair value of these reporting units.

In our 2012 Form 10-K, we disclosed a Security Technologies reporting unit whose excess estimated fair value over carrying value was less than 15%. As a result of the spin-off, beginning in the fourth quarter of 2013, this reporting unit is now presented within discontinued operations. Please see Note 15 to the Consolidated Financial Statements for further discussion of goodwill impairment charges related to discontinued operations.

Other Indefinite-lived intangible assets - In testing our other indefinite-lived intangible assets for impairment, we assumed forecasted revenues for a period of five years with discount rates ranging from 10.5% to 12.0%, terminal growth rate of 3.0%, and royalty rates ranging from 3.0% to 4.5%. For all tradenames, the excess of the estimated fair value over carrying value (expressed as a percentage of carrying value) was a minimum of 15%.

A significant increase in the discount rate, decrease in the long-term growth rate, decrease in the royalty rate or substantial reductions in our end markets and volume assumptions could have a negative impact on the estimated fair values of any of our tradenames.

2012 Impairment Test

For our annual impairment testing performed during the fourth quarter of 2012, we concluded it was necessary to calculate the fair value for each of the reporting units and indefinite-lived intangibles. Based on the results of these calculations, we determined that the fair value of the reporting units and indefinite-lived intangible assets exceeded their respective carrying values. 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.

Goodwill - Under the income approach, we assumed a forecasted cash flow period of five years with discount rates ranging from 11.0% to 15.5%, near term growth rates ranging from (3.5)% to 14.5% and terminal growth rates ranging from 2.5% to 4.0%. Under the market approach, we used an adjusted multiple ranging from 6.6 to 9.2 of projected earnings before interest, taxes, depreciation and amortization (EBITDA) and 0.8 to 1.8 of projected revenues based on the market information of comparable companies. Additionally, we compared the estimated aggregate fair value of our reporting units to our overall market capitalization.

For all reporting units except one, the excess of the estimated fair value over carrying value (expressed as a percentage of carrying value) was a minimum of 15%. The reporting unit with a percentage of carrying value less than 15%, reported within the Climate segment, exceeded its carrying value by 14.4%. This reporting unit had goodwill of approximately $599 million at December 31, 2012. A significant increase in the discount rate, decrease in the long-term growth rate, or substantial reductions in our end markets and volume assumptions could have a negative impact on the estimated fair value of these reporting units.

Other Indefinite-lived intangible assets - In testing our other indefinite-lived intangible assets for impairment, we assumed forecasted revenues for a period of five years with discount rates ranging from 12.0% to 12.5%, terminal growth rates ranging from 2.5% to 3.0%, and royalty rates ranging from 3.0% to 4.0%. The fair values of our Trane and American Standard tradenames exceeded their respective carrying amounts by less than 15%. The two tradenames exceeded their carrying value by 10.5% and 13.0%, respectively. The carrying values of these tradenames are approximately $2,497 million and $105 million, respectively, at December 31, 2012.

A significant increase in the discount rate, decrease in the long-term growth rate, decrease in the royalty rate or substantial reductions in our end markets and volume assumptions could have a negative impact on the estimated fair values of any of our tradenames.

- Long-lived assets and finite-lived intangibles – Long-lived assets and finite-lived intangibles are reviewed for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. Assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows can be generated. Impairment in the carrying value of an asset would be recognized whenever anticipated future undiscounted cash flows from an asset are less than its carrying value. The impairment is measured as the amount by which the carrying value exceeds the fair value of the asset as determined by an estimate of discounted cash flows. We believe that our use of estimates and assumptions are reasonable and comply with generally accepted accounting principles. Changes in business conditions could potentially require future adjustments to these valuations.
- Loss contingencies – Liabilities are recorded for various contingencies arising in the normal course of business, including litigation and administrative proceedings, environmental and asbestos matters and product liability, product warranty, worker's compensation and other claims. We have 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, we believe our estimated reserves are reasonable and do not believe the final determination of the liabilities with respect to these matters would have a material effect on our financial condition, results of operations, liquidity or cash flows for any year.
- Asbestos matters – Certain of our wholly-owned subsidiaries are named as defendants in asbestos-related lawsuits in state and federal courts. We record a liability for our actual and anticipated future claims as well as an asset for anticipated insurance settlements. Asbestos related defense costs are excluded from the asbestos claims liability and are recorded separately as services are incurred. Although we were neither a manufacturer nor producer of asbestos, some of our formerly manufactured components from third party suppliers utilized asbestos-related components. As a result, we record certain income and expenses associated with our asbestos liabilities and corresponding insurance recoveries within discontinued operations, net of tax, as they relate to previously divested businesses, except for amounts associated with Trane U.S. Inc.'s asbestos liabilities and corresponding insurance recoveries which are recorded within continuing operations. Refer to Note 17 to the Consolidated Financial Statements for further details of asbestos-related matters.
- Revenue recognition – Revenue is recognized and earned when all of the following criteria are satisfied: (a) persuasive evidence of a sales arrangement exists; (b) the price is fixed or determinable; (c) collectability is reasonably assured; and (d) delivery has occurred or service has been rendered. Delivery generally occurs when the title and the risks and rewards of ownership have substantially transferred to the customer. Both the persuasive evidence of a sales arrangement and fixed or determinable price criteria are deemed to be satisfied upon receipt of an executed and legally binding sales agreement or contract that clearly defines the terms and conditions of the transaction including the respective obligations of the parties. If the defined terms and conditions allow variability in all or a component of the price, revenue is not recognized until such time that the price becomes fixed or determinable. At the point of sale, the Company validates that existence of an enforceable claim that requires payment within a reasonable amount of time and assesses the collectability of that claim. If collectability

is not deemed to be reasonably assured, then revenue recognition is deferred until such time that collectability becomes probable or cash is received. Delivery is not considered to have occurred until the customer has taken title and assumed the risks and rewards of ownership. Service and installation revenue are recognized when earned. In some instances, customer acceptance provisions are included in sales arrangements to give the buyer the ability to ensure the delivered product or service meets the criteria established in the order. In these instances, revenue recognition is deferred until the acceptance terms specified in the arrangement are fulfilled through customer acceptance or a demonstration that established criteria have been satisfied. If uncertainty exists about customer acceptance, revenue is not recognized until acceptance has occurred.

We offer various sales incentive programs to our customers, dealers, and distributors. Sales incentive programs do not preclude revenue recognition, but do require an accrual for the Company's best estimate of expected activity. Examples of the sales incentives that are accrued for as a contra receivable and sales deduction at the point of sale include, but are not limited to, discounts (i.e. net 30 type), coupons, and rebates where the customer does not have to provide any additional requirements to receive the discount. Sales returns and customer disputes involving a question of quantity or price are also accounted for as a reduction in revenue and a contra receivable. At December 31, 2014 and 2013, the Company had a customer claim accrual (contra receivable) of $4.7 million and $1.7 million, respectively. All other incentives or incentive programs where the customer is required to reach a certain sales level, remain a customer for a certain period of time, provide a rebate form or is subject to additional requirements are accounted for as a reduction of revenue and establishment of a liability. At December 31, 2014 and 2013, the Company had a sales incentive accrual of $73.4 million and $80.1 million, respectively. Each of these accruals represents the best estimate the Company expects to pay related to previously sold units. These estimates are reviewed regularly for accuracy. 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. Historically, the aggregate differences, if any, between our estimates and actual amounts in any year have not had a material impact on the Consolidated Financial Statements.

The Company enters into maintenance and extended warranty contracts with customers. Revenue related to these services is recognized on a straight-line basis over the life of the contract, unless sufficient historical evidence indicates that the cost of providing these services is incurred on an other than straight-line basis. In these circumstances, revenue is recognized over the contract period in proportion to the costs expected to be incurred in performing the service.

The Company, primarily through its Climate segment, provides equipment (e.g. HVAC, controls), integrated solutions, and installation designed to customer specifications through construction-type contracts. The term of these types of contracts is typically less than one year, but can be as long as three years. Revenues related to these contracts are recognized using the percentage-of-completion method in accordance with GAAP. This measure of progress toward completion, utilized to recognize sales and profits, is based on the proportion of actual cost incurred to date as compared to the total estimate of contract costs at completion. The timing of revenue recognition often differs from the invoicing schedule to the customer, with revenue recognition in advance of customer invoicing recorded to unbilled accounts receivable and invoicing in advance of revenue recognition recorded to deferred revenue. At December 31, 2014, all recorded receivables (billed and unbilled) are due within one year. The Company re-evaluates its contract estimates periodically and reflects changes in estimates in the current period using the cumulative catch-up method. These periodic reviews have not historically resulted in significant adjustments. If estimated contract costs are in excess of contract revenues, then the excess costs are accrued.

We enter into sales arrangements that contain multiple elements, such as equipment, installation and service revenue. For multiple element arrangements, each element is evaluated to determine the separate units of accounting. The total arrangement consideration is then allocated to the separate units of accounting based on their relative selling price at the inception of the arrangement. The relative selling price is determined using vendor specific objective evidence (VSOE) of selling price, if it exists; otherwise, third-party evidence (TPE) of selling price is used. If neither VSOE nor TPE of selling price exists for a deliverable, a best estimate of the selling price is developed for that deliverable. The Company primarily utilizes VSOE to determine its relative selling price. The Company recognizes revenue for delivered elements when the delivered item has stand-alone value to the customer, the basic revenue recognition criteria have been met, and only customary refund or return rights related to the delivered elements exist.

- 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 non-U.S. 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, employee 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. A discount rate reflects a rate at which pension benefits could be effectively settled. Discount rates for all plans are established using hypothetical yield curves based on the yields of corporate bonds rated AA quality. Spot rates are developed from the yield curve and used to discount future benefit payments. The rate of compensation increase is dependent on expected future compensation levels. 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 the target asset allocation. The expected long-term rate of return is 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 2015 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 $9.5 million and the decline in the estimated return on assets would increase expense by approximately $7.3 million. A 0.25% rate decrease in the discount rate for postretirement benefits would increase expected 2015 net periodic postretirement benefit cost by $0.6 million and a 1.0% increase in the healthcare cost trend rate would increase the service and interest cost by approximately $1.1 million.

Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements:

In February 2013, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2013-04, "Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date." ASU 2013-04 provides guidance for the recognition, measurement, and disclosure of obligations resulting from joint and several liability arrangements where the total obligation is fixed at the reporting date, and for which no specific guidance currently exists. This new guidance became effective for annual reporting periods beginning on or after December 15, 2013 and subsequent interim periods. The revised requirements of ASU 2013-04 did not have an impact on the consolidated financial statements.

In March 2013, the FASB issued ASU 2013-05, "Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity." ASU 2013-05 clarifies the application of GAAP to the release of cumulative translation adjustments related to changes of ownership in or within foreign entities, including step acquisitions. This new guidance became effective for annual reporting periods beginning on or after December 15, 2013 and subsequent interim periods. The Company will apply the new guidance, as applicable, to future derecognitions of certain subsidiaries or groups of assets within a Foreign Entity or of an Investment in foreign entities.

In July 2013, the FASB issued ASU 2013-11, "Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists." ASU 2013-11 clarifies guidance and eliminates diversity in practice on the presentation of unrecognized tax benefits when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists at the reporting date. This new guidance became effective for annual reporting periods beginning on or after December 15, 2013 and subsequent interim periods. The Company has applied the requirements of ASU 2013-11 prospectively in preparing the December 31, 2014 consolidated balance sheet, which resulted in a decrease to current and noncurrent deferred tax assets of $21.9 million and $10.0 million, respectively, an increase to noncurrent deferred tax liabilities of $114.8 million and a decrease to noncurrent reserves for uncertain tax positions of $146.7 million. Had the Company applied the requirements of

ASU 2013-11 retrospectively to the December 31, 2013 consolidated balance sheet, the impact would have been a decrease to current and noncurrent deferred tax assets of $22.6 million and $20.7 million, respectively, an increase to noncurrent deferred tax liabilities of $128.9 million and a decrease to noncurrent reserves for uncertain tax positions of $172.2 million.

Recently Issued Accounting Pronouncements

In April 2014, the FASB issued ASU 2014-08, “Presentation of Financial Statements and Property, Plant, and Equipment - Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity.” ASU 2014-08 provides new guidance related to the definition of a discontinued operation and requires new disclosures of both discontinued operations and certain other disposals that do not meet the definition of a discontinued operation. This new guidance is effective for annual periods beginning on or after December 15, 2014 and interim periods within those years. Beginning in 2015, the Company will apply the new guidance, as applicable, to future disposals of components or classifications as held for sale.

In May 2014, the FASB issued ASU 2014-09, “Revenue from Contracts with Customers.” ASU 2014-09 provides new guidance related to how an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, ASU 2014-08 specifies new accounting for costs associated with obtaining or fulfilling contracts with customers and expands the required disclosures related to revenue and cash flows from contracts with customers. This new guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016, and can be adopted either retrospectively to each prior reporting period presented or as a cumulative-effect adjustment as of the date of adoption, with early application not permitted. The Company is currently determining its implementation approach and assessing the impact on the consolidated financial statements.

In June 2014, the FASB issued ASU 2014-12 "Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period." ASU 2014-12 requires that a performance target that affects vesting, and that could be achieved after the requisite service period, be treated as a performance condition. As such, the performance target should not be reflected in estimating the grant date fair value of the award. This update further clarifies that compensation cost should be recognized in the period in which it becomes probable that the performance target will be achieved and should represent the compensation cost attributable to the period(s) for which the requisite service has already been rendered. The new guidance is effective for annual and interim reporting periods beginning after December 15, 2015, including interim periods within that reporting period. Early application is permitted. Beginning in 2015, the Company will apply the new guidance to future share-based payment arrangements, as applicable.

In August 2014, the FASB issued ASU 2014-15, “Presentation of Financial Statements - Going Concern - Disclosures of Uncertainties about an entity's Ability to Continue as a Going Concern.” ASU 2014-15 provides new guidance related to management’s responsibility to evaluate whether there is substantial doubt about an entity’s ability to continue as a going concern by incorporating and expanding upon certain principles that are currently in U.S. auditing standards and to provide related footnote disclosures. This new guidance is effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. The requirements of ASU 2014-15 are not expected to have a significant impact on the consolidated financial statements.

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.

Our consolidated financial results reported in U.S. dollars are exposed to changes in the exchange rates used to translate certain non-U.S. operations into U.S. dollars. Approximately 63% of Net revenues for the year ended December 31, 2014 were denominated in U.S. dollars and 7% were denominated in Chinese Yuan, which currently has a fixed rate of exchange with the U.S. dollar. The largest concentration of non-U.S. denominated sales is in the Euro functional currency, which was approximately 10% of Net revenues for year ended December 31, 2014. If the average exchange rate used to translate revenue from Euro-denominated operations into U.S. dollars changed unfavorably by $0.01 compared to the actual exchange rates used, Net earnings would have been approximately $2 million lower for the year ended December 31, 2014 (equivalent to a reduction in earnings per share of $0.01).

We are also exposed to gains or losses on purchases, sales and other transactions at the operating unit level that are denominated in foreign currencies. We use derivative instruments to hedge those exposures that cannot be naturally offset to an insignificant amount. The instruments utilized are viewed as risk management tools, 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, 2014, 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 $44.2 million, as compared with $107.8 million at December 31, 2013. These amounts, when realized, would be offset by changes in the fair value of the underlying transactions.

Effective January 1, 2010, Venezuela was determined to be a highly inflationary economy and we changed the functional currency of our operations in Venezuela to the U.S. dollar. On February 8, 2013,the government of Venezuela announced a devaluation of the Bolivar, from the pre-existing official exchange rate obtained through the National Center of Foreign Trade (CENCOEX, formerly CADIVI through April 2014) of 4.29 Bolivars to the U.S. dollar to 6.3 Bolivars to the U.S. dollar. We have one subsidiary with operations in Venezuela. Due to the designation of Venezuela as highly inflationary the U.S. dollar was determined to be the functional currency for this subsidiary. As a result of the devaluation, we realized a foreign currency translation loss of approximately $3.8 million in the year ended December 31, 2013.

In January 2014, the Venezuelan government significantly expanded the use of the Supplementary Foreign Currency Administration System (SICAD) I exchange market and created a third exchange market called SICAD II. These markets have exchange rates significantly less favorable than the CENCOEX rate. The Venezuelan government also indicated that the CENCOEX rate will be reserved for purchases of "essential goods and services." In February 2015, the Venezuelan government announced a new exchange market called the Marginal Currency System (SIMADI), which will replace the SICAD II exchange and allow for trading based on supply and demand. An exchange rate for the SIMADI market has not been published.

The financial position and results of our Venezuelan subsidiary as of December 31, 2014, are reflected in USD utilizing the CENCOEX rate and not the December 31, 2014 SICAD I (12.0 Bolivars to $1.00), SICAD II (49.98 Bolivars to $1.00) or SIMADI rates due to our belief that our imports will continue to qualify for the CENCOEX rate and our intent to continue to pursue this rate for future exchanges. However, we will continue to monitor the evolving Venezuela exchange market, including the establishment of the new SIMADI exchange market.

As of December 31, 2014, we had net monetary assets of approximately 273 million Bolivars. For 2014, annual net revenues of our Venezuela subsidiary were approximately 300 million Bolivars. Further devaluation of the Bolivar, or our inability to convert our net monetary assets denominated in bolivars into US Dollars at certain of the exchange rates discussed above, could negatively impact our results of operations, financial condition, or cash flows.

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, 2014.

Interest Rate Exposure

Our debt portfolio mainly consists of fixed-rate instruments, and therefore any fluctuation in market interest rates would not have a material effect on our results of operations.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

(a) The following Consolidated Financial Statements and Financial Statement Schedules and the report thereon of PricewaterhouseCoopers LLP dated February 13, 2015, are presented following Item 15 of this Annual Report on Form 10-K.

Consolidated Financial Statements:
- Report of independent registered public accounting firm
- Consolidated Statements of comprehensive income for the years ended December 31, 2014, 2013 and 2012
- Consolidated balance sheets at December 31, 2014 and 2013
- For the years ended December 31, 2014, 2013 and 2012:
  - Consolidated statements of equity
  - Consolidated statements of cash flows
- Notes to Consolidated Financial Statements

Financial Statement Schedule:
- Schedule II – Valuation and Qualifying Accounts for the years ended December 31, 2014, 2013 and 2012:

(b) The unaudited selected quarterly financial data for the two years ended December 31, is as follows:

	2014			
In millions, except per share amounts	**First Quarter**	**Second Quarter**	**Third Quarter**	**Fourth Quarter**
Net revenues	$ 2,722.9	$ 3,542.9	$ 3,385.0	$ 3,240.5
Cost of goods sold	(1,954.8)	(2,439.9)	(2,327.0)	(2,261.1)
Operating income	155.0	463.3	440.0	346.3
Net earnings	83.6	310.6	296.2	260.2
Net earnings attributable to Ingersoll-Rand plc	79.0	306.0	291.3	255.5
Earnings per share attributable to Ingersoll-Rand plc ordinary shareholders:				
Basic	$ 0.28	$ 1.13	$ 1.11	$ 0.96
Diluted	$ 0.28	$ 1.12	$ 1.10	$ 0.95

	2013			
	First Quarter	**Second Quarter**	**Third Quarter**	**Fourth Quarter**
Net revenues	$ 2,639.0	$ 3,398.4	$ 3,214.2	$ 3,098.9
Cost of goods sold	(1,912.6)	(2,377.5)	(2,217.7)	(2,214.5)
Operating income	120.0	387.5	379.5	218.0
Net earnings	94.5	324.7	180.9	53.8
Net earnings attributable to Ingersoll-Rand plc	88.0	317.2	165.9	47.7
Earnings per share attributable to Ingersoll-Rand plc ordinary shareholders:				
Basic	$ 0.29	$ 1.07	$ 0.57	$ 0.17
Diluted	$ 0.29	$ 1.05	$ 0.56	$ 0.16

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, 2014, 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, 2014. 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, 2014.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2014 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, 2014 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. OTHER INFORMATION

As previously disclosed in a Form 8-K dated December 12, 2014, Mr. Richard Weller, the Company's Vice President and Controller and Principal Accounting Officer, will retire from his positions effective February 15, 2015. Ms. Susan K. Carter, the Company's Chief Financial Officer will also serve as the Company's Principal Accounting Officer effective as of February 15, 2015 until a successor is named.

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”, “Section 16(a) Beneficial Ownership Reporting Compliance” and “Corporate Governance” in our definitive proxy statement for the 2015 annual general meeting of shareholders (“2015 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”, “Executive Compensation” and “Compensation Committee Report” in our 2015 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” of our 2015 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” of our 2015 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 2015 Proxy Statement.

PART IV

Item 15. **EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

(a) 1. and 2.	Financial statements and financial statement schedule See Item 8.
3.	Exhibits The exhibits listed on the accompanying index to exhibits are filed as part of this Annual Report on Form 10-K.

INGERSOLL-RAND PLC
INDEX TO EXHIBITS
(Item 15(a))

Description

Pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"), Ingersoll-Rand 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.

(a) Exhibits

Exhibit No.	Description	Method of Filing
2.1	Asset and Stock Purchase Agreement, dated as of July 29, 2007, among Ingersoll-Rand Company Limited, on behalf of itself and certain of its subsidiaries, and Doosan Infracore Co., Ltd. and Doosan Engine Co., Ltd., on behalf of themselves and certain of their subsidiaries	Incorporated by reference to Exhibit 2.1 to the Company's Form 8-K (File No. 001-16831) filed with the SEC on July 31, 2007.
2.2	Separation and Distribution Agreement, dated as of July 16, 2007, by and between Trane Inc. (formerly American Standard Companies Inc.) and WABCO Holdings Inc.	Incorporated by reference to Exhibit 2.1 to Trane Inc.'s Form 8-K (File No. 001-11415) filed with the SEC on July 20, 2007.
2.3	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.
3.1	Memorandum of Association of Ingersoll-Rand plc	Incorporated by reference to Exhibit 3.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
3.2	Articles of Association of Ingersoll-Rand plc, as amended and restated on June 6,2013.	Incorporated by reference to Exhibit 3.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on June 10, 2013.
3.3	Certificate of Incorporation of Ingersoll-Rand plc	Incorporated by reference to Exhibit 3.3 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.

Exhibit No.	Description	Method of Filing
	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.	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 August 12, 2008, among the Company, Ingersoll-Rand Global Holding Company Limited and Wells Fargo Bank, N.A., as Trustee (replacing the Indenture originally filed as Exhibit 4.1 to the Company's Form 10-Q (File No. 001-16831) for the period ended September 30, 2008 as filed with the SEC on November 7, 2008)	Incorporated by reference to Exhibit 4.4 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.
4.2	First Supplemental Indenture, dated as of August 15, 2008, among the Company, Ingersoll-Rand Global Holding Company Limited and Wells Fargo Bank, N.A., as trustee, to that certain Indenture, dated as of August 12, 2008, among the Company, Ingersoll-Rand Global Holding Company Limited and Wells Fargo Bank, N.A., as trustee	Incorporated by reference to Exhibit 1.1 to the Company's Form 8-K (File No. 001-16831) filed with the SEC on August 18, 2008.
4.3	Second Supplemental Indenture, dated as of April 3, 2009, among the Company, Ingersoll-Rand Global Holding Company Limited and Wells Fargo Bank, N.A., as trustee, to that certain Indenture, dated as of August 12, 2008, among the Company, Ingersoll-Rand Global Holding Company Limited and Wells Fargo Bank, N.A., as trustee	Incorporated by reference to Exhibit 4.1 to the Company's Form 8-K (File No. 001-16831) filed with the SEC on April 6, 2009.
4.4	Third Supplemental Indenture, dated as of April 6, 2009, among the Company, Ingersoll-Rand Global Holding Company Limited and Wells Fargo Bank, N.A., as trustee, to that certain Indenture, dated as of August 12, 2008, among the Company, Ingersoll-Rand Global Holding Company Limited and Wells Fargo Bank, N.A., as trustee	Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K (File No. 001-16831) filed with the SEC on April 6, 2009.

Exhibit No.	Description	Method of Filing
4.5	Fourth Supplemental Indenture, dated as of June 29, 2009, among Ingersoll-Rand Global Holding Company Limited, a Bermuda exempted company, Ingersoll-Rand Company Limited, a Bermuda exempted company, Ingersoll-Rand International Holding Limited, a Bermuda exempted company, Ingersoll-Rand plc, an Irish public limited company, and Wells Fargo Bank, N.A., as Trustee, to the Indenture dated as of August 12, 2008	Incorporated by reference to Exhibit 4.1 to the Company’s Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
4.6	Fifth Supplemental Indenture dated as of November 20, 2013, among Ingersoll-Rand Global Holding Company Limited, a Bermuda company, Ingersoll-Rand International Holding Limited, a Bermuda company, Ingersoll-Rand Company, a New Jersey corporation, and Wells Fargo Bank, N.A., as Trustee, to the Indenture dated as of August 12, 2008	Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on November 26, 2013.
4.7	Sixth 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 International Holding Limited, Ingersoll-Rand Luxembourg Finance S.A., as guarantors, and Wells Fargo Bank, N.A., as Trustee, to an Indenture, dated as of August 12, 2008.	Incorporated by reference to Exhibit 4.6 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on November 26, 2013.
4.8	Fifth Supplemental Indenture, dated as of June 29, 2009, among Ingersoll-Rand Company, a New Jersey corporation, Ingersoll-Rand plc, an Irish public limited company, Ingersoll-Rand International Holding Limited, a Bermuda exempted company, and The Bank of New York Mellon, as Trustee, to the Indenture dated as of August 1, 1986	Incorporated by reference to Exhibit 4.3 to the Company’s Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
4.9	Sixth Supplemental Indenture, dated as of October 28, 2014, by and among Ingersoll-Rand Company, as issuer, Ingersoll-Rand plc, Ingersoll-Rand International Holding Limited, Ingersoll-Rand Company Limited, Ingersoll-Rand Luxembourg Finance S.A., as guarantors, and The Bank of New York Mellon, as Trustee, to an Indenture, dated as of August 1, 1986.	Incorporated by reference to Exhibit 4.7 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on November 26, 2013.

Exhibit No.	Description	Method of Filing
4.10	Indenture, dated as of May 24. 2005, among Ingersoll-Rand Company Limited, Ingersoll-Rand Company and Wells Fargo Bank, N.A., as trustee	Incorporated by reference to Exhibit 10.2 to the Company's 8-K (File No. 001-16831) filed with the SEC on May 27, 2005.
4.11	First Supplemental Indenture, dated as of June 29, 2009, among Ingersoll-Rand Company Limited, a Bermuda exempted company, Ingersoll-Rand Company, a New Jersey corporation, Ingersoll-Rand International Holding Limited, a Bermuda exempted company, Ingersoll-Rand plc, an Irish public limited company, and Wells Fargo Bank, N.A., as Trustee, to the Indenture dated as of May 24, 2005	Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
4.12	Second Supplemental Indenture, dated as of November 20, 2013, among Ingersoll-Rand International Holding Limited, a Bermuda company, Ingersoll-Rand Company, a New Jersey corporation, and Wells Fargo Bank, N.A., as Trustee, to the Indenture dated as of May 24, 2005.	Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on November 26, 2013.
4.13	Indenture, dated as of April 1, 2005, among the American Standard Inc., Trane Inc. (formerly American Standard Companies Inc.), American Standard International Inc. and The Bank of New York Trust Company, N.A., as trustee	Incorporated by reference to Exhibit 4.1 to Trane, Inc.'s 8-K (File No. 001-11415) filed with the SEC on April 1, 2005.
4.14	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.
4.15	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.

Exhibit No.	Description	Method of Filing
4.16	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.
4.17	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.
4.18	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.
4.19	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.
4.20	Form of Registration Rights Agreement, dated as of June 20, 2013, by and among Ingersoll-Rand Global Holding Company Limited, Ingersoll-Rand plc, Ingersoll-Rand Company Limited, Ingersoll-Rand International Holding Limited and the Representatives of the Initial Purchasers named therein.	Incorporated by reference to Exhibit 4.5 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
4.21	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.
4.22	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.
4.23	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.
4.24	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 4.3 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on October 29, 2014.
4.25	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.
10.1	Form of IR Stock Option Grant Agreement (February 2015)	Filed herewith.

Exhibit No.	Description	Method of Filing
10.2	Form of IR Restricted Stock Unit Grant Agreement (February 2015)	Filed herewith.
10.3	Form of IR Performance Stock Unit Grant Agreement (February 2015)	Filed herewith.
10.4	Credit Agreement dated March 15, 2012 among Ingersoll-Rand Global Holding Company Limited, Ingersoll-Rand plc, Ingersoll-Rand Company Limited, Ingersoll-Rand International Holding Limited, 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, Morgan Stanley MUFG Loan Partners, LLC, and Mizuho Corporate Bank, Ltd., as Documentation Agents, and J.P. Morgan Securities LLC and Citigroup Global Markets Inc., as joint lead arrangers and joint bookrunners; and certain other 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 March 21, 2012.
10.5	Supplement No. 1, dated as of November 20, 2013, between Ingersoll-Rand Company, a New Jersey Corporation, and JPMorgan Chase Bank, N.A., as Administrative Agent, to the Credit Agreement dated as of March 15, 2012.	Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on November 26, 2013.
10.6	Credit Agreement dated March 20, 2014 among Ingersoll-Rand Global Holding Company Limited, Ingersoll-Rand plc, Ingersoll-Rand Company Limited, Ingersoll-Rand International Holding Limited, 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 The Bank of Tokyo-Mitsubishi UFJ, Ltd. as Documentation Agents, and J.P. Morgan Securities LLC 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 March 26, 2014.

Exhibit No.	Description	Method of Filing
10.7	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.
10.8	Deed Poll Indemnity of Ingersoll-Rand Company Limited, a Bermuda 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 10.6 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
10.9	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.
10.10	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.
10.11	Ingersoll-Rand plc Incentive Stock Plan of 2013	Incorporated by reference to Exhibit 4.5 to the Company's Form S-8 (File No. 333-189446) filed with the SEC on June 19, 2013.
10.12	Ingersoll-Rand plc Incentive Stock Plan of 2007 (amended and restated as of December 1, 2010)	Incorporated by reference to Exhibit 10.18 to the Company's Form 10-K for the fiscal year ended 2010 (File No. 001-34400) filed with the SEC on February 22, 2011.
10.13	Ingersoll-Rand plc Incentive Stock Plan of 1998 (amended and restated as of July 1, 2009)	Incorporated by reference to Exhibit 10.8 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
10.14	Ingersoll-Rand Company Incentive Stock Plan of 1995 (amended and restated effective July 1, 2009)	Incorporated by reference to Exhibit 10.7 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
10.15	IR Executive Deferred Compensation Plan (as amended and restated effective July 1, 2009)	Incorporated by reference to Exhibit 10.9 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
10.16	IR Executive Deferred Compensation Plan II (as amended and restated effective July 1, 2009)	Incorporated by reference to Exhibit 10.10 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.

Exhibit No.	Description	Method of Filing
10.17	First Amendment to IR Executive Deferred Compensation Plan II (dated December 22, 2009)	Incorporated by reference to Exhibit 10.19 to the Company's Form 10-K for the fiscal year ended 2011 (File No. 001-34400) filed with the SEC on February 21, 2012.
10.18	Second Amendment to IR Executive Deferred Compensation Plan II (dated December 23, 2010)	Incorporated by reference to Exhibit 10.20 to the Company's Form 10-K for the fiscal year ended 2011 (File No. 001-16831) filed with the SEC on February 21, 2012.
10.19	IR-plc Director Deferred Compensation and Stock Award Plan (as amended and restated effective July 1, 2009)	Incorporated by reference to Exhibit 10.11 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
10.20	IR-plc Director Deferred Compensation and Stock Award Plan II (as amended and restated effective July 1, 2009)	Incorporated by reference to Exhibit 10.12 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
10.21	Ingersoll-Rand Company Supplemental Employee Savings Plan (amended and restated effective October 1, 2012)	Incorporated by reference to exhibit 10.23 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.
10.22	Ingersoll-Rand Company Supplemental Employee Savings Plan II (effective January 1, 2005 and amended and restated through October 1, 2012)	Incorporated by reference to exhibit 10.24 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.
10.23	Trane Inc. 2002 Omnibus Incentive Plan (restated to include all amendments through July 1, 2009)	Incorporated by reference to Exhibit 10.17 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
10.24	Trane Inc. Deferred Compensation Plan (as amended and restated as of July 1, 2009, except where otherwise stated)	Incorporated by reference to Exhibit 10.19 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
10.25	Ingersoll-Rand Company Supplemental Pension Plan (Amended and Restated Effective January 1, 2005)	Incorporated by reference to Exhibit 10.28 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.
10.26	First Amendment to the Ingersoll-Rand Company Supplemental Pension Plan, dated as of July 1, 2009	Incorporated by reference to Exhibit 10.21 to the Company's Form 8-K (File No. 001-34400) filed with the SEC on July 1, 2009.
10.27	Ingersoll-Rand Company Supplemental Pension Plan II (Effective January 1, 2005 and Amended and Restated effective October 1, 2012)	Incorporated by reference to exhibit 10.31 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
10.28	Ingersoll-Rand Company Elected Officers Supplemental Plan II (Effective January 1, 2005 and Amended and Restated effective October 1, 2012)	Incorporated by reference to exhibit 10.32 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.
10.29	Senior Executive Performance Plan	Incorporated by reference to Exhibit 10.39 to the Company's Form 10-K for the fiscal year ended 2011 (File No. 001-34400) filed with the SEC on February 21, 2012.
10.3	Description of Annual Incentive Matrix Program	Incorporated by reference to Exhibit 10.40 to the Company's Form 10-K for the fiscal year ended 2011 (File No. 001-34400) filed with the SEC on February 21, 2012.
10.31	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.
10.32	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.
10.33	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.
10.34	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.
10.35	Amended and Restated Major Restructuring Severance Plan (as amended and restated effective December 31, 2014)	Filed herewith.
10.36	Didier Teirlinck Offer Letter, dated June 5, 2008	Incorporated by reference to Exhibit 10.4 to the Company’s Form 8-K (File No. 001-16831) filed with the SEC on June 10, 2008.
10.37	Addendum to Didier Teirlinck Offer Letter, dated July 17, 2008	Incorporated by reference to Exhibit 10.13 to the Company’s Form 10-Q for the period ended June 30, 2008 (File No. 001-16831) filed with the SEC on August 8, 2008.

Exhibit No.	Description	Method of Filing
10.38	Addendum to Didier Teirlinck Offer Letter, dated December 9, 2013	Incorporated by reference to exhibit 10.48 to the Company's Form 10-K for the fiscal year ended 2013 (File No. 001-34400) filed with the SEC on February 14, 2014
10.39	Michael W. Lamach Letter, dated December 24, 2003	Incorporated by reference to Exhibit 10.23 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.
10.40	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.
10.41	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.
10.42	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.
10.43	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.
10.44	Robert Zafari Letter and Addendum, dated August 25, 2010	Incorporated by reference to Exhibit 10.1 to the Company’s Form 10-Q for the period ended September 30, 2010 (File No. 001-34400) filed with the SEC on November 1, 2010.
10.45	Addendum to Robert Zafari Offer Letter, dated December 9, 2013	Incorporated by reference to exhibit 10.55 to the Company's Form 10-K for the fiscal year ended 2013 (File No. 001-34400) filed with the SEC on February 14, 2014.
10.46	Robert L. Katz Letter, dated September 28, 2010	Incorporated by reference to Exhibit 10.65 to the Company’s Form 10-K for the fiscal year ended 2010 (File No. 001-34400) filed with the SEC on February 22, 2011.
10.47	Robert L. Katz Letter, dated December 20, 2012	Incorporated by reference to exhibit 10.51 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
10.48	Employment Agreement with Marcia J. Avedon, Senior Vice President, 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.
10.49	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.
10.50	Susan K. Carter Employment Agreement, 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.
10.51	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.
12	Computations of Ratios of Earnings to Fixed Charges	Filed herewith.
21	List of Subsidiaries of Ingersoll-Rand 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.

Exhibit No.	Description	Method of Filing
101	The following materials from the Company's Annual Report on Form 10-K for the year ended December 31, 2014, formatted in 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.

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.

INGERSOLL-RAND PLC
(Registrant)

By:	/s/ Michael W. Lamach
	Michael W. Lamach
	Chief Executive Officer
Date:	February 13, 2015

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
/s/ Michael W. Lamach (Michael W. Lamach)	Chairman of the Board, Chief Executive Officer and President (Principal Executive Officer)	February 13, 2015
/s/ Susan K. Carter (Susan K. Carter)	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	February 13, 2015
/s/ Richard J. Weller (Richard J. Weller)	Vice President and Controller (Principal Accounting Officer)	February 13, 2015
/s/ Ann C. Berzin (Ann C. Berzin)	Director	February 13, 2015
/s/ John Bruton (John Bruton)	Director	February 13, 2015
/s/ Jared L. Cohon (Jared L. Cohon)	Director	February 13, 2015
/s/ Gary D. Forsee (Gary D. Forsee)	Director	February 13, 2015
/s/ Edward E. Hagenlocker (Edward E. Hagenlocker)	Director	February 13, 2015
/s/ Constance J. Horner (Constance J. Horner)	Director	February 13, 2015
/s/ Myles P. Lee (Myles P. Lee)	Director	February 13, 2015
/s/ Theodore E. Martin (Theodore E. Martin)	Director	February 13, 2015
/s/ John P. Surma (John P. Surma)	Director	February 13, 2015
/s/ Richard J. Swift (Richard J. Swift)	Director	February 13, 2015
/s/ Tony L. White (Tony L. White)	Director	February 13, 2015

INGERSOLL-RAND PLC
Index to Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm	F-2
Consolidated Statements of Comprehensive Income	F-3
Consolidated Balance Sheets	F-5
Consolidated Statements of Equity	F-6
Consolidated Statements of Cash Flows	F-7
Notes to Consolidated Financial Statements	F-9
Schedule II – Valuation and Qualifying Accounts	F-56

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Ingersoll-Rand plc:

In our opinion, the Consolidated Financial Statements listed in the accompanying index present fairly, in all material respects, the financial position of Ingersoll-Rand plc and its subsidiaries (the “Company”) at December 31, 2014 and 2013, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2014 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the accompanying index presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2014, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying “Management’s Report on Internal Control over Financial Reporting.” Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. 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.

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.

/s/ PricewaterhouseCoopers LLP
Charlotte, North Carolina
February 13, 2015

Ingersoll-Rand plc

Consolidated Statements of Comprehensive Income

In millions, except per share amounts

For the years ended December 31,	2014	2013	2012
Net revenues	$ 12,891.4	$ 12,350.5	$ 11,988.3
Cost of goods sold	(8,982.8)	(8,722.3)	(8,533.5)
Selling and administrative expenses	(2,503.9)	(2,523.2)	(2,382.9)
Operating income	1,404.7	1,105.0	1,071.9
Interest expense	(225.3)	(278.8)	(252.0)
Other, net	30.0	3.4	28.1
Earnings before income taxes	1,209.4	829.6	848.0
Provision for income taxes	(293.7)	(189.0)	(56.0)
Earnings from continuing operations	915.7	640.6	792.0
Discontinued operations, net of tax	34.7	13.3	252.0
Net earnings	950.4	653.9	1,044.0
Less: Net earnings attributable to noncontrolling interests	(18.7)	(35.1)	(25.4)
Net earnings attributable to Ingersoll-Rand plc	$ 931.7	$ 618.8	$ 1,018.6
Amounts attributable to Ingersoll-Rand plc ordinary shareholders:			
Continuing operations	$ 897.0	$ 620.1	$ 772.4
Discontinued operations	34.7	(1.3)	246.2
Net earnings	$ 931.7	$ 618.8	$ 1,018.6
Earnings (loss) per share attributable to Ingersoll-Rand plc ordinary shareholders:			
Basic:			
Continuing operations	$ 3.32	$ 2.11	$ 2.54
Discontinued operations	0.12	—	0.81
Net earnings	$ 3.44	$ 2.11	$ 3.35
Diluted:			
Continuing operations	$ 3.27	$ 2.08	$ 2.49
Discontinued operations	0.13	(0.01)	0.79
Net earnings	$ 3.40	$ 2.07	$ 3.28

Ingersoll-Rand plc

Consolidated Statements of Comprehensive Income (continued)

In millions, except per share amounts

For the years ended December 31,	2014	2013	2012
Net earnings	$ 950.4	$ 653.9	$ 1,044.0
Other comprehensive income (loss)			
Currency translation	(450.2)	15.0	85.5
Cash flow hedges			
Unrealized net gains (losses) arising during period	(3.1)	7.8	(0.7)
Net (gains) losses reclassified into earnings	5.7	12.1	2.8
Tax (expense) benefit	0.1	(0.2)	1.0
Total cash flow hedges, net of tax	2.7	19.7	3.1
Pension and OPEB adjustments:			
Prior service gains (costs) for the period	(9.2)	(1.2)	58.8
Net actuarial gains (losses) for the period	(220.9)	358.9	(185.0)
Amortization reclassified into earnings	31.6	63.9	62.7
Settlements/curtailments reclassified to earnings	7.1	0.7	4.9
Currency translation and other	16.1	(5.4)	(9.6)
Tax (expense) benefit	73.0	(153.6)	(0.2)
Total pension and OPEB adjustments, net of tax	(102.3)	263.3	(68.4)
Other comprehensive income (loss), net of tax	(549.8)	298.0	20.2
Comprehensive income (loss), net of tax	$ 400.6	$ 951.9	$ 1,064.2
Less: Comprehensive (income) loss attributable to noncontrolling interests	(16.5)	(38.4)	(13.0)
Comprehensive income (loss) attributable to Ingersoll-Rand plc	$ 384.1	$ 913.5	$ 1,051.2

See accompanying notes to Consolidated Financial Statements.

Ingersoll-Rand plc
Consolidated Balance Sheets
In millions, except share amounts

December 31,	2014	2013
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,705.2	$ 1,937.2
Accounts and notes receivable, net	2,119.0	2,071.5
Inventories	1,358.9	1,166.1
Deferred taxes and current tax receivable	299.8	359.5
Other current assets	225.0	182.4
Total current assets	5,707.9	5,716.7
Property, plant and equipment, net	1,477.0	1,468.4
Goodwill	5,389.8	5,540.6
Intangible assets, net	3,783.9	3,922.0
Other noncurrent assets	939.9	1,010.4
Total assets	$ 17,298.5	$ 17,658.1
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 1,290.0	$ 1,163.0
Accrued compensation and benefits	471.5	505.2
Accrued expenses and other current liabilities	1,421.9	1,372.7
Short-term borrowings and current maturities of long-term debt	482.7	367.7
Total current liabilities	3,666.1	3,408.6
Long-term debt	3,741.7	3,153.5
Postemployment and other benefit liabilities	1,438.0	1,287.8
Deferred and noncurrent income taxes	1,174.3	1,335.8
Other noncurrent liabilities	1,233.0	1,341.1
Total liabilities	11,253.1	10,526.8
Equity:		
Ingersoll-Rand plc shareholders' equity		
Ordinary shares, $1 par value (266,271,978 and 282,700,041 shares issued at December 31, 2014 and 2013, respectively)	266.3	282.7
Ordinary shares held in treasury, at cost (3,372,657 and 21,137 shares at December 31, 2014 and 2013, respectively)	(202.5)	(0.8)
Capital in excess of par value	97.1	159.2
Retained earnings	6,540.8	6,794.5
Accumulated other comprehensive income (loss)	(714.3)	(166.7)
Total Ingersoll-Rand plc shareholders' equity	5,987.4	7,068.9
Noncontrolling interest	58.0	62.4
Total equity	6,045.4	7,131.3
Total liabilities and equity	$ 17,298.5	$ 17,658.1

See accompanying notes to Consolidated Financial Statements.

Ingersoll-Rand plc
Consolidated Statements of Equity

		Ingersoll-Rand plc shareholders' equity						
		Ordinary shares						
In millions, except per share amounts	Total equity	Amount	Shares	Ordinary shares held in treasury, at cost	Capital in excess of par value	Retained earnings	Accumulated other comprehensive income (loss)	Noncontrolling Interest
Balance at December 31, 2011	$ 7,012.4	$ 297.1	297.1	$ (0.8)	$ 1,633.8	$ 5,547.8	$ (553.6)	$ 88.1
Net earnings	1,044.0	—	—	—	—	1,018.6	—	25.4
Other comprehensive income (loss)	20.2	—	—	—	—	—	32.6	(12.4)
Shares issued under incentive stock plans	172.5	6.1	6.1	—	166.4	—	—	—
Settlement of Exchangeable Senior Notes	(4.7)	10.8	10.8	—	(15.5)	—	—	
Repurchase of ordinary shares	(839.8)	(18.4)	(18.4)	—	(821.4)	—	—	—
Accretion of Exchangeable Senior Notes from Temporary Equity	3.3	—	—	—	3.3	—	—	—
Share-based compensation	49.8	—	—	—	49.8	—	—	—
Acquisition/divestiture of noncontrolling interest	(1.5)	—	—	—	(1.1)	—	—	(0.4)
Dividends declared to noncontrolling interest	(19.2)	—	—	—	—	—	—	(19.2)
Cash dividends, declared ($0.69 per share)	(207.7)	—	—	—	—	(207.7)	—	—
Balance at December 31, 2012	$ 7,229.3	$ 295.6	295.6	$ (0.8)	$ 1,015.3	$ 6,358.7	$ (521.0)	$ 81.5
Net earnings	653.9	—	—	—	—	618.8	—	35.1
Other comprehensive income (loss)	298.0	—	—	—	—	—	294.7	3.3
Shares issued under incentive stock plans	272.5	7.9	7.9	—	264.6	—	—	—
Repurchase of ordinary shares	(1,213.2)	(20.8)	(20.8)	—	(1,192.4)	—	—	—
Share-based compensation	71.8	—	—	—	71.8	—	—	—
Dividends declared to noncontrolling interest	(17.6)	—	—	—	—	—	—	(17.6)
Cash dividends declared ($0.63 per share)	(183.4)	—	—	—	—	(183.4)	—	—
Distribution of Allegion	18.5	—	—	—	—	0.5	59.1	(41.1)
Other	1.5	—	—	—	(0.1)	(0.1)	0.5	1.2
Balance at December 31, 2013	$ 7,131.3	$ 282.7	282.7	$ (0.8)	$ 159.2	$ 6,794.5	$ (166.7)	$ 62.4
Net earnings	950.4	—	—	—	—	931.7	—	18.7
Other comprehensive income (loss)	(549.8)	—	—	—	—	—	(547.6)	(2.2)
Shares issued under incentive stock plans	113.1	3.2	3.2	—	109.9	—	—	—
Repurchase of ordinary shares	(1,374.9)	(19.6)	(19.6)	(202.0)	(235.5)	(917.8)	—	—
Share-based compensation	63.8	—	—	—	63.8	—	—	—
Dividends declared to noncontrolling interest	(20.9)	—	—	—	—	—	—	(20.9)
Cash dividends declared ($1.00 per share)	(267.6)	—	—	—	—	(267.6)	—	—
Other	—	—	—	0.3	(0.3)	—	—	—
Balance at December 31, 2014	$ 6,045.4	$ 266.3	266.3	$ (202.5)	$ 97.1	$ 6,540.8	$ (714.3)	$ 58.0

See accompanying notes to Consolidated Financial Statements.

Ingersoll-Rand plc
Consolidated Statements of Cash Flows
In millions

For the years ended December 31,	2014	2013	2012
Cash flows from operating activities:			
Net earnings	$ 950.4	$ 653.9	$ 1,044.0
(Income) loss from discontinued operations, net of tax	(34.7)	(13.3)	(252.0)
Adjustments to arrive at net cash provided by (used in) operating activities:			
Depreciation and amortization	332.4	333.7	333.8
Other items	(35.1)	226.1	140.9
Changes in other assets and liabilities			
(Increase) decrease in:			
Accounts and notes receivable	(119.9)	(214.3)	(34.2)
Inventories	(230.0)	(39.4)	(25.3)
Other current and noncurrent assets	83.0	68.3	(68.7)
Increase (decrease) in:			
Accounts payable	157.2	141.0	(12.5)
Other current and noncurrent liabilities	(111.6)	(357.2)	(243.5)
Net cash (used in) provided by continuing operating activities	991.7	798.8	882.5
Net cash (used in) provided by discontinued operating activities	(18.5)	292.7	312.9
Net cash provided by (used in) operating activities	973.2	1,091.5	1,195.4
Cash flows from investing activities:			
Capital expenditures	(233.5)	(242.2)	(243.1)
Acquisition of businesses, net of cash acquired and liabilities assumed	(10.2)	—	—
Proceeds from sale of property, plant and equipment	14.4	24.3	17.9
Proceeds from business dispositions, net of cash sold	2.0	4.7	52.7
Dividends received from equity investments	30.3	—	44.3
Net cash (used in) provided by continuing investing activities	(197.0)	(213.2)	(128.2)
Net cash (used in) provided by discontinued investing activities	—	(2.2)	(18.3)
Net cash provided by (used in) investing activities	(197.0)	(215.4)	(146.5)

Ingersoll-Rand plc
Consolidated Statements of Cash Flows - (Continued)
In millions

For the years ended December 31,	2014	2013	2012
Cash flows from financing activities:			
Other short-term borrowings, net	99.6	8.9	5.5
Proceeds from long-term debt	1,108.6	1,547.8	—
Payments of long-term debt	(508.0)	(1,265.0)	(418.9)
Net proceeds (repayments) in debt	700.2	291.7	(413.4)
Debt issuance costs	(12.3)	(13.2)	(2.5)
Dividends paid to ordinary shareholders	(264.7)	(245.5)	(192.4)
Dividends paid to noncontrolling interests	(20.9)	(12.4)	(13.9)
Proceeds from shares issued under incentive plans	113.1	272.5	172.5
Repurchase of ordinary shares	(1,374.9)	(1,213.2)	(839.8)
Transfer from Allegion	—	1,274.2	—
Other, net	—	—	(6.2)
Net cash (used in) provided by continuing financing activities	(859.5)	354.1	(1,295.7)
Net cash (used in) provided by discontinued financing activities	—	(7.5)	(8.2)
Net cash (used in) provided by financing activities	(859.5)	346.6	(1,303.9)
Effect of exchange rate changes on cash and cash equivalents	(148.7)	6.1	(23.6)
Net increase (decrease) in cash and cash equivalents	(232.0)	1,228.8	(278.6)
Cash and cash equivalents – beginning of period	1,937.2	708.4	987.0
Cash and cash equivalents – end of period	$ 1,705.2	$ 1,937.2	$ 708.4
Cash paid during the year for:			
Interest, net of amounts capitalized	$ 193.5	$ 238.3	$ 223.7
Income taxes, net of refunds	$ 159.8	$ 162.3	$ 251.3

See accompanying notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF COMPANY

Ingersoll-Rand plc (IR-Ireland), a public limited company incorporated in Ireland in 2009, and its consolidated subsidiaries (collectively, we, our, the Company) is a diversified, global company that provides products, services and solutions to enhance the quality and comfort of air in homes and buildings, transport and protect food and perishables, and increase industrial productivity and efficiency. Our business segments consist of Climate and Industrial, each with strong brands and leading positions within their respective markets. We generate revenue and cash primarily through the design, manufacture, sale and service of a diverse portfolio of industrial and commercial products that include well-recognized, premium brand names such as Ingersoll-Rand®, Trane®, American Standard®, Thermo King® and Club Car®.

NOTE 2 – 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).

Certain reclassifications of amounts reported in prior periods have been made to conform to the 2014 classification. The Company made certain changes in classification of global integrated supply chain costs within Operating income. This change in classification resulted in a $48.0 million increase to Cost of goods sold with a corresponding decrease to Selling and administrative expenses for the year ended 2013.

On January 1, 2015, the Company completed the previously announced acquisition of the assets of Cameron International Corporation's Centrifugal Compression division (the Division) for $850 million, funded through a combination of cash from operations and debt. The Division provides centrifugal compression equipment and aftermarket parts and services for global industrial applications, air separation, gas transmission and process gas. The assets acquired and the results of its operations will be reflected in our consolidated financial statements beginning in the first quarter of 2015.

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 Ingersoll-Rand plc in the Consolidated Statement of Comprehensive Income.

Partially-owned equity affiliates represent 20-50% ownership interests in investments where we demonstrate significant influence, but do not have a controlling financial interest. Partially-owned equity affiliates are accounted for under the equity method. The Company is also required to consolidate variable interest entities in which it bears a majority of the risk to the entities' potential losses or stands to gain from a majority of the entities' expected returns. 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 and held for spin-off for all periods presented.

The Company received cash dividends of $30.3 million and $44.3 million from its equity investment in Hussmann during 2014 and 2012, respectively. These dividends are classified in investing activities within the Consolidated Statement of Cash Flows due to the cumulative negative equity earnings to date from Hussmann Parent.

As previously disclosed in the notes to our Form 10-Q for the third quarter of 2014, the Company revised its consolidated statements of cash flows for the years ended December 31, 2013 and 2012 to correct errors in the calculation and classification of the effect of exchange rate changes on cash and cash equivalents. The impact of this error for the year ended December 31, 2013 was an overstatement of Net cash provided by continuing operating activities of $78.9 million with an offsetting understatement to the Effect of exchange rate changes on cash and cash equivalents. The impact of this error for the year ended December 31, 2012 was an understatement of Net cash provided by continuing operating activities of $14.4 million with an offsetting overstatement to the Effect of exchange rate changes on cash and cash equivalents. These adjustments were not considered to be material individually or in the aggregate to the previously issued financial statements. The adjustments had no impact on the total net increase (decrease) in cash and cash equivalents, or total cash and cash equivalents amounts in any period.

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. Some of the more significant estimates include accounting for doubtful accounts, useful lives of property, plant and equipment and intangible assets, purchase price allocations of acquired businesses, valuation of assets including goodwill and other intangible assets, product warranties, sales allowances, pension plans, postretirement benefits other than pensions, taxes, environmental costs, product liability, asbestos matters and other contingencies. 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.

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, 2014 and 2013, approximately 52% and 45%, respectively, of all inventory utilized the LIFO method.

Allowance for Doubtful Accounts: 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 our 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 \$34.1 million and \$35.4 million for doubtful accounts as of December 31, 2014 and 2013, respectively.

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

Repair and maintenance costs that do not extend the useful life of the asset are charged against earnings as incurred. Major replacements and significant improvements that increase asset values and extend useful lives are capitalized.

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 may not be recoverable. Recoverability is measured by a comparison of the carrying amount of an asset to the future net undiscounted cash flows expected to be generated by the asset. If the undiscounted cash flows are less than the carrying amount of the asset, an impairment loss is recognized for the amount by which the carrying value of the asset exceeds the fair value of the assets.

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 accordance with GAAP, 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.

Recoverability of goodwill is measured 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 two-step goodwill impairment test included in U.S. GAAP. For those reporting units where it is required, the first step 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 and the second step of the impairment test is not necessary. To the extent that the carrying value of the reporting unit exceeds its estimated fair value, a second step is performed, wherein the reporting unit's carrying value of goodwill is compared to the implied fair value of goodwill. To the extent that the carrying value exceeds the implied fair value, impairment exists and must be recognized.

The calculation of estimated fair value is based on two valuation techniques, a discounted cash flow model (income approach) and a market adjusted multiple of earnings and revenues (market approach), with each method being equally weighted in the calculation. The implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination. The estimated fair value of the reporting unit is allocated to all of the assets and liabilities of the reporting unit (including any unrecognized intangible assets) as if the reporting unit had been acquired in a business combination and the fair value of the reporting unit, as determined in the first step of the goodwill impairment test, was the price paid to acquire that reporting unit.

Recoverability of other intangible assets with indefinite useful lives (i.e. Tradenames) 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 is recognized as an impairment loss equal to that excess.

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	20	years
Completed technology/patents	10	years
Other	20	years

Recoverability of intangible assets with finite useful lives is assessed in the same manner as property, plant and equipment as described above.

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 non-U.S. 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.

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.

Treasury Stock: The Company, through one of its consolidated subsidiaries, has repurchased its common shares from time to time as authorized by the Board of Directors. These repurchases are at the discretion of management subject to market conditions, regulatory requirements and other considerations. Amounts are recorded at cost and included within the Equity section of the Consolidated Balance Sheet.

Revenue Recognition: Revenue is recognized and earned when all of the following criteria are satisfied: (a) persuasive evidence of a sales arrangement exists; (b) the price is fixed or determinable; (c) collectability is reasonably assured; and (d) delivery has occurred or service has been rendered. Delivery generally occurs when the title and the risks and rewards of ownership have substantially transferred to the customer. Both the persuasive evidence of a sales arrangement and fixed or determinable price criteria are deemed to be satisfied upon receipt of an executed and legally binding sales agreement or contract that clearly defines the terms and conditions of the transaction including the respective obligations of the parties. If the defined terms and conditions allow variability in all or a component of the price, revenue is not recognized until such time that the price becomes fixed or determinable. At the point of sale, the Company validates that existence of an enforceable claim that requires payment within a reasonable amount of time and assesses the collectability of that claim. If collectability is not deemed to be reasonably assured, then revenue recognition is deferred until such time that collectability becomes probable or cash is received. Delivery is not considered to have occurred until the customer has taken title and assumed the risks and rewards of ownership. Service and installation revenue are recognized when earned. In some instances, customer acceptance provisions are included in sales arrangements to give the buyer the ability to ensure the delivered product or service meets the criteria established in the order. In these instances, revenue recognition is deferred until the acceptance terms specified in the arrangement are fulfilled through customer acceptance or a demonstration that established criteria have been satisfied. If uncertainty exists about customer acceptance, revenue is not recognized until acceptance has occurred.

The Company offers various sales incentive programs to customers, dealers, and distributors. Sales incentive programs do not preclude revenue recognition, but do require an accrual for the Company's best estimate of expected activity. Examples of the sales incentives that are accrued for as a contra receivable and sales deduction at the point of sale include, but are not limited to, discounts (i.e. net 30 type), coupons, and rebates where the customer does not have to provide any additional requirements to receive the discount. Sales returns and customer disputes involving a question of quantity or price are also accounted for as a reduction in revenue and a contra receivable. At December 31, 2014 and 2013, the Company had a customer claim accrual (contra receivable) of $4.7 million and $1.7 million, respectively. All other incentives or incentive programs where the customer is required to reach a certain sales level, remain a customer for a certain period of time, provide a rebate form or is subject to additional requirements are accounted for as a reduction of revenue and establishment of a liability. At December 31, 2014 and 2013, the Company had a sales incentive accrual of $73.4 million and $80.1 million, respectively. Each of these accruals represents the best estimate the Company expects to pay related to previously sold units. These estimates are reviewed regularly for appropriateness. If updated information or actual amounts are different from previous estimates, the revisions are included in the results for the period in which they become known. Historically, the aggregate differences, if any, between our estimates and actual amounts in any year have not had a material impact on the Consolidated Financial Statements.

The Company enters into maintenance and extended warranty contracts with customers. Revenue related to these services is recognized on a straight-line basis over the life of the contract, unless sufficient historical evidence indicates that the cost of providing these services is incurred on an other than straight-line basis. In these circumstances, revenue is recognized over the contract period in proportion to the costs expected to be incurred in performing the service.

The Company, primarily through its Climate segment, provides equipment (e.g. HVAC, controls), integrated solutions, and installation designed to customer specifications through construction-type contracts. The term of these types of contracts is typically less than one year, but can be as long as three years. Revenues related to these contracts are recognized using the percentage-of-completion method in accordance with GAAP. This measure of progress toward completion, utilized to recognize sales and profits, is based on the proportion of actual cost incurred to date as compared to the total estimate of contract costs at completion. The timing of revenue recognition often differs from the invoicing schedule to the customer, with revenue recognition in advance of customer invoicing recorded to unbilled accounts receivable and invoicing in advance of revenue recognition recorded to deferred revenue. At December 31, 2014, all recorded receivables (billed and unbilled) are due within one year. The Company re-evaluates its contract estimates periodically and reflects changes in estimates in the current period using the cumulative catch-up method. These periodic reviews have not historically resulted in significant adjustments. If estimated contract costs are in excess of contract revenues, then the excess costs are accrued.

The Company enters into sales arrangements that contain multiple elements, such as equipment, installation and service revenue. For multiple element arrangements, each element is evaluated to determine the separate units of accounting. The total arrangement consideration is then allocated to the separate units of accounting based on their relative selling price at the inception of the arrangement. The relative selling price is determined using vendor specific objective evidence (VSOE) of selling price, if it exists; otherwise, third-party evidence (TPE) of selling price is used. If neither VSOE nor TPE of selling price exists for a deliverable, a best estimate of the selling price is developed for that deliverable. The Company primarily utilizes VSOE to determine its relative selling price. The Company recognizes revenue for delivered elements when the delivered item has stand-alone value to the customer, the basic revenue recognition criteria have been met, and only customary refund or return rights related to the delivered elements exist.

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 technology, does not reflect any offset for possible recoveries from insurance companies, and is not discounted. Refer to Note 17 for further details of environmental matters.

Asbestos Matters: Certain wholly-owned subsidiaries of the Company are named as defendants in asbestos-related lawsuits in state and federal courts. The Company records a liability for its actual and anticipated future claims as well as an asset for anticipated insurance settlements. Asbestos related defense costs are excluded from the asbestos claims liability and are recorded separately as services are incurred. Although the Company was neither a manufacturer nor producer of asbestos, some of its formerly manufactured components from third party suppliers utilized asbestos-related components. As a result, amounts related to asbestos are recorded within Discontinued operations, net of tax, except for amounts related to Trane U.S. Inc. asbestos liabilities, which are recorded in Earnings from continuing operations. Refer to Note 17 for further details of asbestos-related matters.

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, 2014, 2013 and 2012, these expenditures amounted to approximately $212.3 million, $218.2 million and $235.4 million, respectively.

Software Costs: The Company capitalizes certain qualified internal-use software costs during the application development stage and subsequently amortizes those costs over the software's useful life, which ranges from 2 to 7 years. Refer to Note 4 for further details on software.

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, employee 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. Refer to Note 9 for further details on employee benefit plans.

Loss Contingencies: Liabilities are recorded for various contingencies arising in the normal course of business, including litigation and administrative proceedings, environmental matters, product liability, product warranty, worker's compensation and other claims. 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. Refer to Note 17 for further details on loss contingencies.

Derivative Instruments: The Company periodically enters into cash flow and other derivative transactions to specifically hedge exposure to various risks related to interest rates and currency rates. The Company recognizes all derivatives on the Consolidated Balance Sheet at their fair value as either assets or liabilities. For cash flow designated hedges, the effective portion of the changes in fair value of the derivative contract are recorded in Accumulated other comprehensive income (loss), net of taxes, and are recognized in Net earnings at the time earnings are affected by the hedged transaction. For other derivative transactions, the changes in the fair value of the derivative contract are immediately recognized in Net earnings. Refer to Note 8 for further details on derivative instruments.

Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements:

In February 2013, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2013-04, "Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date." ASU 2013-04 provides guidance for the recognition, measurement, and disclosure of obligations resulting from joint and several liability arrangements where the total obligation is fixed at the reporting date, and for which no specific guidance currently exists. This new guidance became effective for annual reporting periods beginning on or after December 15, 2013 and subsequent interim periods. The revised requirements of ASU 2013-04 did not have an impact on the consolidated financial statements.

In March 2013, the FASB issued ASU 2013-05, "Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity." ASU 2013-05 clarifies the application of GAAP to the release of cumulative translation adjustments related to changes of ownership in or within foreign entities, including step acquisitions. This new guidance became effective for annual reporting periods beginning on or after December 15, 2013 and subsequent interim periods. The Company will apply the new guidance, as applicable, to future derecognitions of certain subsidiaries or groups of assets within a Foreign Entity or of an Investment in foreign entities.

In July 2013, the FASB issued ASU 2013-11, "Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists." ASU 2013-11 clarifies guidance and eliminates diversity in practice on the presentation of unrecognized tax benefits when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists at the reporting date. This new guidance became effective for annual reporting periods beginning on or after December 15, 2013 and subsequent interim periods. The Company has applied the requirements of ASU 2013-11 prospectively in preparing the December 31, 2014 consolidated balance sheet, which resulted in a decrease to current and noncurrent deferred tax assets of $21.9 million and $10.0 million, respectively, an increase to noncurrent deferred tax liabilities of $114.8 million and a decrease to noncurrent reserves for uncertain tax positions of $146.7 million. Had the Company applied the requirements of ASU 2013-11 retrospectively to the December 31, 2013 consolidated balance sheet, the impact would have been a decrease to current and noncurrent deferred tax assets of $22.6 million and $20.7 million, respectively, an increase to noncurrent deferred tax liabilities of $128.9 million and a decrease to noncurrent reserves for uncertain tax positions of $172.2 million.

Recently Issued Accounting Pronouncements

In April 2014, the FASB issued ASU 2014-08, "Presentation of Financial Statements and Property, Plant, and Equipment - Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity." ASU 2014-08 provides new guidance related to the definition of a discontinued operation and requires new disclosures of both discontinued operations and certain other disposals that do not meet the definition of a discontinued operation. This new guidance is effective for annual periods beginning on or after December 15, 2014 and interim periods within those years. Beginning in 2015, the Company will apply the new guidance, as applicable, to future disposals of components or classifications as held for sale.

In May 2014, the FASB issued ASU 2014-09, "Revenue from Contracts with Customers." ASU 2014-09 provides new guidance related to how an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, ASU 2014-08 specifies new accounting for costs associated with obtaining or fulfilling contracts with customers and expands the required disclosures related to revenue and cash flows from contracts with customers. This new guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016, and can be adopted either retrospectively to each prior reporting period presented or as a cumulative-effect adjustment as of the date of adoption, with early application not permitted. The Company is currently determining its implementation approach and assessing the impact on the consolidated financial statements.

In June 2014, the FASB issued ASU 2014-12 "Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period." ASU 2014-12 requires that a performance target that affects vesting, and that could be achieved after the requisite service period, be treated as a performance condition. As such, the performance target should not be reflected in estimating the grant date fair value of the award. This update further clarifies that compensation cost should be recognized in the period in which it becomes probable that the performance target will be achieved and should represent the compensation cost attributable to the period(s) for which the requisite service has already been rendered. The new guidance is effective for annual and interim reporting periods beginning after December 15, 2015, including interim periods within that reporting period. Early application is permitted. Beginning in 2015, the Company will apply the new guidance to future share-based payment arrangements, as applicable, and is not expected to have a significant impact on the consolidated financial statements.

In August 2014, the FASB issued ASU 2014-15, "Presentation of Financial Statements - Going Concern - Disclosures of Uncertainties about an entity's Ability to Continue as a Going Concern." ASU 2014-15 provides new guidance related to management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern by incorporating and expanding upon certain principles that are currently in U.S. auditing standards and to provide related footnote disclosures. This new guidance is effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. The requirements of ASU 2014-15 are not expected to have a significant impact on the consolidated financial statements.

NOTE 3 – INVENTORIES

At December 31, the major classes of inventory were as follows:

In millions	2014	2013
Raw materials	$ 487.9	$ 378.0
Work-in-process	118.2	100.7
Finished goods	823.1	760.2
	1,429.2	1,238.9
LIFO reserve	(70.3)	(72.8)
Total	$ 1,358.9	$ 1,166.1

NOTE 4 – PROPERTY, PLANT AND EQUIPMENT

At December 31, the major classes of property, plant and equipment were as follows:

In millions	2014	2013
Land	$ 62.9	$ 64.2
Buildings	674.8	654.8
Machinery and equipment	1,647.8	1,612.0
Software	618.7	511.3
	3,004.2	2,842.3
Accumulated depreciation	(1,527.2)	(1,373.9)
Total	$ 1,477.0	$ 1,468.4

Depreciation expense for the years ended December 31, 2014, 2013 and 2012 was $199.9 million, $199.5 million and $194.5 million, which include amounts for software amortization of $40.1 million, $44.3 million and $48.5 million, respectively.

NOTE 5 – GOODWILL

The changes in the carrying amount of Goodwill are as follows:

In millions	Climate	Industrial	Total
December 31, 2012 (gross)	$ 7,619.9	$ 368.7	$ 7,988.6
Acquisitions and adjustments	(1.1)	1.1	—
Currency translation	44.8	3.2	48.0
December 31, 2013 (gross)	7,663.6	373.0	8,036.6
Acquisitions and adjustments *	13.8	2.7	16.5
Currency translation	(158.5)	(8.8)	(167.3)
December 31, 2014 (gross)	7,518.9	366.9	7,885.8
Accumulated impairment **	(2,496.0)	—	(2,496.0)
Goodwill (net)	$ 5,022.9	$ 366.9	$ 5,389.8

* Increase is primarily related to a $15.0 million acquisition in March of 2014 within the Climate segment and a $3.0 million acquisition in August of 2014 within the Industrial segment.
** Accumulated impairment relates to a charge of $2,496.0 million recorded in the fourth quarter of 2008 as a result of the Company's annual impairment testing.

The Company records as goodwill the excess of the purchase price over the fair value of the net assets acquired.

In accordance with the Company’s goodwill impairment testing policy outlined in Note 2, the Company performed its annual impairment test on goodwill in the fourth quarter of each 2014, 2013, and 2012. In each year, the Company determined that the fair values of all identified reporting units exceeded their respective carrying values. Therefore, no impairment charges were recorded during 2014, 2013, and 2012.

NOTE 6 – INTANGIBLE ASSETS

The following table sets forth the gross amount and related accumulated amortization of the Company's intangible assets at December 31:

In millions	2014 Gross carrying amount	2014 Accumulated amortization	2014 Net carrying amount	2013 Gross carrying amount	2013 Accumulated amortization	2013 Net carrying amount
Completed technologies/patents	$ 172.2	$ (146.8)	$ 25.4	$ 174.1	$ (128.7)	$ 45.4
Customer relationships	1,850.6	(699.8)	1,150.8	1,865.9	(599.5)	1,266.4
Other	55.9	(50.2)	5.7	60.4	(52.2)	8.2
Total finite-lived intangible assets	2,078.7	$ (896.8)	1,181.9	2,100.4	$ (780.4)	1,320.0
Trademarks (indefinite-lived)	2,602.0		2,602.0	2,602.0		2,602.0
Total	$ 4,680.7		$ 3,783.9	$ 4,702.4		$ 3,922.0

The Company amortizes intangible assets with finite useful lives on a straight-line basis over their estimated economic lives in accordance with GAAP. Indefinite-lived intangible assets are not subject to amortization, but instead, are tested for impairment at least annually (more frequently if certain indicators are present).

Intangible asset amortization expense for 2014, 2013 and 2012 was $128.3 million, $128.9 million and $129.2 million, respectively. Future estimated amortization expense on existing intangible assets in each of the next five years amounts to approximately $116 million for 2015, $101 million for 2016, $101 million for 2017, $100 million for 2018, and $99 million for 2019.

In accordance with the Company's indefinite-lived intangible asset impairment testing policy outlined in Note 2, the Company performed its annual impairment test in the fourth quarter of each 2014, 2013 and 2012. In each year, the Company determined the fair value of all indefinite-lived intangible assets to exceed their respective carrying values. Therefore, no impairment charges were recorded during 2014, 2013 and 2012.

NOTE 7 – DEBT AND CREDIT FACILITIES

At December 31, short-term borrowings and current maturities of long-term debt consisted of the following:

In millions	2014	2013
Debentures with put feature	$ 343.0	$ 343.0
Other current maturities of long-term debt	23.6	8.0
Short-term borrowings	116.1	16.7
Total	$ 482.7	$ 367.7

The weighted-average interest rate for total short-term borrowings and current maturities of long-term debt at December 31, 2014 and 2013 was 5.2% and 6.5%,respectively.

At December 31, long-term debt excluding current maturities consisted of:

In millions	2014	2013
5.500% Senior notes due 2015	$ —	$ 198.1
4.750% Senior notes due 2015	—	299.8
6.875% Senior notes due 2018	749.6	749.5
2.875% Senior notes due 2019	349.6	349.5
2.625% Senior notes due 2020	299.8	—
9.000% Debentures due 2021	125.0	125.0
4.250% Senior notes due 2023	698.9	698.8
7.200% Debentures due 2014-2025	75.0	82.5
3.550% Senior notes due 2024	497.2	—
6.48% Debentures due 2025	149.7	149.7
5.750% Senior notes due 2043	498.0	498.0
4.650% Senior notes due 2044	298.2	—
Other loans and notes, at end-of-year average interest rates of 1.08% in 2014 and 3.01% in 2013, maturing in various amounts to 2019	0.7	2.6
Total	$ 3,741.7	$ 3,153.5

At December 31, 2014, long-term debt retirements are as follows:

In millions	
2015	$ 366.6
2016	7.8
2017	7.7
2018	757.3
2019	357.2
Thereafter	2,611.7
Total	$ 4,108.3

Commercial Paper Program

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 billion as of December 31, 2014. Under the commercial paper program, the Company may issue notes from time to time through Ingersoll-Rand Global Holding Company Limited (IR-Global) or Ingersoll-Rand Luxembourg Finance S.A. (IR-Lux), and the proceeds of the financing will be used for general corporate purposes. Each of IR-Ireland, Ingersoll-Rand Company Limited (IR-Limited), Ingersoll-Rand International Holding Limited (IR-International), Ingersoll-Rand Global Holding Company Limited (IR- Global) and Ingersoll-Rand New Jersey (IR-New Jersey) provided irrevocable and unconditional guarantees for the notes issued under the commercial paper program. The Company had $100.0 million of commercial paper outstanding at December 31, 2014. No commercial paper was outstanding at December 31, 2013.

Debentures with Put Feature

At December 31, 2014 and December 31, 2013, the Company had outstanding $343.0 million of fixed rate debentures which only require early repayment at the option of the holder. These debentures 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 (plus accrued and unpaid interest) of the debentures held by the holder. If these options are not exercised, the final maturity dates would range between 2027 and 2028.

Holders of these debentures had the option to exercise the put feature on $37.2 million of the outstanding debentures in February 2014, subject to the notice requirement. No exercises were made. Holders of the remaining $305.8 million in outstanding debentures had the option to exercise the put feature, subject to the notice requirement, in November 2014. No material exercises were made.

Senior Notes due 2020, 2024, and 2044

In October 2014, we issued $1.1 billion principal amount of Senior Notes in three tranches through a newly-created wholly-owned subsidiary, Ingersoll-Rand Luxembourg Finance S.A. (IR-Lux). The tranches consist of $300 million of 2.625% Senior Notes due in 2020, $500 million of 3.55% Senior Notes due 2024, and $300 million of 4.65% Senior Notes due in 2044. The notes are fully and unconditionally guaranteed by each of IR-Ireland, Ingersoll-Rand Company Limited (IR-Limited), Ingersoll-Rand International Holding Limited (IR-International), Ingersoll-Rand New Jersey (IR-New Jersey) and Ingersoll-Rand Global Holding Company Limited (IR-Global). 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.

The proceeds from the notes were primarily used to (i) fund the October 2014 redemption of the $200 million of 5.50% Notes due 2015 and $300 million 4.75% Senior Notes due 2015, and (ii) fund the previously announced acquisition of Cameron International Corporation's Centrifugal compression division on January 1, 2015. Related to the redemption, the Company recognized $10.2 million of premium expense in Interest expense.

Senior Notes due 2019, 2023, and 2043

In June 2013, we issued $1.55 billion principal amount of Senior Notes in three tranches through our wholly-owned subsidiary, IR-Global pursuant to Rule 144A of the Securities Act. The tranches consist of $350 million of 2.875% Senior Notes due in 2019, $700 million of 4.250% Senior Notes due in 2023, and $500 million of 5.750% Senior Notes due in 2043. The notes are fully and unconditionally guaranteed by each of IR-Ireland, IR-Limited, IR-International and IR-Lux. Later in 2013, the notes were modified to include IR-New Jersey as co-obligor. Interest on the notes is paid twice a year in arrears. 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.

The proceeds from these notes were primarily used to fund the July 2013 redemption of $600 million of 6.000% Senior Notes due 2013 and $655 million of 9.500% Senior Notes due 2014 and to fund expenses related to the spin-off of the commercial and residential security businesses. The July 2013 redemption resulted in $45.6 million of premium expense, which was recorded in 2013 in Interest expense.

In connection with the issuance of each series of notes, IR-Global, the Guarantors and the initial purchasers of the notes entered into a Registration Rights Agreement. Each Registration Rights Agreement required IR-Global and the Guarantors to use their commercially reasonable efforts to execute an effective exchange offer registration statement with the SEC no later than 365 days after the closing date of the notes offering and to complete an exchange offer within 30 business days of such effective date. The Company filed its exchange offer in April 2014, and in June 2014, completed the exchange of the notes for registered notes having terms identical in all material respects to the private notes, except that the registered notes do not contain terms with respect to transfer restrictions, registration rights or additional interest for failure to observe certain obligations in the applicable registration rights agreement.

Other Credit Facilities

On March 20, 2014, the Company entered into an unsecured 5-year, $1.0 billion revolving credit facility through our wholly-owned subsidiary, IR-Global. The credit facility matures in March 2019. In connection with the entry into this credit facility, the Company's existing 4-year, $1.0 billion revolving credit facility, due to expire in May 2015, was terminated. The Company also has a 5-year, $1.0 billion revolving credit facility through IR-Global that matures in March 2017. During the fourth quarter of 2014, both credit agreements were amended to include IR-Lux as an additional borrower.

IR-Ireland, IR-Limited, IR-International, IR-New Jersey, IR-Global and IR-Lux have each provided irrevocable and unconditional guarantees for these credit facilities. The total committed revolving credit facilities of $2.0 billion are unused and provide support for the Company's commercial paper program, as well as other general corporate purposes.

The Company also has various non-U.S. lines of credit that provide aggregate borrowing capacity of $847.4 million, of which $610.2 million was unused at December 31, 2014. These lines provide support for bank guarantees, letters of credit and other general corporate purposes.

Fair Value of Debt

The carrying value of the Company's short-term borrowings is a reasonable estimate of fair value due to the short-term nature of the instruments. The Company measures the fair value of its long-term debt instruments 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 discussed in Note 9. The methodologies used by the Company to determine the fair value of its long-term debt instruments at December 31, 2014 are the same as those used at December 31, 2013. There have been no transfers between levels of the fair value hierarchy. The fair value of the Company's debt instruments at December 31, 2014 and December 31, 2013 was $4,661.4 million and $3,803.8 million, respectively.

Guarantees

Along with IR-Ireland, certain of our 100% directly or indirectly owned subsidiaries have fully and unconditionally guaranteed, on a joint and several basis, public debt issued by other 100% directly or indirectly owned subsidiaries. Refer to Note 19 for our current guarantor structure.

NOTE 8 – FINANCIAL INSTRUMENTS

In the normal course of business, the Company may use various financial instruments, including derivative instruments, to manage the risks associated with interest rate and currency rate exposures. These financial instruments are not used for trading or speculative purposes.

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 fair market value of derivative instruments is determined through market-based valuations and may not be representative of the actual gains or losses that will be recorded when these instruments mature due to future fluctuations in the markets in which they are traded.

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 (AOCI).

Any ineffective portion of a derivative instrument's change in fair value is recorded in Net earnings in the period of change. 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.

Currency Hedging Instruments

The notional amount of the Company's currency derivatives was $776.7 million and $1,510.0 million at December 31, 2014 and 2013, respectively. At December 31, 2014 and 2013, a loss of $1.9 million and $3.1 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 $1.9 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, 2014, the maximum term of the Company's currency derivatives was approximately 12 months.

Other Derivative Instruments

The Company has utilized forward-starting interest rate swaps and interest rate locks to manage interest rate exposure in periods prior to the anticipated issuance of fixed-rate debt. These instruments have been designated as cash flow hedges. 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 initially deferred into Accumulated other comprehensive income. These deferred gains or losses are subsequently recognized into Interest expense over the term of the related notes. The net unrecognized gain in AOCI was $4.9 million and $2.7 million at December 31, 2014 and 2013. The deferred gain at December 31, 2014 will be amortized over the term of notes with maturities ranging from 2018 to 2044. The amount expected to be amortized over the next twelve months is $0.5 million. There were no forward-starting interest rate swaps or interest rate lock contracts outstanding at December 31, 2014 or 2013.

Fair Value Measurements

The Company measures the fair value of its derivative instruments on a recurring basis using a pricing model that employs spot rates and forward prices from actively quoted currency markets that are readily accessible and observable. These fair value inputs are considered Level 2 within the fair value hierarchy discussed in Note 9. The methodologies used by the Company to determine the fair value of its derivative instruments at December 31, 2014 are the same as those used at December 31, 2013. There have been no transfers between levels of the fair value hierarchy.

The fair values of derivative instruments included within the Consolidated Balance Sheet as of December 31 were as follows:

In millions	Asset derivatives 2014	Asset derivatives 2013	Liability derivatives 2014	Liability derivatives 2013
Derivatives designated as hedges:				
Currency derivatives	$ 0.3	$ 0.1	$ 3.2	$ 3.4
Derivatives not designated as hedges:				
Currency derivatives	1.3	3.1	10.1	13.6
Total derivatives	$ 1.6	$ 3.2	$ 13.3	$ 17.0

Asset and liability derivatives included in the table above are recorded within Other current assets and Accrued expenses and other current liabilities, respectively.

The amounts associated with derivatives designated as hedges affecting Net earnings and AOCI for the years ended December 31 were as follows:

In millions	Amount of gain (loss) recognized in AOCI 2014	2013	2012	Location of gain (loss) reclassified from AOCI and recognized into Net earnings	Amount of gain (loss) reclassified from AOCI and recognized into Net earnings 2014	2013	2012
Currency derivatives - continuing	$ (3.0)	$ (9.8)	$ (6.1)	Cost of goods sold	$ (3.4)	$ (10.8)	$ 0.4
Currency derivatives - discontinued	—	2.0	(1.1)	Discontinued operations	—	1.1	(0.2)
Interest rate swaps & locks	(0.1)	10.5	—	Interest expense	(2.3)	(2.4)	(3.0)
Total	$ (3.1)	$ 2.7	$ (7.2)		$ (5.7)	$ (12.1)	$ (2.8)

The amounts associated with derivatives not designated as hedges affecting Net earnings for the years ended December 31 were as follows:

In millions	Location of gain (loss) recognized in Net earnings	Amount of gain (loss) recognized in Net earnings 2014	2013	2012
Currency derivatives	Other, net	$ (31.5)	$ (42.2)	$ 28.5
Total		$ (31.5)	$ (42.2)	$ 28.5

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.

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.

Fair Value of Other Financial Instruments

The carrying value 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. See Note 7 for a discussion of the fair value measurement of the Company's debt instruments and Note 9 for a discussion of the fair value measurement of the Company's pension assets and liabilities.

NOTE 9 – PENSIONS AND POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

The Company sponsors several U.S. defined benefit and defined contribution plans covering substantially all of our 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, 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 the 2013 spin-off, the Company transferred its obligations for pension benefits for all current and former employees of the commercial and residential security businesses to Allegion. The transfer of these obligations reduced our pension liabilities by $631.1 million, pension assets by $543.5 million, and accumulated other comprehensive losses by $164.8 million.

On June 8, 2012, the Board of Directors approved amendments to the Company's retirement plans for certain U.S. and Puerto Rico non-bargained employees. Eligible non-bargained employees hired prior to July 1, 2012 were given a choice of remaining in their respective defined benefit plan until the plan freezes on December 31, 2022 or freezing their accrued benefits in their respective defined benefit plan as of December 31, 2012 and receiving an additional 2% non-matching Company contribution into the Company's applicable defined contribution plan. Eligible employees hired or rehired on or after July 1, 2012 will automatically receive the 2% non-matching Company contribution into the applicable defined contribution plan in lieu of participating in the defined benefit plan. Beginning January 1, 2023, all eligible employees will receive the 2% non-matching contribution into the applicable defined contribution plan . As a result of these changes, the Company's projected benefit obligations for the amended plans were remeasured as of June 8, 2012, which included updating the discount rate assumption to 4.00% from the 4.25% assumed at December 31, 2011. The amendments resulted in a 2012 curtailment loss of $4.0 million. The amendment and remeasurement resulted in an increase of $1.0 million to the projected benefit obligation, an increase of $29.4 million to the plan assets, an actuarial gain of $28.4 million and a credit of $4.0 million to prior service cost during 2012.

The following table details information regarding the Company’s pension plans at December 31:

In millions	2014	2013
Change in benefit obligations:		
Benefit obligation at beginning of year	$ 3,333.2	$ 4,228.6
Service cost	68.7	88.5
Interest cost	147.2	156.9
Employee contributions	1.2	1.5
Amendments	9.2	1.2
Actuarial (gains) losses	448.3	(314.4)
Benefits paid	(215.3)	(211.6)
Currency translation	(57.8)	19.5
Curtailments and settlements	(4.1)	(3.7)
Impact of spin-off	—	(631.1)
Other, including expenses paid	(11.0)	(2.2)
Benefit obligation at end of year	$ 3,719.6	$ 3,333.2
Change in plan assets:		
Fair value at beginning of year	$ 2,779.2	$ 3,310.2
Actual return on assets	395.2	98.9
Company contributions	116.5	109.7
Employee contributions	1.2	1.5
Benefits paid	(215.3)	(211.6)
Currency translation	(43.1)	17.7
Settlements	(4.1)	(1.6)
Impact of spin-off	—	(543.5)
Other, including expenses paid	(11.0)	(2.1)
Fair value of assets end of year	$ 3,018.6	$ 2,779.2
Net unfunded liability	$ (701.0)	$ (554.0)
Amounts included in the balance sheet:		
Other noncurrent assets	$ 11.5	$ 4.3
Accrued compensation and benefits	(11.3)	(30.8)
Postemployment and other benefit liabilities	(701.2)	(527.5)
Net amount recognized	$ (701.0)	$ (554.0)

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, 2014, approximately six percent of our projected benefit obligation relates to plans that cannot be funded.

The pretax amounts recognized in Accumulated other comprehensive income (loss) are as follows:

In millions	Prior service cost	Net actuarial losses	Total
December 31, 2013	$ (17.7)	$ (849.1)	$ (866.8)
Current year changes recorded to Accumulated other comprehensive income (loss)	(9.2)	(209.2)	(218.4)
Amortization reclassified to earnings	4.4	36.1	40.5
Settlements/curtailments reclassified to earnings	—	7.1	7.1
Currency translation and other	0.2	15.7	15.9
December 31, 2014	$ (22.3)	$ (999.4)	$ (1,021.7)

Weighted-average assumptions used to determine the benefit obligation at December 31 are as follows:

	2014	2013
Discount rate:		
U.S. plans	3.75%	4.75%
Non-U.S. plans	3.25%	4.25%
Rate of compensation increase:		
U.S. plans	4.00%	4.00%
Non-U.S. plans	4.00%	4.25%

The accumulated benefit obligation for all defined benefit pension plans was $3,568.5 million and $3,194.8 million at December 31, 2014 and 2013, 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 $3,244.3 million, $3,115.2 million and $2,536.2 million, respectively, as of December 31, 2014, and $3,291.3 million, $3,159.3 million and $2,735.5 million, respectively, as of December 31, 2013.

Pension benefit payments are expected to be paid as follows:

In millions	
2015	$ 207.8
2016	208.4
2017	212.4
2018	222.2
2019	222.4
2020 — 2024	1,164.6

The components of the Company's net periodic pension benefit costs for the years ended December 31 include the following:

In millions	2014	2013	2012
Service cost	$ 68.7	$ 88.5	$ 96.8
Interest cost	147.2	156.9	163.6
Expected return on plan assets	(156.1)	(166.3)	(173.6)
Net amortization of:			
Prior service costs	4.4	4.7	5.1
Plan net actuarial losses	36.1	63.0	60.6
Net periodic pension benefit cost	100.3	146.8	152.5
Net curtailment and settlement (gains) losses	7.1	0.7	4.9
Net periodic pension benefit cost after net curtailment and settlement (gains) losses	$ 107.4	$ 147.5	$ 157.4
Amounts recorded in continuing operations	$ 100.2	$ 119.2	$ 125.5
Amounts recorded in discontinued operations	7.2	28.3	31.9
Total	$ 107.4	$ 147.5	$ 157.4

The curtailment and settlement losses in 2014 are associated with lump sum distributions under supplemental benefit plans for officers and other key employees. The curtailment and settlement losses in 2012 are associated with the amendments to the pension plans and lump sum distributions under the supplemental benefit plans for officers and other key employees.

Pension expense for 2015 is projected to be approximately $113.5 million, utilizing the assumptions for calculating the pension benefit obligations at the end of 2014. The amounts expected to be recognized in net periodic pension cost during the year ended 2015 for prior service cost and plan net actuarial losses are $3.3 million and $62.1 million, respectively.

Weighted-average assumptions used to determine net periodic pension cost for the years ended December 31 are as follows:

	2014	2013	2012
Discount rate:			
U.S. plans			
For the period January 1 to June 7	4.75%	3.75%	4.25%
For the period June 8 to November 30	4.75%	3.75%	4.00%
For the period December 1 to December 31	4.75%	4.50%	4.00%
Non-U.S. plans	4.25%	4.25%	5.00%
Rate of compensation increase:			
U.S. plans	4.00%	4.00%	4.00%
Non-U.S. plans	4.25%	4.00%	4.00%
Expected return on plan assets:			
U.S. plans	6.00%	5.25%	5.75%
Non-U.S. plans	5.00%	5.00%	5.75%

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.

Fair Value Measurements

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Fair value measurements are based on a framework that utilizes the inputs market participants use to determine the fair value of an asset or liability and establishes a fair value hierarchy to prioritize those inputs. The fair value hierarchy is comprised of three levels that are described below:

- Level 1 - Inputs based on quoted prices in active markets for identical assets or liabilities.
- Level 2 - Inputs other than Level 1 quoted prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3 - Unobservable inputs based on little or no market activity and that are significant to the fair value of the assets and liabilities.

The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Observable inputs are obtained from independent sources and can be validated by a third party, whereas unobservable inputs reflect assumptions regarding what a third party would use in pricing an asset or liability based on the best information available under the circumstances. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The fair values of the Company's pension plan assets at December 31, 2014 by asset category are as follows:

In millions	Fair value measurements Level 1	Level 2	Level 3	Total fair value
Cash and cash equivalents	$ 1.3	$ 27.3	$ —	$ 28.6
Equity investments:				
Registered mutual funds – equity specialty[(a)]	6.3	—	—	6.3
Commingled funds – equity specialty[(a)]	—	834.0	—	834.0
	6.3	834.0	—	840.3
Fixed income investments:				
U.S. government and agency obligations	—	784.9	—	784.9
Corporate and non-U.S. bonds[(b)]	—	823.9	—	823.9
Asset-backed and mortgage-backed securities	—	45.3	—	45.3
Registered mutual funds – fixed income specialty[(c)]	33.0	—	—	33.0
Commingled funds – fixed income specialty[(c)]	—	354.3	—	354.3
Other fixed income[(d)]	—	—	23.4	23.4
	33.0	2,008.4	23.4	2,064.8
Real estate[(e)]	—	—	16.4	16.4
Other[(f)]	—	—	62.8	62.8
Total assets at fair value	$ 40.6	$ 2,869.7	$ 102.6	$ 3,012.9
Receivables and payables, net				5.7
Net assets available for benefits				$ 3,018.6

(a) This class comprises commingled and registered mutual funds that focus on equity investments. It includes both indexed and actively managed funds.

(b) This class includes state and municipal bonds.

(c) This class comprises commingled and registered mutual funds that focus on fixed income securities.

(d) This class includes group annuity and guaranteed interest contracts.

(e) This class includes private equity funds that invest in real estate, including funds of funds.

(f) This investment comprises the Company's non-significant, non-U.S. pension plan assets. It mostly includes insurance contracts.

The fair values of the Company's pension plan assets at December 31, 2013 by asset category are as follows:

In millions	Fair value measurements Level 1	Level 2	Level 3	Total fair value
Cash and cash equivalents	$ 4.1	$ 37.9	$ —	$ 42.0
Equity investments:				
Registered mutual funds – equity specialty[(a)]	6.0	—	—	6.0
Commingled funds – equity specialty[(a)]	—	826.8	—	826.8
	6.0	826.8	—	832.8
Fixed income investments:				
U.S. government and agency obligations	—	702.9	—	702.9
Corporate and non-U.S. bonds[(b)]	—	748.4	—	748.4
Asset-backed and mortgage-backed securities	—	59.4	—	59.4
Registered mutual funds – fixed income specialty[(c)]	32.3	—	—	32.3
Commingled funds – fixed income specialty[(c)]	—	268.5	—	268.5
Other fixed income[(d)]	—	—	22.6	22.6
	32.3	1,779.2	22.6	1,834.1
Real estate[(e)]	—	—	19.3	19.3
Other[(f)]	—	—	58.1	58.1
Total assets at fair value	$ 42.4	$ 2,643.9	$ 100.0	$ 2,786.3
Receivables and payables, net[(g)]				(7.1)
Net assets available for benefits				$ 2,779.2

(a) This class comprises commingled and registered mutual funds that focus on equity investments. It includes both indexed and actively managed funds.

(b) This class includes state and municipal bonds.

(c) This class comprises commingled and registered mutual funds that focus on fixed income securities.

(d) This class includes group annuity and guaranteed interest contracts.

(e) This class includes private equity funds that invest in real estate, including funds of funds.

(f) This investment comprises the Company's non-significant, non-U.S. pension plan assets. It mostly includes insurance contracts.

(g) Includes an estimated $20.0 million payable to Allegion in accordance with the terms of the Employee Matters Agreement.

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.

The methodologies used by the Company to determine the fair value of its financial assets and liabilities at December 31, 2014 are the same as those used at December 31, 2013. 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 $116.5 million in 2014, $109.7 million in 2013, and $89.1 million in 2012. The Company currently projects that it will contribute approximately $59.9 million to its plans worldwide in 2015. 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. The Company anticipates funding the plans in 2015 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 $88.7 million, $89.0 million, and $76.8 million in 2014, 2013 and 2012, respectively. The Company's contributions relating to non-U.S. defined contribution plans and other non-U.S. benefit plans were $32.1 million, $33.8 million and $27.1 million in 2014, 2013 and 2012, 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, 2014, 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. Total contributions to multiemployer plans for the years ended December 31 were as follows:

In millions	2014	2013	2012
Total contributions	$ 6.3	$ 5.4	$ 5.4

Contributions to these plans may increase in the event that any of these plans are underfunded.

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 2013 spin-off, the Company transferred its obligations for post retirement benefits other than pension for all current and former employees of the commercial and residential security businesses to Allegion. The transfer of these obligations reduced our post retirement plan liabilities by $14.1 million, and increased our accumulated other comprehensive income by $5.6 million.

The Board of Directors approved amendments on February 1, 2012 to its postretirement medical plan with respect to post-65 retiree medical coverage. Effective January 1, 2013, the Company discontinued offering company-sponsored retiree medical coverage for certain individuals age 65 and older. The Company transitioned affected individuals to coverage through the individual Medicare market and will provide a tax-advantaged subsidy to those retirees eligible for subsidized company coverage that can be used toward reimbursing premiums and other qualified medical expenses for individual Medicare supplemental coverage that is purchased through our third-party Medicare coordinator. As a result of these changes, the Company's projected benefit obligations were remeasured as of February 1, 2012, which included updating the discount rate assumption to 3.75% from the 4.00% assumed at December 31, 2011. The remeasurement resulted in a decrease of $40.5 million to the projected benefit obligation, an actuarial loss of $21.3 million and a credit of $61.8 million to prior service cost.

The following table details changes in the Company's postretirement plan benefit obligations for the years ended December 31:

In millions	2014	2013
Benefit obligation at beginning of year	$ 713.3	$ 851.4
Service cost	5.1	6.6
Interest cost	28.1	26.0
Plan participants' contributions	11.4	11.2
Actuarial (gains) losses	11.7	(109.8)
Benefits paid, net of Medicare Part D subsidy *	(67.8)	(56.4)
Impact of spin-off	—	(14.1)
Other	(1.1)	(1.6)
Benefit obligations at end of year	$ 700.7	$ 713.3

* Amounts are net of Medicare Part D subsidy of $0.1 million and $12.8 million in 2014 and 2013, respectively

The benefit plan obligations are reflected in the Consolidated Balance Sheets as follows:

In millions	December 31, 2014	December 31, 2013
Accrued compensation and benefits	$ (58.5)	$ (65.2)
Postemployment and other benefit liabilities	(642.2)	(648.1)
Total	$ (700.7)	$ (713.3)

The pre-tax amounts recognized in Accumulated other comprehensive income (loss) were as follows:

In millions	Prior service gains	Net actuarial losses	Total
Balance at December 31, 2013	$ 39.4	$ (62.3)	$ (22.9)
Gain (loss) in current period	—	(11.7)	(11.7)
Amortization reclassified to earnings	(8.9)	—	(8.9)
Currency translation and other	—	0.2	0.2
Balance at December 31, 2014	$ 30.5	$ (73.8)	$ (43.3)

The components of net periodic postretirement benefit (income) cost for the years ended December 31 were as follows:

In millions	2014	2013	2012
Service cost	$ 5.1	$ 6.6	$ 7.3
Interest cost	28.1	26.0	30.8
Net amortization of:			
Prior service gains	(8.9)	(10.3)	(10.3)
Net actuarial losses	—	6.5	7.3
Net periodic postretirement benefit cost	$ 24.3	$ 28.8	$ 35.1
Amounts recorded in continuing operations	$ 16.2	$ 19.8	$ 22.2
Amounts recorded in discontinued operations	8.1	9.0	12.9
Total	$ 24.3	$ 28.8	$ 35.1

Postretirement cost for 2015 is projected to be $19.8 million. The amount expected to be recognized in net periodic postretirement benefits cost in 2015 for prior service gains is $8.9 million.

Weighted-average assumptions used to determine net periodic benefit cost for the years ended December 31 are as follows:

	2014	2013	2012
Discount rate:			
Benefit obligations at December 31	3.50%	4.25%	3.25%
Net periodic benefit cost			
For the period January 1 to January 31	4.25%	3.25%	4.00%
For the period February 1 to November 30	4.25%	3.25%	3.75%
For the period November 30 to December 31	4.25%	4.00%	3.75%
Assumed health-care cost trend rates at December 31:			
Current year medical inflation	7.25%	7.65%	8.05%
Ultimate inflation rate	5.00%	5.00%	5.00%
Year that the rate reaches the ultimate trend rate	2021	2021	2021

A 1% change in the assumed medical trend rate would have the following effects as of and for the year ended December 31, 2014:

In millions	1% Increase	1% Decrease
Effect on total of service and interest cost components of current year benefit cost	$ 1.1	$ (0.8)
Effect on benefit obligation at year-end	31.8	(27.4)

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	
2015	$ 59.5
2016	58.4
2017	57.4
2018	55.9
2019	53.7
2020 — 2024	236.8

NOTE 10 – EQUITY

Ordinary Shares

The changes in ordinary shares and treasury shares for the year ended December 31, 2014 are as follows:

In millions	Ordinary shares issued	Ordinary shares held in treasury
December 31, 2013	282.7	—
Shares issued under incentive plans	3.2	—
Repurchase of ordinary shares	(19.6)	3.4
December 31, 2014	266.3	3.4

During 2014, the Company repurchased 23.0 million shares for $1.4 billion. Shares repurchased prior to October 2014 were canceled upon repurchase and 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 was exhausted. Beginning in October 2014, repurchased shares were held in treasury and recognized at cost. Ordinary shares held in treasury are presented separately on the balance sheet as a reduction to Equity.

The authorized share capital of IR-Ireland 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 Euro-denominated ordinary shares or preference shares outstanding at December 31, 2014 or 2013.

Other Comprehensive Income (Loss)

The changes in Accumulated other comprehensive income (loss) are as follows:

In millions	Cash flow hedges	Pension and OPEB Items	Foreign Currency Items	Total
December 31, 2012	$ (1.4)	$ (964.2)	$ 444.6	$ (521.0)
Other comprehensive income (loss) attributable to Ingersoll-Rand plc	19.7	263.3	11.7	294.7
Impact of spin-off and other activities	$ (17.9)	$ 138.1	$ (60.6)	$ 59.6
December 31, 2013	$ 0.4	$ (562.8)	$ 395.7	$ (166.7)
Other comprehensive income (loss) attributable to Ingersoll-Rand plc	2.7	(102.3)	(448.0)	(547.6)
December 31, 2014	$ 3.1	$ (665.1)	$ (52.3)	$ (714.3)

The amounts of Other comprehensive income (loss) attributable to noncontrolling interests are as follows:

In millions	2014	2013	2012
Pension and OPEB adjustments	$ —	$ —	$ (1.3)
Currency translation	(2.2)	3.3	(11.1)
Other comprehensive income (loss) attributable to noncontrolling interests	$ (2.2)	$ 3.3	$ (12.4)

NOTE 11 – SHARE-BASED COMPENSATION

The Company records share-based compensation awards using a fair value method and recognizes compensation expense for an amount equal to the fair value of the share-based payment issued in its financial statements. The Company's share-based compensation plans include programs for stock options, restricted stock units (RSUs), performance share units (PSUs), and deferred compensation.

In connection with the spin-off of the commercial and residential security businesses, the provisions of our existing compensation plans required adjustments to the number and terms of outstanding employee stock options, stock appreciation rights (SARs), RSUs and PSUs to preserve the intrinsic value of the awards immediately before and after the spin-off. 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 December 1, 2013 were adjusted as follows:

- *Stock options and SARs*: Holders of Ingersoll Rand vested stock option and SARs awards received one stock option of Allegion for every three Ingersoll Rand vested and exercisable stock options held. The exercise price for each award was also adjusted to preserve the overall intrinsic value of the awards. Unvested stock options held at the time of the spin-off were converted into stock options of the holder's employer following the spin-off, with the number of underlying shares and the exercise price adjusted accordingly to preserve the overall intrinsic value of the awards.
- *Restricted stock units*: Ingersoll Rand restricted stock units were converted into restricted stock units of the holder's employer following the spin-off with adjustments to the number of underlying shares as appropriate to preserve the intrinsic value of such awards immediately prior to the spin-off.
- *Performance share units*: Participants with active and outstanding performance share units had the number of units held adjusted for the change in Ingersoll Rand stock price before and after the spin-off. A corresponding adjustment was made to the calculation of earnings per share and total shareholder return to appropriately reflect the spin-off.

Under the Company's incentive stock plan, the total number of ordinary shares authorized by the shareholders is 20.0 million, of which 16.3 million remains available as of December 31, 2014 for future incentive awards.

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	2014	2013	2012
Stock options	$ 16.4	$ 23.0	$ 5.7
RSUs	24.6	29.9	22.0
PSUs	24.2	20.2	22.5
Deferred compensation	1.9	1.9	0.1
Other	0.6	2.9	2.3
Pre-tax expense	67.7	77.9	52.6
Tax benefit	25.9	29.8	20.1
After-tax expense	$ 41.8	$ 48.1	$ 32.5
Amounts recorded in continuing operations	$ 41.8	$ 43.4	$ 28.6
Amounts recorded in discontinued operations	—	4.7	3.9
Total	$ 41.8	$ 48.1	$ 32.5

During 2012, the Company recorded a correcting adjustment resulting in the reversal of $13.5 million ($8.3 million after tax) of previously charged compensation expense related to the accounting for stock option forfeitures. The Company does not believe the correcting adjustment is material to 2012 or to any of its previously issued annual or interim financial statements.

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 for the year ended December 31, 2014 and 2013 was estimated to be $14.29 per share and $16.55 per share, respectively, using the Black-Scholes option-pricing model. The following assumptions were used:

	2014	2013
Dividend yield	1.67%	1.60%
Volatility	31.43%	42.15%
Risk-free rate of return	1.46%	0.85%
Expected life	4.9	5.1

Expected 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 interest rate --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 cancelled 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.

For stock options granted prior to the spin-off, the weighted-average exercise prices in the table below reflect the historical exercise prices. Changes in options outstanding under the plans for the years 2014, 2013 and 2012 are as follows:

	Shares subject to option	Weighted-average exercise price	Aggregate intrinsic value (millions)	Weighted-average remaining life
December 31, 2011	18,615,276	$ 33.97		
Granted	1,463,352	40.67		
Exercised	(5,578,783)	28.87		
Cancelled	(408,883)	41.30		
December 31, 2012	14,090,962	36.47		
Granted	1,341,602	52.71		
Exercised	(6,994,024)	35.33		
Cancelled	(110,496)	44.57		
Impact of Spin-off	371,984	****		
December 31, 2013	8,700,028	31.87		
Granted	1,160,057	59.82		
Exercised	(2,253,094)	31.04		
Cancelled	(104,378)	47.85		
Outstanding December 31, 2014	7,502,613	$ 36.21	$ 203.9	5.5
Exercisable December 31, 2014	5,127,891	$ 30.47	$ 168.8	4.3

The following table summarizes information concerning currently outstanding and exercisable options as adjusted for the spin-off as discussed above:

	Options outstanding			Options exercisable		
Range of exercise price	Number outstanding at December 31, 2014	Weighted-average remaining life	Weighted-average exercise price	Number outstanding at December 31, 2014	Weighted-average remaining life	Weighted-average exercise price
10.01 — 20.00	610,934	2.7	15.03	610,934	2.7	15.03
20.01 — 30.00	1,303,401	4.4	25.60	1,302,062	4.4	25.60
30.01 — 40.00	3,164,061	4.6	33.98	2,746,192	4.2	34.22
40.01 — 50.00	1,306,079	7.4	41.95	460,016	6.3	41.88
50.01 — 60.00	1,118,138	9.1	59.79	8,687	3.5	59.83
$ 15.03 — $ 59.83	7,502,613	5.5	$ 36.21	5,127,891	4.3	$ 30.47

At December 31, 2014, there was $12.7 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, 2014 and 2013 was $67.4 million and $155.5 million, respectively. Generally, stock options expire ten years from their date of grant.

For restricted stock awarded prior to the spin-off, grant price information in the table below reflects historical market prices. The following table summarizes RSU activity for the years 2014, 2013 and 2012:

	RSUs	Weighted-average grant date fair value
Outstanding and unvested at December 31, 2011	1,307,173	$ 35.00
Granted	643,822	40.74
Vested	(575,214)	30.05
Cancelled	(91,089)	38.92
Outstanding and unvested at December 31, 2012	1,284,692	$ 39.81
Granted	685,441	53.78
Vested	(669,079)	38.44
Cancelled	(63,954)	43.98
Impact of Spin-off	103,882	****
Outstanding and unvested at December 31, 2013	1,340,982	$ 38.49
Granted	378,873	59.79
Vested	(630,185)	35.73
Cancelled	(41,921)	45.14
Outstanding and unvested at December 31, 2014	1,047,749	$ 47.60

At December 31, 2014, there was $19.4 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. All PSUs are settled in the form of ordinary shares.

Awards granted prior to 2012 are earned based upon the Company's relative earnings-per-share (EPS) growth as compared to the industrial group of companies in the S&P 500 Index over the 3-year performance period.

Beginning with the 2012 grant year, PSU awards are earned based 50% upon a performance condition, measured at each reporting period by relative EPS growth to the industrial group of companies in the S&P 500 Index and the fair market value of the Company's stock on the date of grant, and 50% upon a market condition, measured by the Company's relative total shareholder return (TSR) as compared to the TSR of the industrial group of companies in the S&P 500 Index over the 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.

The grant price information for performance share units awarded prior to the spin-off reflects historical market prices which were not adjusted to reflect the spin-off. The following table summarizes PSU activity for the maximum number of shares that may be issued for the years 2014, 2013 and 2012:

	PSUs	Weighted-average grant date fair value
Outstanding and unvested at December 31, 2011	2,632,996	$ 27.76
Granted	649,668	50.75
Vested	—	—
Forfeited	(1,423,028)	18.68
Outstanding and unvested at December 31, 2012	1,859,636	$ 40.30
Granted	580,910	61.24
Vested	(718,040)	34.94
Forfeited	(150,636)	51.43
Impact of spin-off	380,780	****
Outstanding and unvested at December 31, 2013	1,952,650	$ 39.20
Granted	473,988	66.22
Vested	(604,649)	27.84
Forfeited	(36,991)	44.33
Outstanding and unvested at December 31, 2014	1,784,998	$ 50.12

At December 31, 2014, there was $16.8 million of total unrecognized compensation cost from the PSP 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.

Other Plans

The Company has not granted SARs since 2006 and does not anticipate additional grants in the future. As of December 31, 2014, there were 55,000 SARs outstanding, all of which are vested and expire 10 years from the date of grant. All SARs exercised are settled with the Company's ordinary shares.

NOTE 12 – RESTRUCTURING ACTIVITIES

Restructuring charges recorded during the years ended December 31 were as follows:

In millions	2014	2013	2012
Climate	$ 5.2	$ 47.5	$ 12.9
Industrial	4.0	14.5	7.6
Corporate and Other	3.3	20.3	2.8
Total	$ 12.5	$ 82.3	$ 23.3
Cost of goods sold	$ 2.7	$ 15.2	$ 10.3
Selling and administrative expenses	9.8	67.1	13.0
Total	$ 12.5	$ 82.3	$ 23.3

The changes in the restructuring reserve were as follows:

In millions	Climate	Industrial	Corporate and Other	Total
December 31, 2012	$ 4.7	$ 2.1	$ 1.9	$ 8.7
Additions, net of reversals	47.5	14.5	20.3	82.3
Cash paid	(34.2)	(7.1)	(17.2)	(58.5)
December 31, 2013	18.0	9.5	5.0	32.5
Additions, net of reversals	5.2	4.0	3.3	12.5
Cash paid	(20.3)	(12.6)	(7.7)	(40.6)
December 31, 2014	$ 2.9	$ 0.9	$ 0.6	$ 4.4

During 2014, 2013, and 2012, the Company incurred costs of $12.5 million, $82.3 million, and $23.3 million respectively, associated with ongoing restructuring actions. These actions included workforce reductions as well as the closure and consolidation of manufacturing facilities in an effort to improve the Company's cost structure. As of December 31, 2014, the Company had $4.4 million accrued for costs associated with its ongoing restructuring actions, of which a majority is expected to be paid within one year.

NOTE 13 – OTHER, NET

The components of Other, net for the years ended December 31, 2014, 2013 and 2012 are as follows:

In millions	2014	2013	2012
Interest income	$ 13.2	$ 12.8	$ 16.3
Exchange gain (loss)	(0.1)	(14.0)	0.2
Earnings (loss) from equity investments	7.8	(2.6)	(5.9)
Other	9.1	7.2	17.5
Other, net	$ 30.0	$ 3.4	$ 28.1

Exchange gain (loss) for the year ended December 31, 2013 includes a loss of approximately $3.8 million related to the devaluation of the Venezuela Bolivar.

For the years ended December 31, 2014, 2013 and 2012, we recognized equity earnings (loss) of $7.8 million, $(2.6) million and $(5.9) million, respectively, from our 37.2% ownership interest in Hussmann, a refrigeration display case business.

Other activity for the year ended December 31, 2014 includes a $6.0 million gain on the sale of an investment. Other activity in 2012 includes adjustments to insurance receivables as a result of favorable settlements.

NOTE 14 – INCOME TAXES

Earnings before income taxes for the years ended December 31 were taxed within the following jurisdictions:

In millions	2014	2013	2012
United States	$ 276.5	$ (147.4)	$ (49.3)
Non-U.S.	932.9	977.0	897.3
Total	$ 1,209.4	$ 829.6	$ 848.0

The components of the Provision for income taxes for the years ended December 31 were as follows:

In millions	2014	2013	2012
Current tax expense (benefit):			
United States	$ 168.4	$ 2.1	$ (70.1)
Non-U.S.	148.7	157.5	174.0
Total:	317.1	159.6	103.9
Deferred tax expense (benefit):			
United States	(21.4)	19.2	116.9
Non-U.S.	(2.0)	10.2	(164.8)
Total:	(23.4)	29.4	(47.9)
Total tax expense (benefit):			
United States	147.0	21.3	46.8
Non-U.S.	146.7	167.7	9.2
Total	$ 293.7	$ 189.0	$ 56.0

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		
	2014	2013	2012
Statutory U.S. rate	35.0%	35.0%	35.0%
Increase (decrease) in rates resulting from:			
Non-U.S. tax rate differential	(14.8)	(26.8)	(22.5)
Tax on U.S. subsidiaries on non-U.S. earnings	1.7	2.0	4.1
State and local income taxes (1)	1.6	6.3	0.3
Valuation allowances	(1.0)	2.5	(16.6)
Change in permanent reinvestment assertion (2)	0.9	6.2	—
Reserves for uncertain tax positions	0.3	(2.9)	2.4
Impact of change in taxation of retiree drugs subsidy	—	—	1.9
Provision to return and other true-up adjustments	0.1	(0.7)	(0.1)
Other adjustments	0.5	1.2	2.1
Effective tax rate	24.3%	22.8%	6.6%

(1) Net of changes in valuation allowances
(2) Net of foreign tax credits

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 Belgium. The benefit for the tax holidays for the years ended December 31, 2014, 2013 and 2012 was $24.7 million, $25.3 million and $13.7 million, respectively.

A summary of the deferred tax accounts at December 31 are as follows:

In millions	2014	2013
Deferred tax assets:		
Inventory and accounts receivable	$ 19.2	$ 19.7
Fixed assets and intangibles	8.6	3.3
Postemployment and other benefit liabilities	702.5	643.1
Product liability	191.0	221.7
Other reserves and accruals	190.5	198.5
Net operating losses and credit carryforwards	505.9	707.1
Other	77.3	59.2
Gross deferred tax assets	1,695.0	1,852.6
Less: deferred tax valuation allowances	(210.7)	(218.5)
Deferred tax assets net of valuation allowances	$ 1,484.3	$ 1,634.1
Deferred tax liabilities:		
Inventory and accounts receivable	$ (42.8)	$ (46.8)
Fixed assets and intangibles	(1,999.6)	(2,046.8)
Postemployment and other benefit liabilities	(3.3)	(3.3)
Other reserves and accruals	(14.1)	(6.0)
Other	(20.3)	(49.1)
Gross deferred tax liabilities	(2,080.1)	(2,152.0)
Net deferred tax assets (liabilities)	$ (595.8)	$ (517.9)

At December 31, 2014, no deferred taxes have been provided for any portion of the approximately $11.1 billion of undistributed earnings of the Company's subsidiaries, since these earnings have been, and under current plans will continue to be, permanently reinvested in these subsidiaries. Due to the number of legal entities and jurisdictions involved and the complexity of the legal entity structure of the Company, the complexity of the tax laws in the relevant jurisdictions, including, but not limited to the rules pertaining to the utilization of foreign tax credits in the United States and the impact of projections of income for future years to any calculations, the Company believes it is not practicable to estimate, within any reasonable range, the amount of additional taxes which may be payable upon distribution of these earnings.

As a result of the Allegion spin-off and certain internal restructurings, the Company believed it to be advantageous to fully repay an intercompany debt obligation between two of its subsidiaries. In order to facilitate the repayment of this intercompany debt, in the fourth quarter of 2013, the Company decided to change its permanent reinvestment assertion as it relates to approximately $740 million of earnings primarily related to subsidiaries in Hong Kong, Australia and Canada. The Company recorded the tax effects of this change in the fourth quarter of 2013, which resulted in a charge of approximately $51 million.

At December 31, 2014, the Company had the following operating 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	$ 696.3	2022-2034
U.S. Federal credit carryforwards	45.2	2024-Unlimited
U.S. State net operating loss carryforwards	2,966.8	2015-2034
U.S. State credit carryforwards	36.6	2015-Unlimited
Non-U.S. net operating loss carryforwards	867.8	2015-Unlimited
Non-U.S. credit carryforwards	2.2	Unlimited

The amount of net operating loss carryforwards for which a benefit would be recorded in additional paid in capital when realized is $38.2 million.

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, Ireland, India, Luxembourg, Spain, and the United Kingdom.

Activity associated with the Company's valuation allowance is as follows:

In millions	2014	2013	2012
Beginning balance	$ 218.5	$ 156.2	$ 308.4
Increase to valuation allowance	35.2	89.3	44.5
Decrease to valuation allowance	(38.8)	(26.3)	(192.4)
Accumulated other comprehensive income (loss)	(4.2)	(0.7)	(4.3)
Ending balance	$ 210.7	$ 218.5	$ 156.2

The Company has total unrecognized tax benefits of $343.8 million and $363.3 million as of December 31, 2014, and December 31, 2013, respectively. The amount of unrecognized tax benefits that, if recognized, would affect the continuing operations effective tax rate are $266.5 million as of December 31, 2014. A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

In millions	2014	2013	2012
Beginning balance	$ 363.3	$ 497.5	$ 503.4
Additions based on tax positions related to the current year	6.7	19.9	8.5
Additions based on tax positions related to prior years	49.8	152.9	88.2
Reductions based on tax positions related to prior years	(52.4)	(215.3)	(24.1)
Reductions related to settlements with tax authorities	(8.0)	(84.7)	(50.6)
Reductions related to lapses of statute of limitations	(7.1)	(8.4)	(29.5)
Translation (gain) loss	(8.5)	1.4	1.6
Ending balance	$ 343.8	$ 363.3	$ 497.5

In connection with the Company's spin-off of Allegion, the Company and Allegion entered into a tax sharing agreement for the allocation of taxes. Of the total unrecognized tax benefit of $343.8 million at December 31, 2014, Allegion has agreed to indemnify Ingersoll Rand for $1.9 million, which is reflected in an other long-term receivable account. Additionally, included in this other long-term receivable account is an indemnity receivable from Allegion in the amount of $58.2 million related to a filing for competent authority relief in connection with an unrecognized tax benefit included in the table above. The $58.2 million is exclusive of interest and penalties in the amount of $9.7 million. The Company also has an indemnity payable to Allegion in the amount of $7.0 million of tax and interest primarily related to competent authority relief filings.

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 $69.7 million and $71.9 million at December 31, 2014 and December 31, 2013, respectively. For the year ended December 31, 2014 and December 31, 2013, the Company recognized $2.5 million and $(5.9) million, 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 $5.9 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, Switzerland, the Netherlands and the United States. In general, the examination of the Company's material tax returns is complete for the years prior to 2001, with certain matters being resolved through appeals and litigation.

In 2007, the Company received a notice from the IRS containing proposed adjustments to the Company's tax filings in connection with an audit of the 2001 and 2002 tax years. The IRS did not contest the validity of the Company's reincorporation in Bermuda. The IRS proposed to ignore the entities that hold the intercompany debt incurred in connection with the Company's reincorporation in Bermuda (2001 Debt) and to which the interest was paid and impose 30% withholding tax on a portion of the interest payments as if they were made directly to a company that was not eligible for reduced U.S. withholding tax under a U.S. income tax treaty. The IRS asserted that the Company owed additional taxes with respect to 2002 of approximately $84 million plus interest. In 2010, the Company received an amended notice from the IRS assessing penalties of 30% on the asserted underpayment of tax described above.

The Company has so far been unsuccessful in resolving this dispute, and in 2013, received a Notice of Deficiency from the IRS for 2002. The Company filed a petition in the United States Tax Court in November 2013 contesting this deficiency. In its January 2014 answer to the Company's petition, the IRS asserted that the Company also owes 30% withholding tax on the portion of 2002 interest payments made on the 2001 Debt upon which it did not previously assert withholding tax. This increases the total tax liability proposed for 2002 to $109.0 million ($84 million referred to in the paragraph above plus an additional $25.0 million) plus 30% penalties and interest.

In 2013, the Company received notices from the IRS containing proposed adjustments to the Company's tax filings in connection with an audit of the 2003-2006 tax years. In these notices, the IRS asserts that the Company owes a total of approximately $665.0 million of additional taxes, as described more fully in the two paragraphs below, in connection with the Company's interest payments on the 2001 Debt for the 2003-2006 period, plus penalties and interest on these unpaid taxes.

The IRS continues to take the position on the 2001 Debt, which was retired at the end of 2011, that it previously took for the Company's 2002 tax year and which is described above. As a result of this recharacterization, the IRS asserts that the Company owes approximately $455.0 million of withholding tax for 2003-2006 plus 30% penalties.

The IRS also proposes to extend its position further and to treat all of the interest income from the 2001 Debt as creating earnings and profits at IR-Limited and, as a result, recharacterize the distributions made by IR-Limited during the 2002-2006 tax years as taxable dividends instead of as a return of capital. Consequently the IRS asserts that the Company owes approximately $210.0 million of income tax on these dividends plus penalties of 20%. The Company strongly disagrees with the view of the IRS and filed a protest in January 2014 for the 2003-2006 tax years.

Furthermore, a substantial amount of information has been provided to the IRS in connection with its audit of our 2007-2011 tax years. We expect the IRS to propose similar adjustments with respect to the 2001 Debt, although the Company does not know how the IRS will apply its position to the different facts presented in these years or whether the IRS will take a similar position with respect to intercompany debt instruments not outstanding in prior years.

The Company has vigorously contested all of these proposed adjustments and intends to continue to do so. Although the outcome of these matters cannot be predicted with certainty, based upon an analysis of the merits of the Company's position, the Company believes that it is adequately reserved under the applicable accounting standards for these matters and does not expect that the ultimate resolution will have a material adverse impact on its future results of operations, financial condition, or cash flows. As the Company moves forward to resolve these matters with the IRS, the reserves established may be adjusted. Although the Company continues to contest the IRS's position, there can be no assurance that it will be successful. If the IRS's position with respect to the 2002-2006 tax years is ultimately sustained, the Company would be required to record additional charges and the resulting liability would have a material adverse impact on its future results of operations, financial condition and cash flows.

The Company believes that it has adequately provided for any reasonably foreseeable resolution of any tax disputes, but will adjust its reserves if events so dictate in accordance with GAAP. To the extent that the ultimate results differ from the original or adjusted estimates of the Company, the effect will be recorded in the Provision for income taxes.

During 2013, the Company recorded to continuing operations a tax charge of approximately $74.3 million as result of increases to its deferred tax asset valuation allowance for non-U.S. and U.S. state and local net operating losses and other net deferred tax assets. During 2013, the Company also recorded to continuing operations a net tax benefit of $36.0 million related to its liability for unrecognized tax benefits primarily driven by a tax benefit of $75.0 million as a result of the settlement of an audit in a major tax jurisdiction, partially offset by an increase in our liability for unrecognized tax benefits in non-U.S. tax jurisdictions.

During 2012 the Company recorded to continuing operations a tax benefit of approximately $140.0 million as a result of reducing its deferred tax asset valuation allowance for state net operating losses.

NOTE 15 – DISCONTINUED OPERATIONS

The components of discontinued operations for the years ended December 31 are as follows:

In millions	2014	2013	2012
Net revenues	$ —	$ 1,889.9	$ 2,046.6
Pre-tax earnings (loss) from operations	$ 41.2	$ 84.7	$ 379.5
Pre-tax gain (loss) on sale	—	—	2.3
Tax benefit (expense)	(6.5)	(71.4)	(129.8)
Discontinued operations, net of tax	$ 34.7	$ 13.3	$ 252.0

Discontinued operations by business for the years ended December 31 are as follows:

In millions	2014	2013	2012
Allegion, net of tax	$ 15.0	$ 12.4	$ 254.2
Other discontinued operations, net of tax	19.7	0.9	(2.2)
Discontinued operations, net of tax	$ 34.7	$ 13.3	$ 252.0

Allegion Spin-Off

On December 1, 2013, the Company completed the previously announced separation of its commercial and residential security businesses by distributing the related ordinary shares of Allegion, on a pro rata basis, to the Company's shareholders of record as of November 22, 2013. Allegion is now an independently traded publicly company.

The results of the commercial and residential security businesses prior to the spin-off are presented as a discontinued operation on the Consolidated Statement of Comprehensive Income and Consolidated Statement of Cash Flows for all periods presented.

In connection with the spin-off, the Company and Allegion entered into several agreements covering administrative and tax matters to provide or obtain services on a transitional basis, as needed, for varying periods after the spin-off. As of December 31, 2014, all services provided under these agreements were substantially complete.

Net revenues and after-tax earnings of Allegion for the year ended December 31 are as follows:

In millions	2014	2013	2012
Net revenues	$ —	$ 1,889.9	$ 2,046.6
Discontinued operations, net of tax	$ 15.0	$ 12.4	$ 254.2

After-tax earnings from Allegion for the year ended December 31, 2014 primarily represent adjustments for certain tax matters. After-tax earnings from Allegion for the years ended December 31, 2013 and 2012 include spin costs of $128.0 million and $5.7 million, respectively. Also, the 2013 results include non-cash goodwill charges and tax of $111.4 million and $148.2 million, respectively. See below for further discussion of the impairment.

During the third quarter of 2013, prior to the spin-off, the Company recorded a non-cash, pre-tax goodwill impairment charge of $111.4 million ($106.2 million after-tax) related to Europe, Middle East, India and Africa (EMEIA) reporting unit of Allegion. This charge is reflected within Discontinue operations, net of tax, for the year ended December 31, 2013.

Other Discontinued Operations

The components of other discontinued operations for the years ended December 31 are as follows:

In millions	2014	2013	2012
Retained costs, net of tax	$ 19.7	$ 0.9	$ (16.2)
Net gain (loss) on disposals, net of tax	—	—	14.0
Discontinued operations, net of tax	$ 19.7	$ 0.9	$ (2.2)

Other discontinued operations, net of tax for the years ended December 31, 2014 and 2013 is mainly related to postretirement benefits, product liability, worker's compensation, and legal costs (mostly asbestos-related) from previously sold businesses and tax effects of post-closing purchase price adjustments.

Retained costs recognized in 2012 are primarily related to the settlement of post-closing matters with Doosan Infracore related to its 2007 acquisition of our Bobcat Utility Equipment and Attachments business in 2007.

NOTE 16 – EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing Net earnings attributable to Ingersoll-Rand 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 and the effects of the Exchangeable Senior Notes settled in 2012. The following table summarizes the weighted-average number of ordinary shares outstanding for basic and diluted earnings per share calculations:

In millions	2014	2013	2012
Weighted-average number of basic shares outstanding	270.5	294.1	303.9
Shares issuable under incentive stock plans	3.8	4.2	3.7
Exchangeable Senior Notes	—	—	3.0
Weighted-average number of diluted shares outstanding	274.3	298.3	310.6
Anti-dilutive shares	1.1	19.1	5.2

NOTE 17 – COMMITMENTS AND CONTINGENCIES

The Company is involved in various litigations, claims and administrative proceedings, including those related to environmental, asbestos, and product liability matters. 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.

Environmental Matters

The Company continues to be dedicated to an environmental program to reduce the utilization and generation of hazardous materials during the manufacturing process 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 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.

The Company incurred $5.2 million, $(0.5) million, and $3.1 million of expenses during the years ended December 31, 2014, 2013 and 2012, respectively, for environmental remediation at sites presently or formerly owned or leased by us. As of December 31, 2014 and 2013, the Company has recorded reserves for environmental matters of $45.2 million and $47.9 million, respectively. Of these amounts $36.3 million and $42.1 million, respectively, relate to remediation of sites previously disposed by the Company. Environmental reserves are classified as Accrued expenses and other current liabilities, or Other noncurrent liabilities based on their expected term. The Company's total current environmental reserve at December 31, 2014 and 2013 was $17.1 million and $13.5 million, respectively. Given the evolving nature of environmental laws, regulations and technology, the ultimate cost of future compliance is uncertain.

Asbestos-Related Matters

Certain wholly-owned subsidiaries of the Company are 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 have been filed against either Ingersoll-Rand Company (IR-New Jersey) or Trane U.S. Inc. (Trane) and generally allege injury caused by exposure to asbestos contained in certain historical products sold by IR-New Jersey or Trane, primarily pumps, boilers and railroad brake shoes. Neither IR-New Jersey nor Trane was a producer or manufacturer of asbestos, however, some formerly manufactured products utilized asbestos-containing components such as gaskets and packings purchased from third-party suppliers.

The Company engages an outside expert to assist in calculating an estimate of the Company's total liability for pending and unasserted future asbestos-related claims and annually performs a detailed analysis with the assistance of an outside expert to update its estimated asbestos-related assets and liabilities. The methodology used to project the Company's total liability for pending and unasserted potential future asbestos-related claims relied upon and included the following factors, among others:

- the outside expert's 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 outside expert's 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 most recent three-year 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 most recent three-year 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 1.5% 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.

At December 31, 2014, over 80 percent of the open claims against the Company are non-malignancy or unspecified disease claims, many of which have been placed on inactive or deferral dockets and the vast majority of which have little or no settlement value against the Company, particularly in light of recent changes in the legal and judicial treatment of such claims.

The Company's liability for asbestos-related matters and the asset for probable asbestos-related insurance recoveries are included in the following balance sheet accounts:

In millions	December 31, 2014	December 31, 2013
Accrued expenses and other current liabilities	$ 67.6	$ 69.1
Other noncurrent liabilities	709.0	777.1
Total asbestos-related liabilities	$ 776.6	$ 846.2
Other current assets	$ 57.2	$ 22.3
Other noncurrent assets	278.5	299.5
Total asset for probable asbestos-related insurance recoveries	$ 335.7	$ 321.8

The Company's asbestos insurance receivable related to IR-New Jersey and Trane was $176.8 million and $158.9 million at December 31, 2014, and $137.4 million and $184.4 million at December 31, 2013, respectively.

The (costs) income associated with the settlement and defense of asbestos-related claims after insurance recoveries, for the years ended December 31, were as follows:

In millions	2014	2013	2012
Continuing operations	$ 1.7	$ (0.4)	$ 10.1
Discontinued operations	63.2	(55.8)	(17.9)
Total	$ 64.9	$ (56.2)	$ (7.8)

Income and expense associated with IR-New Jersey's asbestos liabilities and corresponding insurance recoveries are recorded within discontinued operations, as they relate to previously divested businesses, primarily Ingersoll-Dresser Pump, which was sold in 2000. Income and expenses associated with Trane's asbestos liabilities and corresponding insurance recoveries are recorded within continuing operations.

Trane has now settled claims regarding asbestos coverage with most of its insurers. The settlements collectively account for approximately 95% of its recorded asbestos-related insurance receivable as of December 31, 2014. Most of Trane's settlement agreements constitute "coverage-in-place" arrangements, in which the insurer signatories agree to reimburse Trane for specified portions of its costs for asbestos bodily injury claims and Trane agrees to certain claims-handling protocols and grants to the insurer signatories certain releases and indemnifications. Trane remains in litigation in an action that Trane filed in November 2010 in the Circuit Court for La Crosse County, Wisconsin, relating to claims for insurance coverage for a subset of Trane's historical asbestos-related liabilities.

On January 12, 2012, IR-New Jersey filed an action in the Superior Court of New Jersey, Middlesex County, seeking a declaratory judgment and other relief regarding the Company's rights to defense and indemnity for asbestos claims. The defendants are several dozen solvent insurance companies, including companies that have been paying a portion of IR-New Jersey's asbestos claim defense and indemnity costs. The action involves certain of IR-New Jersey's unexhausted insurance policies applicable to the asbestos claims that are not subject to any settlement agreement. The responding defendants generally challenged the Company's right to recovery, and raised various coverage defenses. In December 2013, IR-New Jersey filed a similar action in the same court against an insurer that was not a party to the 2012 action.

The Company continually monitors the status of pending litigation that could impact the allocation of asbestos claims against the Company's various insurance policies. The Company has concluded that its IR-New Jersey insurance receivable is probable of recovery because of the following factors:

- in the fourth quarter of 2014, IR-New Jersey reached favorable settlements regarding asbestos coverage claims for the majority of its recorded asbestos-related insurance receivable at December 31, 2014;
- a review of other companies in circumstances comparable to IR-New Jersey, including Trane, and the success of other companies in recovering under their insurance policies, including Trane's favorable settlement discussed above;
- the Company's confidence in its right to recovery under the terms of its policies and pursuant to applicable law; and
- the Company's history of receiving payments under the IR-New Jersey insurance program, including under policies that had been the subject of prior litigation.

The amounts recorded by the Company for asbestos-related liabilities and insurance-related assets are based on currently available information. The Company's actual liabilities or insurance recoveries could be significantly higher or lower than those recorded if assumptions used in the calculations vary significantly from actual results. Key variables in these assumptions include the number and type of new claims to be filed each year, the average cost of resolution of each such new claim, the resolution of coverage issues with insurance carriers, and the solvency risk with respect to the Company's insurance carriers. Furthermore, predictions with respect to these variables 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 the Company for asbestos-related claims acquired over many years and from many different carriers, is substantial. However, limitations in that coverage, primarily due to the considerations described above, are expected to result in the projected total liability to claimants substantially exceeding the probable insurance recovery.

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	**2014**	**2013**
Balance at beginning of period	$ 246.9	$ 253.4
Reductions for payments	(146.6)	(156.7)
Accruals for warranties issued during the current period	168.0	153.9
Changes to accruals related to preexisting warranties	(9.8)	(4.3)
Translation	(4.9)	0.6
Balance at end of period	$ 253.6	$ 246.9

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, 2014 and December 31, 2013 was $147.8 million and $127.9 million, respectively.

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.

The changes in the extended warranty liability for the year ended December 31, were as follows:

In millions	2014	2013
Balance at beginning of period	$ 357.9	$ 375.1
Amortization of deferred revenue for the period	(104.8)	(105.6)
Additions for extended warranties issued during the period	81.5	87.1
Changes to accruals related to preexisting warranties	(2.6)	1.8
Translation	(1.9)	(0.5)
Balance at end of period	$ 330.1	$ 357.9

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 Revenue. The Company's total current extended warranty liability at December 31, 2014 and December 31, 2013 was $97.2 million. For the years ended December 31, 2014 and 2013, the Company incurred costs of $63.5 million and $61.6 million, respectively, related to extended warranties.

Other Commitments and Contingencies

Certain office and warehouse facilities, transportation vehicles and data processing equipment are leased by the Company. Total rental expense was $171.6 million in 2014, $165.0 million in 2013 and $167.0 million in 2012. Minimum lease payments required under non-cancelable operating leases with terms in excess of one year for the next five years are as follows: $114.8 million in 2015, $91.0 million in 2016, $70.4 million in 2017, $50.0 million in 2018, and $38.3 million in 2019.

Trane has commitments and performance guarantees, including energy savings guarantees, totaling $426.3 million extending from 2014-2032. These guarantees are provided under long-term service and maintenance contracts related to its air conditioning equipment and system controls. Through 2014, the Company has experienced no significant losses under such arrangements and considers the probability of any significant future losses to be remote.

NOTE 18 – BUSINESS SEGMENT INFORMATION

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies except that the operating segments' results are prepared on a management basis that is consistent with the manner in which the Company prepares financial information for internal review and decision making. The Company largely evaluates performance based on Segment operating income and Segment operating margins. Intercompany sales between segments are considered immaterial.

Our Climate segment delivers energy-efficient solutions globally and includes Trane® and American Standard® Heating & Air Conditioning which provide heating, ventilation and air conditioning (HVAC) systems, and commercial and residential building services, parts, support and controls; and Thermo King® transport temperature control solutions.

Our Industrial segment delivers products and services that enhance energy efficiency, productivity and operations. It includes Ingersoll Rand® compressed air systems and services, power tools, material handling systems, ARO® fluid management equipment, as well as Club Car® golf, utility and rough terrain vehicles.

Segment operating income is the measure of profit and loss that the Company's chief operating decision maker uses to evaluate the financial performance of the business and as the basis for performance reviews, compensation and resource allocation. For these reasons, the Company believes that Segment operating income represents the most relevant measure of segment profit and loss. The Company may exclude certain charges or gains from Operating income to arrive at a Segment operating income that is a more meaningful measure of profit and loss upon which to base its operating decisions.

A summary of operations by reportable segments for the years ended December 31 were as follows:

Dollar amounts in millions	2014	2013	2012
Climate			
Net revenues	$ 9,879.7	$ 9,414.0	$ 9,042.5
Segment operating income	1,195.6	936.0	817.6
Segment operating income as a percentage of revenues	12.1%	9.9%	9.0%
Depreciation and amortization	247.1	252.8	257.0
Capital expenditures	107.8	129.4	105.1
Industrial			
Net revenues	3,011.7	2,936.5	2,945.8
Segment operating income	443.0	450.3	455.8
Segment operating income as a percentage of revenues	14.7%	15.3%	15.5%
Depreciation and amortization	44.2	43.9	42.9
Capital expenditures	33.1	44.0	62.6
Total net revenues	$ 12,891.4	$ 12,350.5	$ 11,988.3
Reconciliation to Operating Income			
Segment operating income from reportable segments	1,638.6	1,386.3	1,273.4
Gain (loss) on sale/asset impairment	—	—	4.5
Unallocated corporate expense	(233.9)	(281.3)	(206.0)
Total operating income	$ 1,404.7	$ 1,105.0	$ 1,071.9
Total operating income as a percentage of revenues	10.9%	8.9%	8.9%
Depreciation and amortization from reportable segments	291.3	296.7	299.9
Unallocated depreciation and amortization	41.1	37.0	33.9
Total depreciation and amortization	$ 332.4	$ 333.7	$ 333.8
Capital expenditures from reportable segments	140.9	173.4	167.7
Corporate capital expenditures	92.6	68.8	75.4
Total capital expenditures	$ 233.5	$ 242.2	$ 243.1

A summary of Net revenues by destination and by major product/solution for the years ended December 31 were as follows:

In millions	2014	2013	2012
United States	$ 7,693.0	$ 7,298.0	$ 7,039.0
Non-U.S.	5,198.4	5,052.5	4,949.3
Total	$ 12,891.4	$ 12,350.5	$ 11,988.3

In millions	2014	2013	2012
Commercial HVAC	$ 6,049.8	$ 5,874.7	$ 5,608.5
Transport Refrigeration	2,089.2	1,895.0	1,792.2
Residential HVAC	1,740.7	1,644.3	1,641.8
Compressed Air Systems & Services	1,812.3	1,762.0	1,782.6
Other Industrial	1,199.4	1,174.5	1,163.2
Total	$ 12,891.4	$ 12,350.5	$ 11,988.3

At December 31, summary of long-lived assets by geographic area were as follows:

In millions	2014	2013
United States	$ 2,121.2	$ 2,216.8
Non-U.S.	537.7	571.6
Total	$ 2,658.9	$ 2,788.4

NOTE 19 – GUARANTOR FINANCIAL INFORMATION

Ingersoll-Rand plc (IR-Ireland), a public limited company incorporated in Ireland in 2009, is the successor to Ingersoll-Rand Company Limited, a Bermuda company (IR-Limited), following a corporate reorganization that became effective on July 1, 2009 (the Ireland Reorganization). IR-Limited is the successor to Ingersoll-Rand Company, a New Jersey corporation (IR-New Jersey), following a corporate reorganization that occurred on December 31, 2001 (the Bermuda Reorganization).

As part of the Bermuda Reorganization, IR-Limited fully and unconditionally guaranteed all of the issued public debt securities of IR-New Jersey. IR-New Jersey unconditionally guaranteed IR-Limited's 4.75% Senior Notes due in 2015 in the aggregate principal amount of $300 million. See Note 7 for a discussion of the 2014 financing activities that included the repayment of these 2015 Senior Notes. The guarantee was unsecured and provided on an unsubordinated basis. The guarantee ranked equally in right of payment with all of the existing and future unsecured and unsubordinated debt of IR-New Jersey.

As part of the Ireland Reorganization, IR-Ireland became the ultimate parent company and Ingersoll-Rand International Holding Limited (IR-International) became its stand-alone subsidiary. In addition, (i) IR-International assumed the obligations of IR-Limited as issuer or guarantor, as the case may be, and (ii) IR-Ireland and IR-Limited fully and unconditionally guaranteed the obligations under the various indentures covering the currently outstanding public debt of IR-International, Ingersoll-Rand Global Holding Company Limited (IR-Global), and IR-New Jersey. Also as part of the Ireland Reorganization, IR-Limited transferred all the shares of IR-Global to IR-International in exchange for a note payable that initially approximated $15 billion, which was then immediately reduced by the settlement of net intercompany payables of $4.1 billion. In the fourth quarter of 2013, this note payable was fully repaid by IR-International.

In the fourth quarter of 2013, Class B common shares issued by IR-Limited to IR-New Jersey as part of the Bermuda Reorganization were redeemed. Also in 2013, the public outstanding indentures of IR-Global and IR-International were modified to include IR-New Jersey as a co-obligor.

In the fourth quarter of 2014, the Company issued $1.1 billion of public debt through a newly incorporated, wholly-owned subsidiary, Ingersoll-Rand Luxembourg Finance S.A.. This debt was guaranteed fully and unconditionally by each of the existing guarantors (IR-Ireland, IR-Limited, IR-International and IR-New Jersey) as well as IR-Global. Also in 2014, the public indentures of IR-Global and IR-New Jersey were modified to include IR-Lux as a guarantor.

Our current guarantor structure is as follows:

- IR-Ireland, IR-Limited, IR-International and IR-Lux fully and unconditionally guarantee the outstanding public debt of IR-Global and IR-New Jersey;
- IR-Ireland, IR-Limited, IR-International, IR-Global and IR-New Jersey fully and unconditionally guarantee the outstanding public debt of IR-Lux;
- IR-Ireland, IR-Limited, IR-International and IR-New Jersey fully and unconditionally guarantee the revolving credit facilities of IR-Global and IR-Lux (as an additional borrower), and each of IR-Global and IR-Lux guarantee any revolving credit facility borrowings of the other;
- IR-Ireland, IR-Limited, IR-International and IR-New Jersey fully and unconditionally guarantee any commercial paper borrowings of IR-Global or IR-Lux, and IR-Global guarantees any such borrowings of IR-Lux;
- IR-New Jersey is a co-obligor of the outstanding public debt issued by IR-Global.

See Note 7 for a further discussion of public debt issuances and related guarantees.

The Condensed Consolidating Financial Statements present the investments of IR-Ireland, IR-Limited, IR-Global, IR-International, IR-New Jersey and IR-Lux and their subsidiaries using the equity method of accounting. Intercompany investments in the non-voting Class B common shares were accounted for on the cost method and are reduced by intercompany dividends. In accordance with generally accepted accounting principles, the amounts related to the issuance of the Class B shares were recorded as a reduction of Total equity. The Notes payable affiliate continues to be reflected on the Condensed Consolidating Balance Sheet of IR-International and is enforceable in accordance with their terms.

The following condensed consolidating financial information for IR-Ireland, IR-Limited, IR-Global, IR-International, IR-New Jersey, IR-Lux, and all their other subsidiaries is included so that separate financial statements of IR-Ireland, IR-Limited, IR-Global, IR-International, IR-New Jersey, and IR-Lux are not required to be filed with the U.S. Securities and Exchange Commission. IR-Ireland's subsidiary debt issuers and guarantors are directly or indirectly 100% owned by IR-Ireland and the guarantees are full and unconditional and joint and several.

As discussed in Note 2, the Company revised its December 31, 2013 and 2012 Consolidated Statements of Cash Flows to correct errors in the calculation of the effect of exchange rate changes on cash and cash equivalents. The revisions impacted only the Other Subsidiaries column of the Condensed Consolidating Statement of Cash Flows for each of the periods noted above. These adjustments were not considered to be material individually or in the aggregate to the previously issued financial statements. The adjustments had no impact on the total net increase (decrease) in cash and cash equivalents, or total cash and cash equivalents amounts in any period.

During the first quarter of 2014 the Company revised its Condensed Consolidating Financial Statements to correct the presentation of certain subsidiaries and tax obligations between the IR-New Jersey and Other Subsidiaries columns of the Condensed Consolidating Balance Sheet as of December 31, 2013 and the Condensed Consolidating Statements of Comprehensive Income and Cash Flows for the year ended December 31, 2013. The changes had no impact on the Consolidated Financial Statements as of and for the year ended December 31, 2013 and were not material to the previously issued Condensed Consolidating Financial Statements.

Condensed Consolidating Statement of Comprehensive Income
For the year ended December 31, 2014

In millions	IR Ireland	IR Limited	IR International	IR Global	IR New Jersey	IR Lux	Other Subsidiaries	Consolidating Adjustments	IR Ireland Consolidated
Net revenues	$ —	$ —	$ —	$ —	$ 984.6	$ —	$ 11,906.8	$ —	$ 12,891.4
Cost of goods sold	—	—	—	—	(619.1)	—	(8,363.7)	—	(8,982.8)
Selling and administrative expenses	(26.1)	—	—	(0.6)	(422.4)	—	(2,054.8)	—	(2,503.9)
Operating income (loss)	(26.1)	—	—	(0.6)	(56.9)	—	1,488.3	—	1,404.7
Equity earnings (loss) in affiliates, net of tax	985.9	907.1	927.3	369.2	472.0	50.7	1,271.2	(4,983.4)	—
Interest expense	—	—	(21.6)	(127.9)	(48.9)	(7.1)	(19.8)	—	(225.3)
Intercompany interest and fees	(18.2)	(3.5)	(10.0)	(2.5)	(208.4)	(0.6)	243.2	—	—
Other, net	(7.9)	—	3.3	—	116.5	—	(81.9)	—	30.0
Earnings (loss) before income taxes	933.7	903.6	899.0	238.2	274.3	43.0	2,901.0	(4,983.4)	1,209.4
Benefit (provision) for income taxes	0.2	(0.1)	—	44.6	58.5	—	(396.9)	—	(293.7)
Earnings (loss) from continuing operations	933.9	903.5	899.0	282.8	332.8	43.0	2,504.1	(4,983.4)	915.7
Discontinued operations, net of tax	(2.2)	—	—	—	37.2	—	(0.3)	—	34.7
Net earnings (loss)	931.7	903.5	899.0	282.8	370.0	43.0	2,503.8	(4,983.4)	950.4
Less: Net (earnings) loss attributable to noncontrolling interests	—	—	—	—	—	—	(71.5)	52.8	(18.7)
Net earnings (loss) attributable to Ingersoll-Rand plc	$ 931.7	$ 903.5	$ 899.0	$ 282.8	$ 370.0	$ 43.0	$ 2,432.3	$ (4,930.6)	$ 931.7
Comprehensive income (loss), net of tax	384.1	363.2	900.9	283.4	333.6	42.9	1,916.7	(3,824.2)	400.6
Less: Comprehensive (income) loss attributable to noncontrolling interests	—	—	—	—	—	—	(69.3)	52.8	(16.5)
Comprehensive income (loss) attributable to Ingersoll-Rand plc	$ 384.1	$ 363.2	$ 900.9	$ 283.4	$ 333.6	$ 42.9	$ 1,847.4	$ (3,771.4)	$ 384.1

Condensed Consolidating Statement of Comprehensive Income
For the year ended December 31, 2013

In millions	IR Ireland	IR Limited	IR International	IR Global	IR New Jersey	Other Subsidiaries	Consolidating Adjustments	IR Ireland Consolidated
Net revenues	$ —	$ —	$ —	$ —	$ 922.1	$ 11,428.4	$ —	$ 12,350.5
Cost of goods sold	0.7	—	—	—	(564.9)	(8,158.1)	—	(8,722.3)
Selling and administrative expenses	(60.0)	(0.1)	—	(1.1)	(355.9)	(2,106.1)	—	(2,523.2)
Operating income (loss)	(59.3)	(0.1)	—	(1.1)	1.3	1,164.2	—	1,105.0
Equity earnings (loss) in affiliates, net of tax	696.2	696.7	791.0	1,008.0	152.4	743.9	(4,088.2)	—
Interest expense	—	—	(15.8)	(196.4)	(76.2)	9.6	—	(278.8)
Intercompany interest and fees	(14.1)	(0.4)	(33.8)	(34.0)	(13.7)	96.0	—	—
Other, net	(3.9)	—	1.6	0.8	137.4	(129.4)	(3.1)	3.4
Earnings (loss) before income taxes	618.9	696.2	743.0	777.3	201.2	1,884.3	(4,091.3)	829.6
Benefit (provision) for income taxes	(0.3)	—	—	—	(1.3)	(187.4)	—	(189.0)
Earnings (loss) from continuing operations	618.6	696.2	743.0	777.3	199.9	1,696.9	(4,091.3)	640.6
Discontinued operations, net of tax	0.2	—	—	—	(198.9)	212.0	—	13.3
Net earnings (loss)	618.8	696.2	743.0	777.3	1.0	1,908.9	(4,091.3)	653.9
Less: Net (earnings) loss attributable to noncontrolling interests	—	—	—	—	—	(38.1)	3.0	(35.1)
Net earnings (loss) attributable to Ingersoll-Rand plc	$ 618.8	$ 696.2	$ 743.0	$ 777.3	$ 1.0	$ 1,870.8	$ (4,088.3)	$ 618.8
Comprehensive income (loss), net of tax	913.5	1,050.3	744.2	789.0	399.6	1,855.2	(4,799.9)	951.9
Less: Comprehensive (income) loss attributable to noncontrolling interests	—	0.4	—	—	—	(41.8)	3.0	(38.4)
Comprehensive income (loss) attributable to Ingersoll-Rand plc	$ 913.5	$ 1,050.7	$ 744.2	$ 789.0	$ 399.6	$ 1,813.4	$ (4,796.9)	$ 913.5

Condensed Consolidating Statement of Comprehensive Income
For the year ended December 31, 2012

In millions	IR Ireland	IR Limited	IR International	IR Global Holding	IR New Jersey	Other Subsidiaries	Consolidating Adjustments	IR Ireland Consolidated
Net revenues	$ —	$ —	$ —	$ —	$ 932.7	$ 11,055.6	$ —	$ 11,988.3
Cost of goods sold	—	—	—	—	(613.7)	(7,919.8)	—	(8,533.5)
Selling and administrative expenses	(14.9)	(0.3)	—	(0.6)	(327.6)	(2,039.5)	—	(2,382.9)
Operating income (loss)	(14.9)	(0.3)	—	(0.6)	(8.6)	1,096.3	—	1,071.9
Equity earnings (loss) in affiliates, net of tax	1,048.8	848.3	919.1	1,339.9	198.3	979.3	(5,333.7)	—
Interest expense	—	(0.1)	(15.8)	(168.3)	(50.0)	(17.8)	—	(252.0)
Intercompany interest and fees	(10.5)	—	(44.3)	(48.8)	0.6	103.0	—	—
Other, net	(4.8)	—	0.7	(200.6)	53.9	1.2	177.7	28.1
Earnings (loss) before income taxes	1,018.6	847.9	859.7	921.6	194.2	2,162.0	(5,156.0)	848.0
Benefit (provision) for income taxes	(0.3)	—	—	—	(56.2)	0.5	—	(56.0)
Earnings (loss) from continuing operations	1,018.3	847.9	859.7	921.6	138.0	2,162.5	(5,156.0)	792.0
Discontinued operations, net of tax	0.3	—	—	—	(18.3)	270.0	—	252.0
Net earnings (loss)	1,018.6	847.9	859.7	921.6	119.7	2,432.5	(5,156.0)	1,044.0
Less: Net (earnings) loss attributable to noncontrolling interests	—	—	—	—	—	(48.7)	23.3	(25.4)
Net earnings (loss) attributable to Ingersoll-Rand plc	$ 1,018.6	$ 847.9	$ 859.7	$ 921.6	$ 119.7	$ 2,383.8	$ (5,132.7)	$ 1,018.6
Comprehensive income (loss), net of tax	1,051.2	880.6	860.9	922.0	185.4	2,386.0	(5,221.9)	1,064.2
Less: Comprehensive (income) loss attributable to noncontrolling interests	—	—	—	—	—	(36.3)	23.3	(13.0)
Comprehensive income (loss) attributable to Ingersoll-Rand plc	$ 1,051.2	$ 880.6	$ 860.9	$ 922.0	$ 185.4	$ 2,349.7	$ (5,198.6)	$ 1,051.2

Condensed Consolidating Balance Sheet
December 31, 2014

In millions	IR Ireland	IR Limited	IR International	IR Global	IR New Jersey	IR Lux	Other Subsidiaries	Consolidating Adjustments	IR Ireland Consolidated
Current assets:									
Cash and cash equivalents	$ —	$ —	$ —	$ —	$ 425.4	$ —	$ 1,279.8	$ —	$ 1,705.2
Accounts and notes receivable, net	—	—	—	—	147.0	—	1,972.0	—	2,119.0
Inventories	—	—	—	—	106.1	—	1,252.8	—	1,358.9
Other current assets	0.1	—	—	31.0	126.9	—	366.8	—	524.8
Accounts and notes receivable affiliates	48.6	309.5	8,227.0	306.0	4,788.2	50.7	21,832.6	(35,562.6)	—
Total current assets	48.7	309.5	8,227.0	337.0	5,593.6	50.7	26,704.0	(35,562.6)	5,707.9
Investment in affiliates	9,738.8	12,913.2	4,011.0	9,333.0	15,028.4	1,699.9	8,645.5	(61,369.8)	—
Property, plant and equipment, net	—	—	—	—	324.7	—	1,152.3	—	1,477.0
Goodwill and other intangible assets, net	—	—	—	—	66.6	—	9,107.1	—	9,173.7
Other noncurrent assets	0.2	—	—	176.7	731.7	9.6	595.4	(573.7)	939.9
Total assets	$ 9,787.7	$13,222.7	$ 12,238.0	$ 9,846.7	$21,745.0	$ 1,760.2	$ 46,204.3	$ (97,506.1)	$ 17,298.5
Current liabilities:									
Accounts payable and accruals	$ 7.9	$ —	$ —	$ 26.6	$ 495.8	$ 8.1	$ 2,645.0	$ —	$ 3,183.4
Short-term borrowings and current maturities of long-term debt	—	—	—	—	350.5	100.0	32.2	—	482.7
Accounts and notes payable affiliates	3,792.4	749.2	966.4	441.3	14,779.8	514.1	14,319.5	(35,562.7)	—
Total current liabilities	3,800.3	749.2	966.4	467.9	15,626.1	622.2	16,996.7	(35,562.7)	3,666.1
Long-term debt	—	—	—	2,296.1	349.6	1,095.1	0.9	—	3,741.7
Other noncurrent liabilities	—	—	3.8	2.7	1,471.6	—	2,940.9	(573.7)	3,845.3
Total liabilities	3,800.3	749.2	970.2	2,766.7	17,447.3	1,717.3	19,938.5	(36,136.4)	11,253.1
Equity:									
Total equity	5,987.4	12,473.5	11,267.8	7,080.0	4,297.7	42.9	26,265.8	(61,369.7)	6,045.4
Total liabilities and equity	$ 9,787.7	$13,222.7	$ 12,238.0	$ 9,846.7	$21,745.0	$ 1,760.2	$ 46,204.3	$ (97,506.1)	$ 17,298.5

Condensed Consolidating Balance Sheet
December 31, 2013

In millions	IR Ireland	IR Limited	IR International	IR Global	IR New Jersey	Other Subsidiaries	Consolidating Adjustments	IR Ireland Consolidated
Current assets:								
Cash and cash equivalents	$ —	$ —	$ —	$ 975.3	$ 59.6	$ 902.3	$ —	$ 1,937.2
Accounts and notes receivable, net	—	—	—	—	149.4	1,922.1	—	2,071.5
Inventories	—	—	—	—	70.5	1,095.6	—	1,166.1
Other current assets	0.1	—	—	0.2	127.6	414.0	—	541.9
Accounts and notes receivable affiliates	1,086.9	309.6	2.3	1,496.6	11,683.7	27,616.6	(42,195.7)	—
Total current assets	1,087.0	309.6	2.3	2,472.1	12,090.8	31,950.6	(42,195.7)	5,716.7
Investment in affiliates	8,697.8	13,696.0	11,339.0	7,144.5	15,923.4	42,714.1	(99,514.8)	—
Property, plant and equipment, net	—	—	—	—	293.3	1,175.1	—	1,468.4
Goodwill and other intangible assets, net	—	—	—	—	85.7	9,376.9	—	9,462.6
Other noncurrent assets	—	(4.3)	0.3	18.8	298.2	697.4	—	1,010.4
Total assets	$ 9,784.8	$ 14,001.3	$ 11,341.6	$ 9,635.4	$ 28,691.4	$ 85,914.1	$ (141,710.5)	$ 17,658.1
Current liabilities:								
Accounts payable and accruals	$ 30.6	$ —	$ 12.1	$ 27.5	$ 440.8	$ 2,529.9	$ —	$ 3,040.9
Short-term borrowings and current maturities of long-term debt	—	—	—	—	350.5	17.2	—	367.7
Accounts and notes payable affiliates	2,685.3	3,780.6	4,803.3	5,982.2	16,217.4	8,809.0	(42,277.8)	—
Total current liabilities	2,715.9	3,780.6	4,815.4	6,009.7	17,008.7	11,356.1	(42,277.8)	3,408.6
Long-term debt	—	—	299.8	2,295.7	357.2	200.8	—	3,153.5
Note payable affiliate	—	—	—	—	—	—	—	—
Other noncurrent liabilities	—	—	3.8	—	877.3	3,083.6	—	3,964.7
Total liabilities	2,715.9	3,780.6	5,119.0	8,305.4	18,243.2	14,640.5	(42,277.8)	10,526.8
Equity:								
Total equity	7,068.9	10,220.7	6,222.6	1,330.0	10,448.2	71,273.6	(99,432.7)	7,131.3
Total liabilities and equity	$ 9,784.8	$ 14,001.3	$ 11,341.6	$ 9,635.4	$ 28,691.4	$ 85,914.1	$ (141,710.5)	$ 17,658.1

Condensed Consolidating Statement of Cash Flows
For the year ended December 31, 2014

In millions	IR Ireland	IR Limited	IR International	IR Global	IR New Jersey	IR Lux	Other Subsidiaries	Consolidating Adjustments	IR Ireland Consolidated
Net cash provided by (used in) continuing operating activities	$ (34.0)	$ —	$ (18.3)	$ (128.5)	$ 173.4	$ (7.1)	$ 2,058.5	$ (1,052.3)	$ 991.7
Net cash provided by (used in) discontinued operating activities	(2.2)	—	—	—	(2.4)	—	(13.9)	—	(18.5)
Net cash provided by (used in) operating activities	(36.2)	—	(18.3)	(128.5)	171.0	(7.1)	2,044.6	(1,052.3)	973.2
Cash flows from investing activities:						—			—
Capital expenditures	—	—	—	—	(87.7)	—	(145.8)	—	(233.5)
Acquisition of businesses, net of cash acquired	—	—	—	—	—	—	(10.2)	—	(10.2)
Proceeds from sale of property, plant and equipment	—	—	—	—	1.3	—	13.1	—	14.4
Proceeds from business disposition, net of cash sold	—	—	—	—	—	—	2.0	—	2.0
Dividends received from equity investments	—	—	—	—	—	—	30.3	—	30.3
Net cash provided by (used in) continuing investing activities	—	—	—	—	(86.4)	—	(110.6)	—	(197.0)
Net cash provided by (used in) discontinued investing activities	—	—	—	—	—	—	—	—	—
Net cash provided by (used in) investing activities	—	—	—	—	(86.4)	—	(110.6)	—	(197.0)
Cash flows from financing activities:						—			—
Net proceeds (repayments) in debt	—	—	(300.0)	—	(7.6)	1,195.1	(187.3)	—	700.2
Debt issuance costs	—	—	—	(2.5)	—	(9.8)	—	—	(12.3)
Net inter-company proceeds (payments)	1,562.7	—	318.3	(844.3)	1,022.9	(1,178.2)	(881.4)	—	—
Dividends paid to ordinary shareholders	(264.7)	—	—	—	(734.1)	—	(318.2)	1,052.3	(264.7)
Dividends paid to noncontrolling interests	—	—	—	—	—	—	(20.9)	—	(20.9)
Proceeds from shares issued under incentive plans	113.1	—	—	—	—	—	—	—	113.1
Repurchase of ordinary shares	(1,374.9)	—	—	—	—	—	—	—	(1,374.9)
Net cash provided by (used in) continuing financing activities	36.2	—	18.3	(846.8)	281.2	7.1	(1,407.8)	1,052.3	(859.5)
Net cash provided by (used in) discontinued financing activities	—	—	—	—	—	—	—	—	—
Net cash provided by (used in) financing activities	36.2	—	18.3	(846.8)	281.2	7.1	(1,407.8)	1,052.3	(859.5)
Effect of exchange rate changes on cash and cash equivalents	—	—	—	—	—	—	(148.7)	—	(148.7)
Net increase (decrease) in cash and cash equivalents	—	—	—	(975.3)	365.8	—	377.5	—	(232.0)
Cash and cash equivalents - beginning of period	—	—	—	975.3	59.6	—	902.3	—	1,937.2
Cash and cash equivalents - end of period	$ —	$ —	$ —	$ —	$ 425.4	$ —	$ 1,279.8	$ —	$ 1,705.2

Condensed Consolidating Statement of Cash Flows
For the year ended December 31, 2013

In millions	IR Ireland	IR Limited	IR International	IR Global	IR New Jersey	Other Subsidiaries	Consolidating Adjustments	IR Ireland Consolidated
Net cash provided by (used in) continuing operating activities	$ (63.2)	$ (0.1)	$ (14.2)	$ (196.7)	$ (170.5)	$ 4,483.5	$ (3,240.0)	$ 798.8
Net cash provided by (used in) discontinued operating activities	—	—	—	—	(112.2)	404.9	—	292.7
Net cash provided by (used in) operating activities	(63.2)	(0.1)	(14.2)	(196.7)	(282.7)	4,888.4	(3,240.0)	1,091.5
Cash flows from investing activities:								
Capital expenditures	—	—	—	—	(80.1)	(162.1)	—	(242.2)
Proceeds from sale of property, plant and equipment	—	—	—	—	1.9	22.4	—	24.3
Proceeds from business disposition, net of cash sold	—	—	—	—	—	4.7	—	4.7
Net cash provided by (used in) continuing investing activities	—	—	—	—	(78.2)	(135.0)	—	(213.2)
Net cash provided by (used in) discontinued investing activities	—	—	—	—	—	(2.2)	—	(2.2)
Net cash provided by (used in) investing activities	—	—	—	—	(78.2)	(137.2)	—	(215.4)
Cash flows from financing activities:								
Net proceeds (repayments) in debt	—	—	—	291.2	(6.7)	7.2	—	291.7
Debt issuance costs	—	—	—	(13.2)	—	—	—	(13.2)
Net inter-company proceeds (payments)	(24.8)	1,274.3	699.7	2,106.3	368.1	(4,423.6)	—	—
Dividends paid to ordinary shareholders	(245.5)	(1,274.2)	(685.5)	(1,274.2)	—	(1.2)	3,235.1	(245.5)
Dividends paid to noncontrolling interests	—	—	—	—	—	(12.4)	—	(12.4)
Proceeds from shares issued under incentive plans	272.5	—	—	—	—	—	—	272.5
Repurchase of ordinary shares	(1,213.2)	—	—	—	—	—	—	(1,213.2)
Transfer from Allegion	1,274.2	—	—	—	—	—	—	1,274.2
Net cash provided by (used in) continuing financing activities	63.2	0.1	14.2	1,110.1	361.4	(4,430.0)	3,235.1	354.1
Net cash provided by (used in) discontinued financing activities	—	—	—	—	—	(12.4)	4.9	(7.5)
Net cash provided by (used in) financing activities	63.2	0.1	14.2	1,110.1	361.4	(4,442.4)	3,240.0	346.6
Effect of exchange rate changes on cash and cash equivalents	—	—	—	—	—	6.1	—	6.1
Net increase (decrease) in cash and cash equivalents	—	—	—	913.4	0.5	314.9	—	1,228.8
Cash and cash equivalents - beginning of period	—	—	—	61.9	59.1	587.4	—	708.4
Cash and cash equivalents - end of period	$ —	$ —	$ —	$ 975.3	$ 59.6	$ 902.3	$ —	$ 1,937.2

Condensed Consolidating Statement of Cash Flows
For the year ended December 31, 2012

In millions	IR Ireland	IR Limited	IR International	IR Global	IR New Jersey	Other Subsidiaries	Consolidating Adjustments	IR Ireland Consolidated
Net cash provided by (used in) continuing operating activities	$ (19.7)	$ (0.4)	$ (15.1)	$ (570.5)	$ (103.5)	$ 1,911.2	$ (319.5)	$ 882.5
Net cash provided by (used in) discontinued operating activities	—	—	—	—	(18.3)	331.2	—	312.9
Net cash provided by (used in) operating activities	(19.7)	(0.4)	(15.1)	(570.5)	(121.8)	2,242.4	(319.5)	1,195.4
Cash flows from investing activities:								
Capital expenditures	—	—	—	—	(74.9)	(168.2)	—	(243.1)
Proceeds from sale of property, plant and equipment	—	—	—	—	3.1	14.8	—	17.9
Proceeds from business disposition, net of cash sold	—	—	—	—	—	52.7	—	52.7
Dividends received from equity investments	—	—	—	—	—	44.3	—	44.3
Net cash provided by (used in) continuing investing activities	—	—	—	—	(71.8)	(56.4)	—	(128.2)
Net cash provided by (used in) discontinued investing activities	—	—	—	—	—	(18.3)	—	(18.3)
Net cash provided by (used in) investing activities	—	—	—	—	(71.8)	(74.7)	—	(146.5)
Cash flows from financing activities:								
Net proceeds (repayments) in debt	—	—	—	(344.5)	(9.2)	(59.7)	—	(413.4)
Debt issuance costs	—	—	—	(2.5)	—	—	—	(2.5)
Net inter-company proceeds (payments)	884.5	0.4	15.1	737.6	184.1	(1,821.7)	—	—
Dividends paid to ordinary shareholders	(192.4)	—	—	—	—	(314.0)	314.0	(192.4)
Dividends paid to noncontrolling interests	—	—	—	—	—	(13.9)	—	(13.9)
Proceeds from shares issued under incentive plans	172.5	—	—	—	—	—	—	172.5
Repurchase of ordinary shares	(839.8)	—	—	—	—	—	—	(839.8)
Other, net	(5.1)	—	—	—	—	(1.1)	—	(6.2)
Net cash provided by (used in) continuing financing activities	19.7	0.4	15.1	390.6	174.9	(2,210.4)	314.0	(1,295.7)
Net cash provided by (used in) discontinued financing activities	—	—	—	—	—	(13.7)	5.5	(8.2)
Net cash provided by (used in) financing activities	19.7	0.4	15.1	390.6	174.9	(2,224.1)	319.5	(1,303.9)
Effect of exchange rate changes on cash and cash equivalents	—	—	—	—	—	(23.6)	—	(23.6)
Net increase (decrease) in cash and cash equivalents	—	—	—	(179.9)	(18.7)	(80.0)	—	(278.6)
Cash and cash equivalents - beginning of period	—	—	—	241.8	77.8	667.4	—	987.0
Cash and cash equivalents - end of period	$ —	$ —	$ —	$ 61.9	$ 59.1	$ 587.4	$ —	$ 708.4

SCHEDULE II

INGERSOLL-RAND PLC
VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED December 31, 2014, 2013 AND 2012
(Amounts in millions)

Allowances for Doubtful Accounts:

Balance December 31, 2011	$ 23.7
Additions charged to costs and expenses	13.7
Deductions*	(12.8)
Currency translation	(0.6)
Other	0.8
Balance December 31, 2012	24.8
Additions charged to costs and expenses	20.8
Deductions*	(9.7)
Business acquisitions and divestitures, net	(7.2)
Currency translation	(0.5)
Other	7.2
Balance December 31, 2013	35.4
Additions charged to costs and expenses	7.4
Deductions*	(7.5)
Business acquisitions and divestitures, net	0.1
Currency translation	(1.3)
Balance December 31, 2014	$ 34.1

(*) "Deductions" include accounts and advances written off, less recoveries.

Enterprise Leadership Team

From Left to Right: **Allen W. Ge**, President, HVAC and Transport, Asia Pacific and India; **Robert G. Zafari**, Executive Vice President, Industrial Segment; **Susan K. Carter**, Senior Vice President and Chief Financial Officer; **M. Stephen Hagood**, Vice President and Chief Information Officer; **Michael W. Lamach**, Chairman and Chief Executive Officer; **Paul A. Camuti**, Senior Vice President, Innovation and Chief Technology Officer; **Marcia J. Avedon**, Senior Vice President, Human Resources, Communications and Corporate Affairs; **Didier P. M. Teirlinck**, Executive Vice President, Climate Segment; **Raymond D. Pittard**, President, Transport, North America and EMEA; **Todd D. Wyman**, Senior Vice President, Global Operations and Integrated Supply Chain; **Manlio Valdés**, President, Compressed Air Systems and Services; **Robert L. Katz**, Senior Vice President and General Counsel; **David S. Regnery**, President, Commercial HVAC, North America and EMEA; **Gary S. Michel**, Senior Vice President and President, Residential HVAC

Directors

Ann C. Berzin
Former Chairman and Chief Executive Officer
Financial Guaranty Insurance Company

John Bruton
Former Prime Minister of the Republic of Ireland
and Former European Union Commission
Head of Delegation to the United States

Jared L. Cohon
President Emeritus of Carnegie Mellon University,
Professor of Civil and Environment Engineering and
of Engineering and Public Policy, and Director of
Scott Institute for Energy Innovation

Gary D. Forsee
Former President of University of Missouri System and
Former Chairman of the Board and Chief Executive Officer
of Sprint Nextel Corporation

Edward E. Hagenlocker
Former Vice Chairman
Ford Motor Company

Constance J. Horner
Former Commissioner of U.S. Commission on Civil Rights

Michael W. Lamach
Chairman and Chief Executive Officer of the Company

Myles P. Lee
Former Director and CEO of CRH plc

Theodore E. Martin
Retired President and Chief Executive Officer
Barnes Group, Inc.

John P. Surma
Former Chairman and Chief Executive Officer
United States Steel Corporation

Richard J. Swift
Former Chairman of Financial Accounting Standards
Advisory Council and Former Chairman
President and Chief Executive Officer, Foster Wheeler Ltd.

Tony L. White
Retired Chairman
President and Chief Executive Officer,
Applied Biosystems Inc.

Enterprise Leadership Team

Michael W. Lamach
Chairman and Chief Executive Officer

Marcia J. Avedon
Senior Vice President, Human Resources
Communications and Corporate Affairs

Paul A. Camuti
Senior Vice President,
Innovation and Chief Technology Officer

Susan K. Carter
Senior Vice President and Chief Financial Officer

Allen W. Ge
President, HVAC and Transport, Asia Pacific and India

M. Stephen Hagood
Vice President and Chief Information Officer

Robert L. Katz
Senior Vice President and General Counsel

Gary S. Michel
Senior Vice President and President,
Residential HVAC

Raymond D. Pittard
President, Transport, North America and EMEA

David S. Regnery
President, Commercial HVAC, North America and EMEA

Didier P.M. Teirlinck
Executive Vice President, Climate Segment

Manlio Valdés
President, Compressed Air Systems and Services

Todd D. Wyman
Senior Vice President, Global Operations and Integrated
Supply Chain

Robert G. Zafari
Executive Vice President, Industrial Segment

Other Senior Leaders

Lawrence R. Kurland
Vice President, Tax

Evan M. Turtz
Secretary

Janet C. M. Pfeffer
Treasurer and Vice President, Treasury and Investor Relations

Corporate Data

Shareholder Information Services
The company's 2014 Annual Report on Form 10-K as filed with the United States Securities and Exchange Commission, and other company information, is available through Ingersoll Rand's website, www.ingersollrand.com. Securities analysts, portfolio managers and representatives of institutional investors seeking information about the company should contact:

Joe Fimbianti
Director, Investor Relations
704-655-4721

Annual General Meeting
June 4, 2015, 2:30 p.m.

Carton House Hotel
Maynooth, Co. Kildare
Ireland

New York Stock Exchange

IR
LISTED
NYSE

Transfer Agent and Registrar
Computershare
Telephone Inquiries: 866-229-8405
Website: www.computershare.com/Investor

Address shareholder inquiries with standard priority:
Computershare
P.O. Box 43006
Providence, RI 02940-3006

Address shareholder inquiries with overnight priority:
Computershare
250 Royall Street
Canton, MA 02021

Ingersoll Rand (NYSE:IR) advances the quality of life by creating comfortable, sustainable and efficient environments. Our people and our family of brands—including Club Car®, Ingersoll Rand®, Thermo King® and Trane®—work together to enhance the quality and comfort of air in homes and buildings; transport and protect food and perishables; and increase industrial productivity and efficiency. We are a $13 billion global business committed to a world of sustainable progress and enduring results.

ingersollrand.com

We are committed to using environmentally conscious print practices.