

Trane Technologies - UK Tax Strategy

This document outlines the Trane Technologies tax strategy for all UK companies (hereinafter 'The UK Group') within the Trane Technologies global group of companies (hereinafter 'The Group'). This strategy applies from the date of publication until it is superseded, and is outlined below:

1. Commitment to compliance

The UK Group is committed to observing all applicable UK laws, rules, regulations, and reporting and disclosure requirements, wherever there is a requirement to do so as a result of its business presence and transactions, in line with The Group's Integrity core value.

Compliance for The UK Group means paying the amounts of tax legally due and required of it under the laws and regulations of the countries in which it operates. It involves disclosing all relevant facts and circumstances to the tax authorities and claiming available incentives and reliefs where possible ("UK tax strategy").

The Global Tax Organization collaborates with The UK Group businesses to provide advice and guidance to ensure compliance, and obtains external advice where necessary, thereby ensuring dual ownership. There are clear management responsibilities carried out by members of the Global Tax Organization with the necessary experience and skill set.

2. Responsible attitude to arranging tax affairs

Tax decisions are made at all times in a manner that is consistent with and complements The UK Group's and The Group's overall business strategy. Commercial activities and key business decisions are intended to be made cognizant of the tax consequences pertaining to the countries in which The UK Group operates. Any planning that is undertaken has commercial and economic substance and has full regard to the potential impact on The UK Group's reputation and broader goals.

The Global Tax Organization partners with The UK Group businesses to ensure there is that global consistency.

3. Governance and Effective Risk Management

Operational and governance responsibility for the execution of the UK tax strategy rests with the Vice President, Tax, supported by the Global Tax Organization, with the management of taxes and decisions taken at appropriate levels. The UK tax strategy is reviewed on an ongoing basis, taking into account the general business environment, business rationales and activities, the applicable tax laws and risks.

Occasionally, risks may arise related to the interpretation of complex tax law and the nature of The UK Group's compliance arrangements. The UK Group regularly seeks to identify, evaluate, monitor and manage these risks to ensure they remain in line with The Group's objectives.

Diligent professional care and judgment are employed to assess tax risks in order to arrive at well-reasoned conclusions on how risks should be managed. Where there is uncertainty about the application or interpretation of tax law, appropriate written or oral advice evidencing the facts, risks and conclusions may be taken from third party advisers to support the decision-making process.

In reviewing the risks of a tax action or decision, the following would be considered:

- The legal and fiduciary duties of the directors and employees
- The requirements of The Group's core values and policies
- The maintenance of corporate reputation, having particular regard to the principles embodied in The Group's culture of sustainability and community relations regarding the way The Group interacts with the communities around it
- The tax benefits and impact of The Group's reported results comparative to the potential financial costs involved, including the risk of penalties and interest
- The wider consequences of potential disagreement with tax authorities, and any possible impact on relationships with them

The Global Tax Organization employs various risk management processes and systems to provide assurance that the requirements of the UK tax strategy are being met. This includes compliance and risk monitoring systems, and internal audit reviews of tax compliance activity across The Group.

4. Relationships with tax authorities

The UK Group is committed to the principles of openness, collaboration and transparency in its approach to dealing with Her Majesty's Revenue and Customs (hereinafter 'HMRC'). All dealings with HMRC and other relevant bodies are conducted with honesty, integrity, respect and fairness and in a spirit of co-operative compliance. Wherever practicable, The UK Group does so on a real time basis, to minimize tax risk. The UK Group seeks to maintain and does not seek to jeopardize its good standing with taxing authorities. The UK Group discloses all relevant facts and identifies any transactions or issues where it considers potential for tax treatment to be uncertain, with the aim being early agreement on disputed matters, and achieving certainty wherever possible.

Trane Technologies regards this publication as complying with the duty under paragraph 19(4) of Schedule 19 to the Finance Act 2016.

15 December 2023 Kumar Paul, Vice President, Tax