# Fourth-Quarter and Full Year 2025 Results

January 29, 2026

TRANE TECHNOLOGIES

# Forward-Looking Statements

This presentation includes “forward-looking" statements within the meaning of securities laws, which are statements that are not historical facts, including statements that relate to our future financial performance and targets, including revenue, EPS, operating income, operation margin and earnings; operating leverage; our business operations; demand for our products and services, including bookings and backlog; capital deployment, including the amount and timing of our dividends, our share repurchase program, and our capital allocation strategy, including M&A activities and investments, if any; our projected free cash flow and usage of such cash; our available liquidity; our anticipated revenue growth, including growth in organic revenue; performance of the markets in which we operate; our foreign exchange rate outlook, our credit rating; our productivity and cost savings initiatives; our sustainability initiatives and our effective tax rate.

These forward-looking statements are based on our current expectations and are subject to risks and uncertainties, which may cause actual results to differ materially from our current expectations. Such factors include, but are not limited to, global economic conditions, including recessions and economic downturns, inflation, volatility in interest rates and foreign exchange; trade protection measures such as import or export restrictions, tariffs, modifications to trade agreements or quotas; changing energy prices; worldwide geopolitical conflict; financial institution disruptions; climate change and our sustainability strategies and goals; future health care emergencies on our business, our suppliers and our customers; commodity shortages; price increases; government regulation; restructuring activity and cost savings associated with such activity; secular trends toward decarbonization, energy efficiency and internal air quality, the outcome of any litigation, including the risks and uncertainties associated with the Chapter 11 proceedings for our deconsolidated subsidiaries Aldrich Pump LLC and Murray Boiler LLC; cybersecurity risks; and tax audits and tax law changes and interpretations.

Additional factors that could cause such differences can be found in our Form 10-K for the year ended December 31, 2024, as well as our subsequent reports on Form 10-Q and other SEC filings. New risks and uncertainties arise from time to time, and it is impossible for us to predict these events and how they may affect the Company. We assume no obligation to update these forward-looking statements.

This presentation also includes non-GAAP financial information, which should be considered supplemental to, not a substitute for, or superior to, the financial measure calculated in accordance with GAAP. The definitions of our non-GAAP financial information are included as an appendix in our presentation and reconciliations can be found in our earnings releases for the relevant periods located on our website at www.tranetechnologies.com. Unless otherwise indicated, all data beyond the fourth quarter of 2025 are estimates.

# Focused Strategy Delivers Differentiated Shareholder Returns

| 1 | 2 | 3 | 4 |
|---|---|---|---|
| **Win Through** | **Grow Margins and Cash Via** | **Maximize Value As** | **Continue With** |
| Sustainable Innovation | Execution Excellence | Focused Climate Co. | Dynamic Capital Allocation |

**Strong Foundation**

- Strong business operating system and performance culture
- Powerful cash flow
- Uplifting culture – integrity, ingenuity, community & engagement

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# Strong Execution in 2025; Exceeded Financial Commitments on Bottom-Line and Delivered Robust Bookings Growth & Backlog for FY 2026

| | 2025 Initial Guidance** | 2025 Actual Results* |
|---|---|---|
| Organic Revenue* | +7% to +8% | +6% |
| Organic Operating Leverage* | 25%+ | 39% |
| Adj. EPS* | $12.70 to $12.90 | $13.06 |
| Free Cash Flow* | ≥ Adj. Net Earnings | 98% Adj. Net Earnings |

- Robust bookings and organic revenue growth
- Strong operating leverage with continued business reinvestment supporting high performance flywheel
- Organic revenue growth of +6% and adj. EPS growth of +16%
- Powerful free cash flow of ~$2.9B and free cash flow conversion 98% of adj. net earnings*

* Includes certain Non-GAAP financial measures. See the company's Q4 2025 earnings release for additional details and reconciliations.
** Initial 2025 guidance Jan 30, 2025

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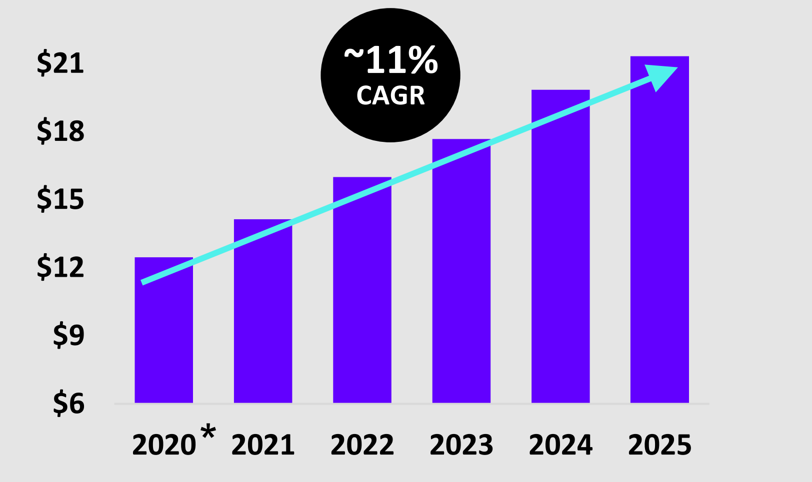
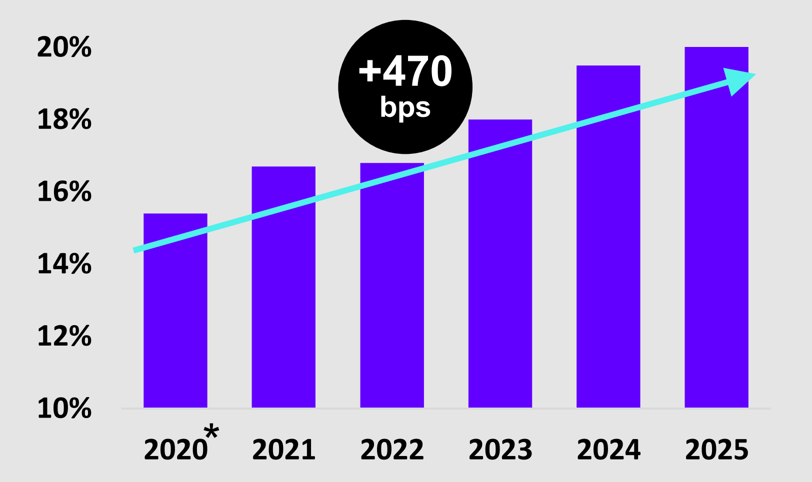
# Relentless Investments in Innovation and Growth, People and Culture and Best-in-Class BOS Delivering Consistently Strong Financial Performance

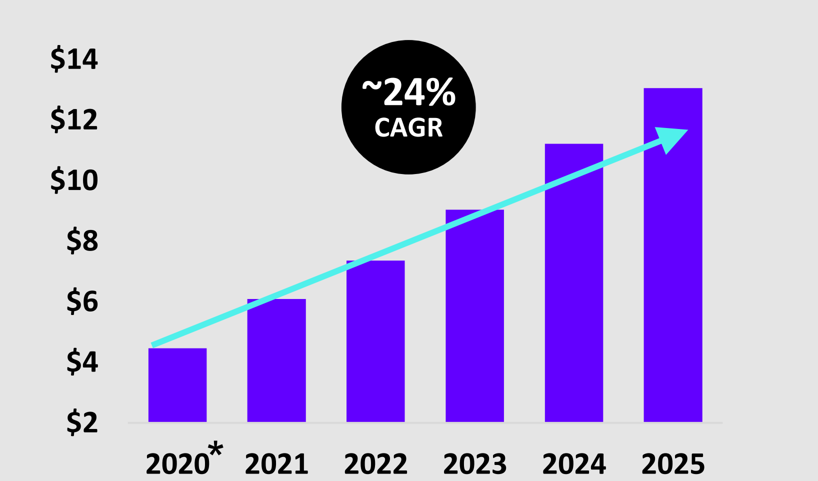
**Revenue ($B)**



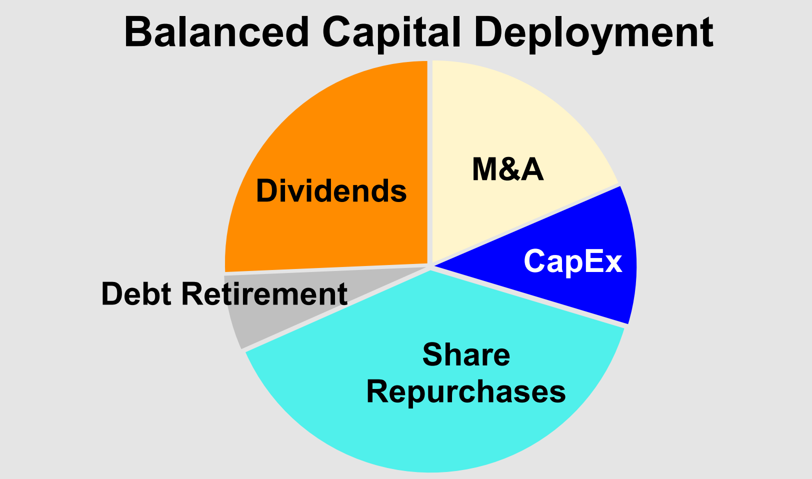

**Adjusted EBITDA Margin†**




**Adj. EPS†**




**~$15.5B Total Capital Deployed 2020-2025**




*2020 historical information restated to reflect Ingersoll Rand Industrial segment in discontinued operations

† Includes certain Non-GAAP financial measures. See the company's Q4 2025 earnings release for additional details and reconciliations.

**Free Cash Flow† % of Adj. Net Earnings† Avg ~106% from 2020*-2025**

# Strong Q4 and FY 2025 Despite Residential Market Headwinds. Continued Exceptional CHVAC Performance and Robust Services Growth. Well Positioned for 2026

**Strong Enterprise Performance in Q4**

- Exceptional enterprise organic bookings*, up 22%, record backlog of $7.8B
- Organic revenue* up 4%, led by Americas CHVAC and global services growth
- Adjusted EPS* up 10%, 2025 FCF FY conversion 98%

**Exceptional Q4 Bookings and Backlog, Led by Commercial HVAC**

- Americas CHVAC: record Q4 bookings, **up more than 35%** YOY; **Applied bookings up over 120% / Applied Book to bill of 200%**
- Combined Americas and EMEA CHVAC **backlog up more than $1.3B** since Y/E 2024, w/ **Americas up 25%, EMEA up nearly 40%**
- Backlog largely applied equipment with higher margin services tail

**Well Positioned for Continued Growth in 2026 – Executing on the Controllables**

- **High visibility for CHVAC** - exceptional bookings and record backlog support continued market outgrowth
- **Robust project pipeline** – strong and rapidly growing project pipelines across key verticals buoy confidence in long term outlook
- **Strong services growth** – excellent track record of execution through BOS, low teens CAGR since 2020
- **Resi market tailwinds in 2H** – expect trough in 1H w/ tailwinds in 2H on improving fundamentals / easier PY comps
- **Americas transport market recovery** – fundamentals improving, ACT (and others) forecasting late 2026 / 2027 market recovery

**Best-in-Class Financial Position, Liquidity and Balance Sheet**

- Strong balance sheet, liquidity and FCF* provide excellent optionality for balanced capital deployment

**FY 2026 Guidance**:

- Expect organic revenue growth of ~6% to ~7% and adjusted EPS of approximately $14.65 to $14.85. (see pages 11 & 18 for more detail)

*Includes certain Non-GAAP financial measures. See the company's Q4 2025 earnings release for additional details and reconciliations

# Q4 In-Line w/ Our Expectations. Cont'd Strong Demand for CHVAC Globally. Standout Performance in Americas CHVAC, Offsetting Residential Mkt Headwinds

| Q4 Organic* Y-O-Y Change | Bookings | Revenue |
|---|---|---|
| **Enterprise** | **+ 22%** | **+ 4%** |
| **Americas** | **+ 26%** | **+ 5%** |
| Commercial HVAC | + | + |
| Residential HVAC | + | - |
| Transport | - | - |
| **EMEA** | **+ 9%** | **+ 2%** |
| Commercial HVAC | + | + |
| Transport | - | - |
| **Asia Pacific** | **+ 1%** | **- 6%** |
| China | - | - |
| Rest of Asia | + | - |

**Americas**
- Exceptional CHVAC bookings / revenues, up >35% / up LDD, respectively. Q4 revs up LDD in both equip and services. 3 yr stack revs up ~50% (applied up >130%)
- Resi bookings / revs, up MSD / down mid-teens, respectively
- Transport bookings / revs, down MSD / LSD, respectively, outperforming end markets (ACT: truck / trailer / APU down ~25% in Q4)

**EMEA**
- CHVAC bookings up mid-teens; revs up MSD vs DD PY comp. 3-yr stack revs up >25%
- Transport bookings and revenues down LSD, outperforming end markets (down MSD)

**Asia Pacific**
- CHVAC bookings / revs, up LSD / down MSD, respectively; China bookings / revs both down double digits
- Rest of Asia bookings up LDD / revenues down LSD

*Organic bookings and organic revenues exclude acquisitions and currency

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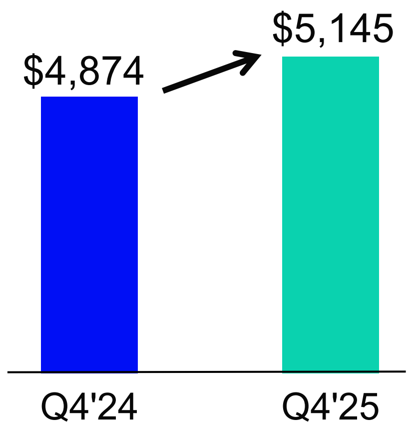
# Performance Scoreboard: Strong Revenue Growth (~+7% Ex-Resi Headwinds) and EPS Growth

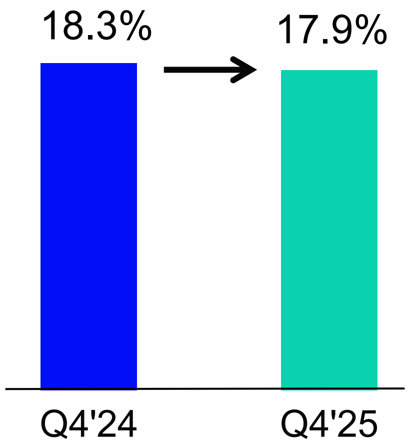
## Net Revenue

**+4% Organic***



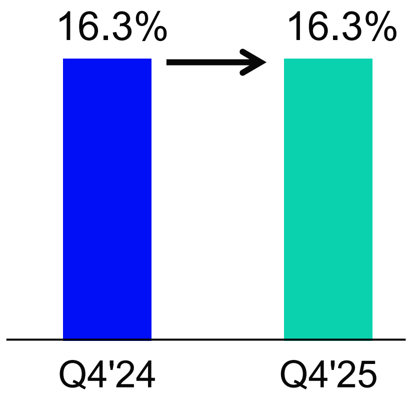

## Adj. EBITDA Margin*

**-40 bps**



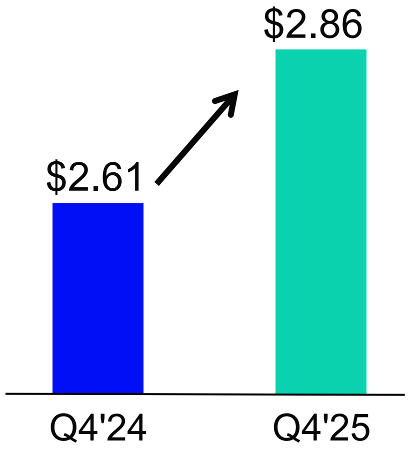

## Adj. Operating Margin*

**flat**




## Adj. Continuing EPS*

**+10%**




- Organic revenue growth up low-single digits in equipment, with continued strong LDD Services growth
- Ex-Resi, strong enterprise rev growth of ~+7%

- Margins significantly impacted by ~60% deleverage in residential – proactively reduced 1/3rd of factory production days to drive inventory to healthy levels entering 2026

- BOS driving operational excellence throughout P&L

*Includes certain Non-GAAP financial measures. See the company's Q4 2025 earnings release for additional details and reconciliations.

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# Lower Enterprise Margins Primarily from Resi Deleverage; Lower EMEA Margins Largely Impacted by Year-One M&A Related Costs

| $M | Revenue Org.* Growth | Adj. EBITDA*% vs PY | Adj. OI*% vs PY |
|---|---|---|---|
| Americas | **$4,012.6**<br>*+5%* | **18.9%**<br>*-60 bps* | **17.2%**<br>*-40 bps* |
| EMEA | **$771.0**<br>*+2%* | **17.3%**<br>*-160 bps* | **16.2%**<br>*-110 bps* |
| Asia Pacific | **$360.9**<br>*-6%* | **26.3%**<br>*-20 bps* | **25.7%**<br>*+50 bps* |

**Highlights**

- Americas margins declined on ~60% margin deleverage in resi business, in line with expectations
- EMEA margins lower on headwinds from M&A costs
- Asia OI margins expanded on prudent cost controls, partially offsetting challenging China macro environment
- Acceleration of incremental business reinvestment in each segment to pull forward high ROI innovation & growth initiatives

* Includes certain Non-GAAP financial measures. See the company's Q4 2025 earnings release for additional details and reconciliations.

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# Continued Commercial HVAC Strength in FY 2026 with Robust Bookings and Backlog to Support Growth

## Americas

**Commercial HVAC**

- Continued broad-based strength across core markets such as higher education, government, healthcare, and in services w/ particular strength in high growth verticals
- Leading innovation & value proposition, secular decarbonization megatrends, mega projects, high growth verticals, strong multi-year capex cycle, where project complexity plays to our strengths
- World-class direct sales force continues to be a highly differentiated, competitive advantage - leveraging unique market / customer insights / leading innovation to optimize opportunities and drive market outgrowth
- Expect continued strong 2026 performance supported by outstanding bookings and backlog growth in 2025, particularly 2H & cont'd services excellence / growth

**Residential HVAC**

- Resi channel inventory largely normalized in Q4, paving way for healthier markets in 2026
- Expect challenging 1H mainly on tough comps from 2025, pivoting to tailwinds in 2H on easier PY comps
- Prudent outlook at this early stage in year of flat to modestly lower (0 to -5%) 2026 revs. Outlook to remain fluid as year evolves

**Transport**

- ACT FY 2026 N.A. trailer market forecast down ~7% y/y. TT view largely aligned w/ this view and expect to outperform markets
- Transport market KPIs / fundamentals improving, supporting market trough in 1H and recovery late 2026 / 2027 (age of fleet oldest in 25 years, spot vs contract rates tightening)
- We have maintained high levels of investment in innovation throughout downcycle and are well positioned to drive outperformance as markets recover

## EMEA

**Commercial HVAC**

- 2025 high investment year (M&A, sales, etc) setting stage for healthy growth in 2026
- Strong bookings (+mid-to-high teens) Q3 / Q4 driving backlog up nearly 40% YOY, largely long cycle – supportive of +MSD to +HSD rev growth FY 2026 w/ softer 1H, stronger 2H dynamics and healthy services growth

**Transport**

- 2026 market expected to be flattish. Expect TK to outperform through innovation-led, diversified, resilient portfolio

## Asia Pacific

**Commercial HVAC & Transport**

- Mixed performance – China continues to be challenging with dynamic macro conditions
- Rest of Asia expected to continue to be stronger than China in 2026
- Overall, Asia revs expected flattish in FY 2026 with Q1 flattish

# Leveraging Value Creation Flywheel to Drive Strong Revenue, EPS Growth and FCF in 2026

| | 2026 Guidance* |
|---|---|
| Organic Revenues** | +6% to +7%<br>*(~+8.5% to ~+9.5% reported, incl. M&A & FX)*<br>*Q1'26 expect ~flattish organic growth* |
| Adj. EPS** | $14.65 to $14.85<br>*(~+12% to ~+14%)*<br>*Q1'26 expect ~$2.50* |
| Operating Leverage** | Organic 25%+ |
| Free Cash Flow** | ≥ Adj. Net Earnings |

***See page 18 for additional details**

** Includes certain Non-GAAP financial measures. See the company's Q4 2025 earnings release for additional details and reconciliations

# Strong FCF Drives Continued Balanced Capital Deployment Strategy

## 1

### Invest for Growth

- Strengthen the core business and extend product & market leadership
- Invest in new technology and innovation
- Strategic investments in value-accretive M&A

## 2

### Maintain Healthy, Efficient Balance Sheet

- Expect to deliver FCF* ≥ 100% of adjusted net earnings
- Strengthening balance sheet
- Strong A3/A-** investment grade rating offers optionality as markets evolve

## 3

### Return Capital to Shareholders

- Expect to consistently deploy 100% of excess cash over time
- Pay competitive and growing dividend over time
- Repurchase shares when stock is trading below our calculated intrinsic value

* Includes certain Non-GAAP financial measures. See the company's Q4 2025 earnings release for additional details and reconciliations

**December 2025 S&P rating agency upgraded TT from BBB+ to A-

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# ~$3.2B Capital Deployed in 2025 Including Targeted M&A Across Key Markets and Verticals. Expect to Deploy ~$2.8B to ~$3.3B in 2026

## Balanced Capital Deployment

| | Actual & Committed FY 2025 | Target FY 2026 |
|---|---|---|
| Dividends | ~$840M | ~$0.8B |
| M&A, investments | ~$720M* | ~$2.0B to ~$2.5B |
| Share repurchases | ~$1.5B** | |
| Debt retirement | ~$150M | |
| **Total Capital Deployed/Committed** | **~$3.2B** | **~$2.8B to ~$3.3B** |

*Excludes $260M that was included in FY 2024

**Excludes Jan 2025 share repurchases of $100M that were included in FY 2024; includes ~$90M share repurchases in Jan 2026

- Increased dividend 12% in 2025 to $3.76 per share annualized, up 77% since the launch of Trane Technologies (March 2020)
- Share repurchases of ~$1.5B in 2025, ~$4.7B remaining under repurchase authorization
- M&A pipeline remains active; maintain disciplined approach
- Stellar Energy expected Q1 close:
  - Deal economics: Price ~$550M, or ~13X 2025 EBITDA of ~$40M, w/ revs of ~$350M
  - Expands capabilities in high growth data center market
  - Modular builds reduce risk / speed time to market for DCs
  - Leverage modular design / build offering across vertical markets beyond DCs
- Shares remain attractive, trading below our calculated intrinsic value

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# Topics of Interest

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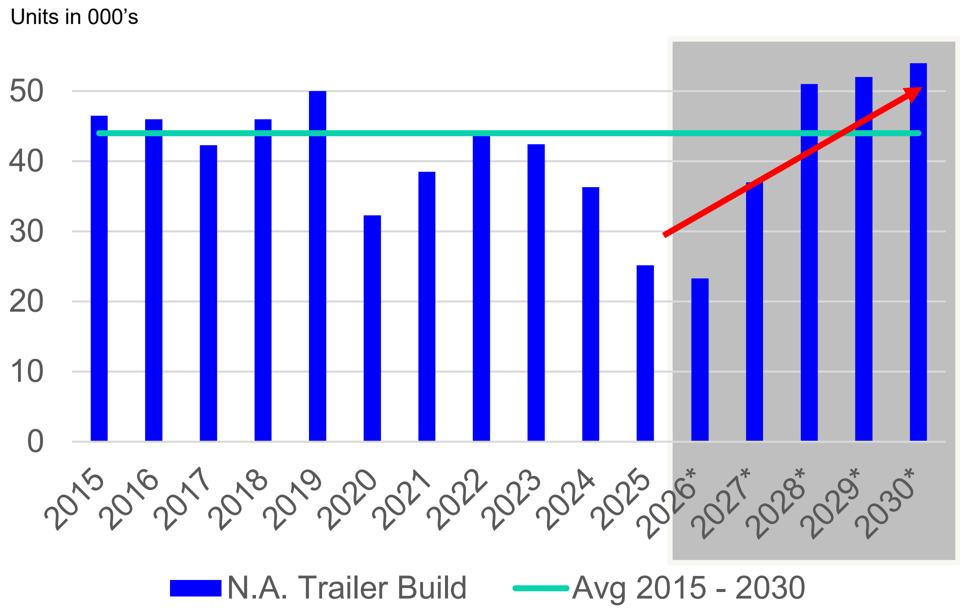
# ACT Projects Modest Decline in 2026 (to ~23.3K units), with Late 2026 Market Recovery. Growth Forecast for 2027 - 2030 (to ~54K units)

## ACT North America Trailer Market Outlook




* Forecast shown in grey
Source: ACT January 2026 Forecast

## Comments

- ACT 2026 trailer market forecast to ~23.3K, or down ~7% YOY, with recovery beginning late 2026
- ACT expects > 50% growth in 2027 and > 35% in 2028 with continued growth through 2030
    - TT internal view aligned w/ markets showing strong growth, albeit at a more moderate rate
- Underlying longer term refrigerated trailer demand remains solid, average ~42k units per year
- Diversified Americas / EMEA Thermo King businesses poised to outperform end markets through continued innovation / execution

IN SUMMARY

# Positioned to Outperform Over the Long-Term

| | |
|---|---|
| **Secular Tailwinds** | The markets we serve expected to continue to outgrow GDP, fueled by long-term sustainability megatrends |
| **Sustainability Focused Innovation** | We are positioned to outgrow the market and expand margins with market-leading sustainable innovations |
| **Margin Expansion** | Our best-in-class business operating system and uplifting culture enables us to maximize margins and cash generation |
| **Financial Strength** | Our strong balance sheet, exceptional cash generation and balanced capital allocation strategy deliver significant value to shareholders |

# Appendix

# FY'26 Detailed Guidance for Modeling Purposes

| Metric | FY Guidance |
|---|---|
| **Organic Revenue*** | **+6% - +7%** |
| **M&A** | **~+2 pts (+$0.03)** |
| **FX** | **~+0.5 pt (+$0.05)** |
| **Reported Revenue** | **~ +8.5% - +9.5%** |
| **Adj. EPS*** | **$14.65 to $14.85** **+12% to +14%** |

## 2026 Commentary

- ~25%+ organic leverage* for FY'26
- Impact of combined M&A and FX on organic vs reported leverage expected to be ~700 bps (reported leverage lower on modest M&A OI contribution due to year one acquisition and integration related costs
- Stellar Energy modestly EPS accretive in year one ~ $11M, or $0.03 (post acquisition and yr 1 integration costs)

## Other Items

**1Q'26:** expect ~flattish organic revenue growth, Adj. EPS ~$2.50

**FY'26 Other Items:**

- ~$300M corporate costs - Continued above-average incremental high ROI investment (normal range ~40 bps year) including digital, factory automation, sales force excellence, service business excellence, product innovation. Took cost management and productivity actions during FY 2025 reflecting proactive measures around softer residential markets.
- ~$235M interest expense
- ~20% adj. effective tax rate
- ~222M diluted shares
- Expect CapEx of 1% to 2% of 2026 revs
- FY'26 Other income / expense of ~$20M; includes pension expense of ~$5M per quarter. Other items in other inc. / exp. such as FX impacts are unknown / not forecast-able

*Includes certain Non-GAAP financial measures. See the company's Q4 2025 earnings release for additional details and reconciliations.

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# Trane Technologies Sustainability Strategy

## Global Megatrends

- CLIMATE CHANGE
- DEMOGRAPHICS
- URBANIZATION
- DIGITAL CONNECTEDNESS
- RESOURCE SCARCITY
- INDOOR AIR QUALITY (IAQ)

## Our 2030 Commitments

### The Gigaton Challenge

Reduce one gigaton of carbon emissions ($CO_2e$) from our customers' footprint

### Leading by Example

Achieve carbon neutral operations, zero waste to landfill, reduce embodied carbon by 40%, design for circularity

### Opportunity for All

Invest in our people, culture and communities, build the workforce of the future

## Where We Focus Our Efforts

### Operations

- Emissions & energy reduction
- Renewable energy
- Water usage

### Technology & Innovation

- Energy efficiency & electrification
- Low-emission products & systems
- Digital solutions & services
- Product life cycle & circularity

### Supply Chain

- Responsible sourcing
- Supplier sustainability

### Employees

- Engagement
- Inclusion
- Ethics & integrity
- Safety
- Development

### Communities

- Education
- Access to cooling, food & wellness
- Workforce development

### Governance

- Board oversight
- Financial performance
- Public policy

## Targets Align with Global Priorities

SUSTAINABLE DEVELOPMENT GOALS

- 2 Zero Hunger
- 4 Quality Education
- 5 Gender Equality
- 6 Clean Water & Sanitation
- 7 Affordable & Clean Energy
- 8 Decent Work & Economic Growth
- 9 Industry, Innovation & Infrastructure
- 11 Sustainable Cities & Communities
- 12 Responsible Consumption & Production
- 13 Climate Action

We believe in ambitious goals founded in science.
Trane Technologies is 1st in industry to be 2050 Net-Zero Approved by the Science-Based Targets Initiative (SBTi)

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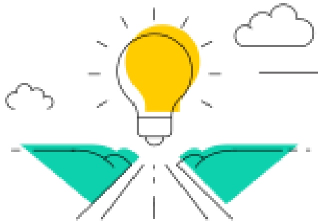
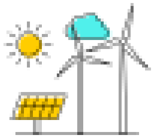
A LEGACY OF ACTION

# Delivering performance through sustainability





**2010**

Founded Center for Energy Efficiency & Sustainability (CEES)

Launched internal Diversity & Inclusion Council

**2011**

Launched the first Sustainability Addendum to our Annual Report

First annual submission to DJSI

**2012 - 2013**

Formed internal and external Sustainability Advisory Councils

Conducted first Futures Exercises, Climate Scenario and Materiality Assessment

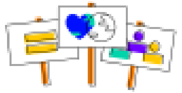
**2014**

Announced first set of major goals: 2020 Climate Commitments

**2015**

We Mean Business partner (Paris Accord)

Launched EcoWise product portfolio



**2016 - 2017**

First in industry to have SBTi validated and approved science-based targets for 50% reduction in refrigerant global warming potential and 35% reduction in operational emissions by 2020

First in industry to join Paradigm for Parity and CEO Action for Diversity & Inclusion

**2018**

Achieved 2020 Climate Commitments two years ahead of schedule

Launched our first formal Sustainability Report

Installed first on-site solar generation project

**2019**

Announced 2030 Sustainability Commitments

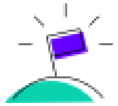
Invested in first wind power agreement

Received World Environment Center Gold Medal

Joined RE100, EP100 and 3% Club

**2020**

SBTi validated achievement of 2020 Climate Commitments and validated 2030 Sustainability Commitments, covering product-use and operational emissions



**2021 - 2022**

Received inaugural Terra Carta Seal for sustainability leadership

SBTi approved 2050 Net-Zero target

Launched internal 25x25 initiative to accelerate reduction of Scope 1 and 2 carbon emissions by an additional 25% from 2021 by the end of 2025

First in industry to join SteelZero; low-carbon steel represented 20%+ of annual steel purchases

**2023**

Published 2050 Net-Zero Roadmap

Joined EV100

Became a signatory of United Nations Global Compact

**2024**

Added 2030 Sustainability Commitment to reduce embodied carbon by 40%

Met and exceeded 25x25 initiative goal

Global time of service volunteer event

**2025**

Established two new circularity impact metrics

Published our first Climate Transition Plan and Nature Impact Assessment

Joined the CEO Water Mandate

Years in purple indicate activities since becoming Trane Technologies

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# Widely Recognized for Sustainability Leadership and Uplifting Culture

## Highly Regarded Sustainability Performance

**14 Consecutive Years on the North America Index**
4th consecutive year on the World Index

**2025 JUST 100:**
Ranked 6th overall;
Industry Leader for 3rd consecutive year

**Named to CDP Climate A List**
Fourth consecutive year

**94th Percentile**
74/100; Silver Medal

**TIME World's Most Sustainable Companies**
Second consecutive year,
Ranked 20th overall

**Financial Times Europe's Climate Leaders 2025**
Fifth consecutive year

**Ethisphere 2025 World's Most Ethical Companies®**
Second consecutive year

**Glassdoor's Best-Led Companies 2025**
First time on list,
Ranked 35th overall

"World's Most Ethical Companies" and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC.

## People and Citizenship

**Fortune 2026 World's Most Admired Companies**
14 consecutive years

**TIME World's Best Companies**
Third consecutive year

**Fortune Best Workplaces in Manufacturing & Production**
Second consecutive year

**Forbes America's Best Employers for Women 2025**
Ranked 5th among companies in the Engineering/Manufacturing industry

Fortune World's Most Admired Companies is a registered trademark of Fortune Media IP Limited and is used under license. Fortune magazine, fortune.com, Fortune Media IP Limited and its affiliates are not affiliated with, and do not endorse, Trane Technologies' products or services.

# Q4 YoY Organic Revenues up 4%; Bookings up 22%

| Organic* Revenue | 2022 | | | | | 2023 | | | | | 2024 | | | | | 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | Q4 | FY |
| **Americas** | +13% | +13% | +19% | +14% | +15% | +8% | +9% | +11% | +7% | +9% | +15% | +16% | +15% | +11% | +14% | +13% | +9% | +4% | +5% | +7% |
| **EMEA** | +6% | +11% | +18% | +23% | +15% | +15% | +8% | +3% | +8% | +8% | +4% | +5% | +8% | +7% | +6% | +6% | +3% | +3% | +2% | +3% |
| **Asia Pacific** | +14% | -12% | +28% | +19% | +12% | +8% | +41% | -1% | flat | +10% | +16% | -3% | -21% | +1% | -3% | -3% | -8% | +9% | -6% | -3% |
| **Total** | **+12%** | **+11%** | **+19%** | **+16%** | **+15%** | **+9%** | **+11%** | **+9%** | **+6%** | **+9%** | **+14%** | **+13%** | **+11%** | **+10%** | **+12%** | **+11%** | **+7%** | **+4%** | **+4%** | **+6%** |

| Organic* Bookings | 2022 | | | | | 2023 | | | | | 2024 | | | | | 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | Q4 | FY |
| **Americas** | +6% | +10% | +11% | flat | +7% | -4% | -8% | +7% | +13% | +2% | +20% | +23% | +8% | +1% | +13% | +5% | +7% | +12% | +26% | +12% |
| **EMEA** | flat | -12% | -10% | +2% | -5% | +10% | +14% | +12% | +10% | +11% | +7% | +10% | +9% | +9% | +9% | +13% | -2% | +14% | +9% | +8% |
| **Asia Pacific** | +14% | +16% | +3% | -6% | +7% | +13% | +6% | +12% | +2% | +8% | +6% | flat | -31% | +8% | -5% | -13% | -17% | +32% | +1% | -2% |
| **Total** | **+6%** | **+7%** | **+8%** | **flat** | **+5%** | **-1%** | **-5%** | **+8%** | **+12%** | **+3%** | **+17%** | **+19%** | **+5%** | **+2%** | **+11%** | **+4%** | **+4%** | **+13%** | **+22%** | **+11%** |

*Non-GAAP financial measures. See the company's Q4 2025 earnings release for additional details and reconciliations.

# Q4 & YTD Non-GAAP Measures Definitions

**Adjusted operating income** in 2025 is defined as GAAP operating income adjusted for restructuring costs, merger and acquisition transaction costs, and a non-cash adjustment for contingent consideration. Adjusted operating income in 2024 is defined as GAAP operating income adjusted for restructuring costs, legacy legal liability, merger and acquisition transaction costs, and a non-cash adjustment for contingent consideration. Please refer to the reconciliation of GAAP to non-GAAP measures on tables 2, 3, 4 and 5 of the news release.

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

**Adjusted earnings from continuing operations attributable to Trane Technologies plc (Adjusted net earnings)** in 2025 is defined as GAAP earnings from continuing operations attributable to Trane Technologies plc adjusted for net of tax impacts of restructuring costs, merger and acquisition transaction costs, a non-cash adjustment for contingent consideration, and a non-cash settlement charge related to the transfer of a pension liability to an insurance company. Adjusted net earnings in 2024 is defined as GAAP earnings from continuing operations attributable to Trane Technologies plc adjusted for net of tax impacts of restructuring costs, legacy legal liability, merger and acquisition transaction costs, a non-cash adjustment for contingent consideration, and a U.S. discrete tax benefit. Please refer to the reconciliation of GAAP to non-GAAP measures on tables 2 and 3 of the news release.

**Adjusted continuing EPS** in 2025 is defined as GAAP continuing EPS adjusted for net of tax impacts of restructuring costs, merger and acquisition transaction costs, a non-cash adjustment for contingent consideration, and a non-cash settlement charge related to the transfer of a pension liability to an insurance company. Adjusted continuing EPS in 2024 is defined as GAAP continuing EPS adjusted for net of tax impacts of restructuring costs, legacy legal liability, merger and acquisition transaction costs, a non-cash adjustment for contingent consideration, and a U.S. discrete tax benefit. Please refer to the reconciliation of GAAP to non-GAAP measures on tables 2 and 3 of the news release.

**Adjusted EBITDA** in 2025 is defined as adjusted operating income excluding depreciation and amortization expense and including other income / (expense), net, adjusted for a non-cash settlement charge related to the transfer of a pension liability to an insurance company. Adjusted EBITDA in 2024 is defined as adjusted operating income excluding depreciation and amortization expense and including other income / (expense), net. Other income / (expense), net mainly comprises interest income, foreign currency exchange gains and losses and certain components of pension and postretirement benefit costs. Please refer to the reconciliation of GAAP to non-GAAP measures on tables 4, 5, 6 and 7 of the news release.

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

# Q4 & YTD Non-GAAP Measures Definitions

**Adjusted effective tax rate** for 2025 is defined as the ratio of income tax expense adjusted for the net tax effect of adjustments for restructuring costs, merger and acquisition transaction costs, and a non-cash settlement charge related to the transfer of a pension liability to an insurance company divided by adjusted net earnings. Adjusted effective tax rate for 2024 is defined as the ratio of income tax expense adjusted for the net tax effect of adjustments restructuring costs, legacy legal liability, and merger and acquisition transaction costs, divided by adjusted net earnings. This measure allows for a direct comparison of the effective tax rate between periods.

**Free cash flow** n 2025 is defined as net cash provided by (used in) continuing operating activities adjusted for capital expenditures, cash payments for restructuring costs, legacy legal liability, merger and acquisition transaction costs and proceeds from sale of corporate asset. Free cash flow in 2024 is defined as net cash provided by (used in) continuing operating activities adjusted for capital expenditures, cash payments for restructuring costs, legacy legal liability, and merger and acquisition transaction costs less an adjustment for a special three-year Outperformance Incentive Program. Please refer to the free cash flow reconciliation on table 10 of the news release.

- **Free cash flow conversion** is defined as the ratio of free cash flow divided by adjusted net earnings

**Operating leverage** is defined as the ratio of the change in adjusted operating income for the current period (e.g. Q4 2025) less the prior period (e.g. Q4 2024), divided by the change in net revenues for the current period less the prior period.

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

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

**Working capital** measures a firm’s operating liquidity position and its overall effectiveness in managing the enterprise's current accounts.

- **Working capital** is calculated by adding net accounts and notes receivables and inventories and subtracting total current liabilities that exclude short-term debt, dividend payable and income tax payables.

- **Working capital as a percent of revenue** is calculated by dividing the working capital balance (e.g. as of December 31) by the annualized revenue for the period (e.g. reported revenues for the three months ended December 31 multiplied by 4 to annualize for a full year).

TRANE TECHNOLOGIES