



# Third-Quarter 2025 Results

October 30, 2025

TRANE  
TECHNOLOGIES



# Forward-Looking Statements

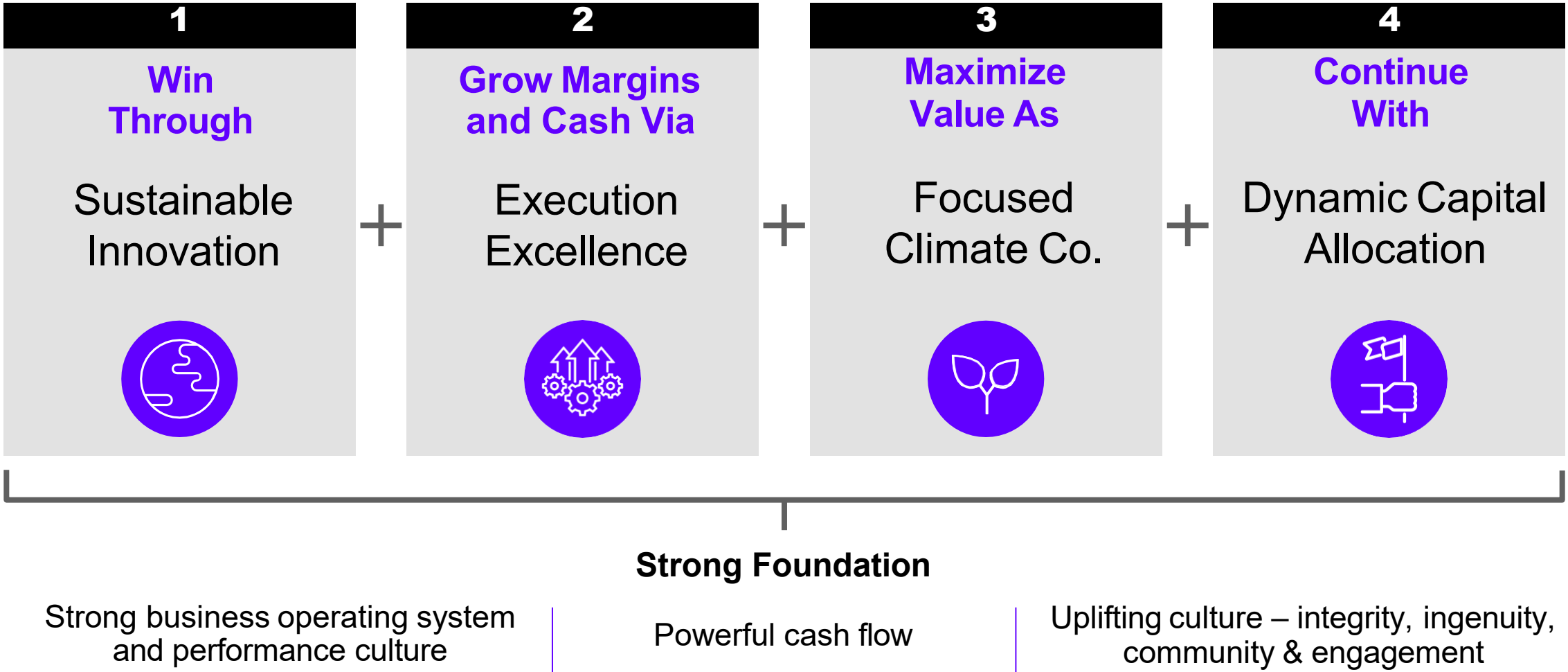
This presentation includes “forward-looking” statements within the meaning of securities laws, which are statements that are not historical facts, including statements that relate to our future financial performance and targets, including revenue, EPS, operating income, operation margin and earnings; 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, 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](http://www.tranetechnologies.com). Unless otherwise indicated, all data beyond the third quarter of 2025 are estimates.

# Focused Strategy Delivers Differentiated Shareholder Returns



# Strong Quarter Despite Residential Market Challenges. Exceptional CHVAC Performance and Robust Services Growth

## Strong Enterprise Performance in Q3

- All-time high quarterly enterprise bookings of \$6B with organic bookings\* up 13%
- Organic revenue\* up 4%, adjusted operating margin\* up 170 basis points, adjusted EPS\* up 15%
- Excluding residential, organic enterprise revenues up ~10%, bookings up ~25%

## Exceptional Q3 Bookings and Backlog (B/L), Led by Commercial HVAC

- Americas CHVAC: all-time high quarterly bookings, up ~30%, with applied bookings up over 100% YOY
- Americas CHVAC B/L up more than \$600M since Y/E 2024
- Backlog of \$7.2B further highlights CHVAC strength; since Y/E 2024, backlog for Americas and EMEA CHVAC is up more than \$800M partially offset by backlog in Resi and TK Americas down ~\$300M

## Well Positioned for Continued Growth in 2026

- Strong execution through BOS – managing the controllables while navigating challenging residential and transport markets in 2025
- Strong and rapidly growing pipeline of opportunities in core verticals, with particular strength in data centers
- Backlog is > 90% CHVAC, with majority longer cycle applied systems carrying a higher margin services tail over equipment life
- Exceptional bookings and elevated backlog provide improving visibility for 2026

## Durable Services Revenue Stream ~1/3<sup>rd</sup> of Enterprise Revenues - up low double digits in Q3, with up low teens CAGR since 2020

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

- Strong balance sheet, liquidity and FCF\* provide excellent optionality for balanced capital deployment
- Strong Q3 cash flow of 109% of adj. net earnings; on track to deliver FY free cash flow\* = / > 100% of adj. net earnings

## FY 2025 Guidance:

- Expect organic revenue growth of ~6% and adjusted EPS of approximately \$12.95 to \$13.05. (see pages 9 & 17 for more detail)

\*Includes certain Non-GAAP financial measures. See the company's Q3 2025 earnings release for additional details and reconciliations

# Continued Strong Demand for CHVAC Globally. Standout Performance in Americas CHVAC, Partially Offset by Market Headwinds in Residential

|                     | Q3 Organic* Y-O-Y Change |             |
|---------------------|--------------------------|-------------|
|                     | Bookings                 | Revenue     |
| <b>Enterprise</b>   | <b>+ 13%</b>             | <b>+ 4%</b> |
| <b>Americas</b>     | <b>+ 12%</b>             | <b>+ 4%</b> |
| Commercial HVAC     | +                        | +           |
| Residential HVAC    | -                        | -           |
| Transport           | +                        | flat        |
| <b>EMEA</b>         | <b>+ 14%</b>             | <b>+ 3%</b> |
| Commercial HVAC     | +                        | +           |
| Transport           | +                        | -           |
| <b>Asia Pacific</b> | <b>+ 32%</b>             | <b>+ 9%</b> |
| China               | +                        | +           |
| Rest of Asia        | +                        | +           |

## Americas

- Record CHVAC bookings / revenues, up ~30% / up low-teens, respectively. Q3 revs up low-teens in equip and up low double digits in services. **3yr stack** revs up >50% (applied up >125%)
- Resi bookings / revs, down ~30% / down ~20%, respectively, consistent w/ Sept '25 update
- Transport bookings / revs, up low-teens / flattish, respectively, outperforming end markets (ACT: truck / trailer / APU down >25% in Q3)

## EMEA

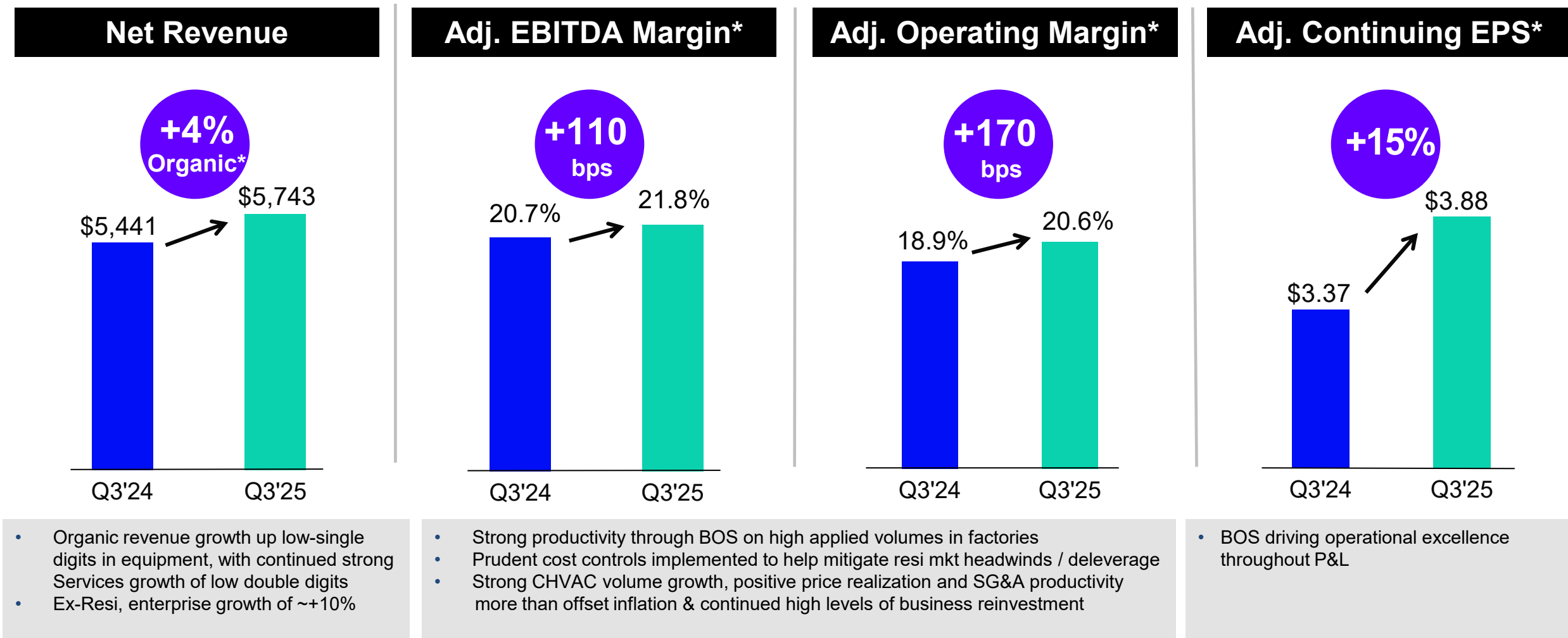
- CHVAC bookings / revs, up high-teens / up MSD, respectively
- Transport bookings up high-single digits. Revenues down LSD, outperforming end markets (markets down ~MSD)

## Asia Pacific

- CHVAC bookings / revs, up mid-thirties / up low-teens, respectively; China bookings / revs, up ~80% / up ~20%, respectively, mainly due to favorable comps vs prior year credit tightening
- Rest of Asia solid growth

\*Organic bookings and organic revenues exclude acquisitions and currency

# Performance Scoreboard: Strong Revenue Growth (~+10% Ex-Resi Headwinds), Robust Margin Expansion and EPS Growth



\*Includes certain Non-GAAP financial measures. See the company's Q3 2025 earnings release for additional details and reconciliations.

# Strong Enterprise Margin Expansion in Americas and Asia; Lower EMEA Margins Resulting From Year-One M&A Related Costs

| \$M          | Revenue<br>Org.* Growth | Adj.<br>EBITDA*%<br>vs PY | Adj. OI*%<br>vs PY       | Highlights                                                                                                                                                                                                                                                                                                                                                               |
|--------------|-------------------------|---------------------------|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Americas     | <b>\$4,663.3</b><br>+4% | <b>23.1%</b><br>+90 bps   | <b>21.8%</b><br>+120 bps | <ul style="list-style-type: none"> <li>Positive price realization and productivity more than offset inflation in Americas and Asia</li> <li>EMEA margins improved sequentially despite headwinds from M&amp;A costs</li> <li>High incremental business reinvestment in each segment supporting innovation, growth initiatives and organizational capabilities</li> </ul> |
| EMEA         | <b>\$749.6</b><br>+3%   | <b>21.0%</b><br>-60 bps   | <b>19.7%</b><br>-80 bps  |                                                                                                                                                                                                                                                                                                                                                                          |
| Asia Pacific | <b>\$329.6</b><br>+9%   | <b>23.3%</b><br>+230 bps  | <b>22.5%</b><br>+340 bps |                                                                                                                                                                                                                                                                                                                                                                          |

\* Includes certain Non-GAAP financial measures. See the company's Q3 2025 earnings release for additional details and reconciliations.

# Continued Commercial HVAC Strength Offset by Residential Market Headwinds

## Americas

### Commercial HVAC

- Broad-based strength across core vertical markets such as education, government, healthcare, and in services. Particular strength in data centers
- 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 performance, with 3 yr stack revs up => 50% in every quarter of 2025 (expect Q4 revs up ~10%)

### Residential HVAC

- Resi market headwinds expected through year-end, consistent w/ Sept update (Q4 revs down ~20% YOY), as channel inventory remains elevated

### Transport

- ACT has reduced full-year 2025 N.A. trailer market forecast to ~25K units or down ~30%
- Overall transport markets expected to be down ~30% in Q4 and down ~25% in 2025; expect TK to outperform, down ~10% in Q4 and down LSD to MSD in 2025
- Continued high levels of investment in innovation to drive outperformance as markets recover

## EMEA

### Commercial HVAC

- Q3 performance in-line w/ expectations. Strong bookings support +HSD rev growth in Q4
- Continued robust demand for innovative products and services led by compelling paybacks; momentum continues for Thermal Management Systems

### Transport

- 2025 market expected to be down ~LSD. Expect TK to outperform through innovation-led, diversified, resilient portfolio
- Expect full year revs flat to +LSD, w/ Q4 down ~LSD-MSD

## Asia Pacific

### Commercial HVAC & Transport

- Asia on pace to meet FY 2025 expectations for flattish revenues
- Mixed performance – China continues to be challenging with dynamic macro conditions
- Rest of Asia stronger than China in 2025



# FY 2025 Guidance Reflects CHVAC Strength & Continued Challenges in Residential and Transport Markets

|                      | July 30 <sup>th</sup> FY Guidance                          | Current FY Guidance*                                                                                                            |
|----------------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Organic Revenues**   | <p>~+8%</p> <p>(~+9% reported, incl. M&amp;A &amp; FX)</p> | <p>~+6%</p> <p>(~+7% reported)</p> <p>(ex-resi: +9% organic, +10% reported)</p> <p>Q4'25 expect organic ~+3% (~+7% ex-resi)</p> |
| Adj. EPS**           | <p>~\$13.05</p> <p>(+16%)</p>                              | <p>\$12.95 to \$13.05</p> <p>(+15% to +16%)</p> <p>Q4'25 expect \$2.75 to \$2.85</p>                                            |
| Operating Leverage** | <p>Organic 25%+</p>                                        | <p>Organic ~30%+</p> <p>Q4'25 expect ~30% organic, ~20% rptd.</p>                                                               |
| Free Cash Flow**     | <p>≥ Adj. Net Earnings</p>                                 | <p>≥ Adj. Net Earnings</p>                                                                                                      |

\*See page 17 for additional details

\*\* Includes certain Non-GAAP financial measures. See the company's Q3 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\*  $\geq$  100% of adjusted net earnings
- Strengthening balance sheet
- Strong A3/BBB+ 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 Q3 2025 earnings release for additional details and reconciliations



# Strong, Balanced Capital Allocation; On Track to Deploy ~\$2.5B to ~\$3.0B in 2025

## Balanced Capital Deployment

|                                         | Actual & Committed YTD Oct. 2025 | Target FY 2025            |
|-----------------------------------------|----------------------------------|---------------------------|
| Dividends                               | ~\$840M                          | ~\$0.8B                   |
| M&A, investments                        | ~\$160M*                         | ~\$1.5B to ~\$2.0B        |
| Share repurchases                       | ~\$1.25B**                       |                           |
| Debt retirement                         | ~\$150M                          | ~\$150M                   |
| <b>Total Capital Deployed/Committed</b> | <b>~\$2.4B</b>                   | <b>~\$2.5B to ~\$3.0B</b> |

- Increased dividend 12% in February 2025 to \$3.76 per share annualized, up 77% since the launch of Trane Technologies (March 2020)
- Dividends paid Q3 YTD of \$629M; and Q4 dividend declared with payment on December 31<sup>st</sup> ~\$210M
- YTD October share repurchases accelerated to \$1.25B\*\* leveraging opportunities from share price trading below intrinsic value; \$4.9B remaining under repurchase authorization
- M&A pipeline remains active; maintain disciplined approach
- Shares remain attractive, trading below our calculated intrinsic value

\*Excludes \$260M that was included in FY 2024

\*\*Excludes Jan 2025 share repurchases of \$100M that were included in FY 2024

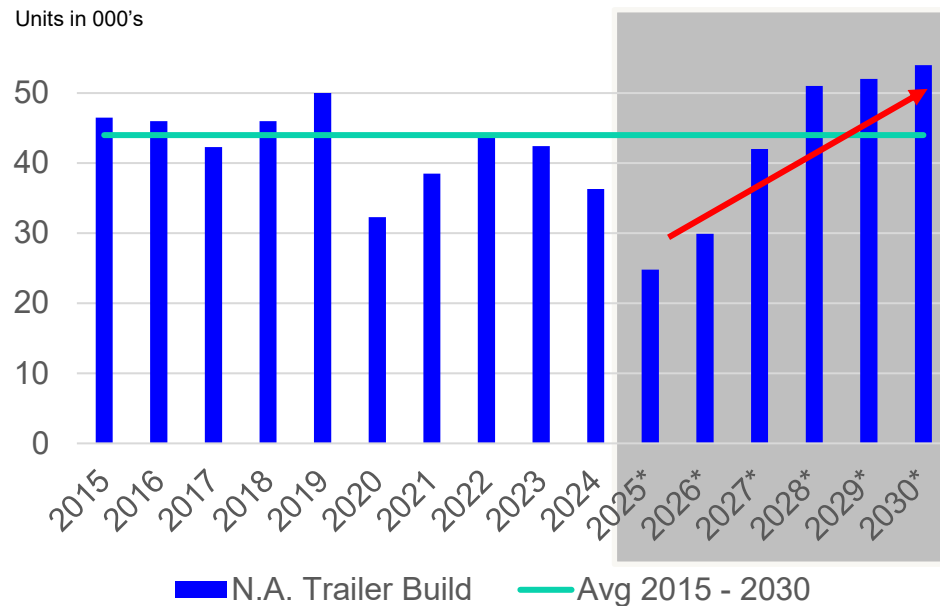




# Topics of Interest

# ACT Projects Robust Growth in 2026 (~30K units) to 2030 (~54K units)

## ACT North America Trailer Market Outlook



\* Forecast shown in grey  
Source: ACT October 2025 Forecast

## Comments

- ACT lowered 2025 trailer market forecast to ~25K, or down ~30% YOY, with Q4 down 30%+
- ACT expects ~20% growth in 2026 and >40% in 2027 with continued strong markets through 2030
- Underlying refrigerated trailer demand remains high, average ~42k units per year
- Diversified Americas / EMEA Thermo King businesses poised to outperform end markets through continued innovation / execution

# Well Positioned for Strong Performance in 2026

## Strong CHVAC Demand (>70% of revs)

- Expect continued strong execution and growth in 2026
- Well positioned to capture significant opportunities w/ best in class direct sales & service teams & stakeholder relationships
- Leading innovation & value proposition, secular decarbonization megatrends, mega projects, high growth verticals, strong multi-year capex cycle, where project complexity plays to our strengths

## Exceptional CHVAC Backlog

- Expect backlog to remain elevated entering 2026
- >90% of backlog is CHVAC, mainly applied

## Resi GDP+ Framework (15% of revs)

- No change to structural, GDP+ long term outlook
- Expect stronger 2H, soft 1H mainly driven by YOY comps

## Dynamic Pricing

- Innovation led pricing opportunities
- Strong pricing execution to mitigate tariffs / inflation

## N.A. Transport Market (<10% of revs)

- ACT projecting ~20% trailer growth in 2026 w/ 1H continuing to bottom, 2H growth
- Focused on continued investment in innovation – well positioned to outperform as market recovers

## Services Growth

- Robust / resilient services portfolio; low teens CAGR since 2020
- Strong applied backlog bolsters higher margin recurring, long-tail revenue stream
- Secular decarbonization trends support continued strong growth in energy services projects w/ strong paybacks
- Digital performance optimization – early innings for demand side management





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'25 Detailed Guidance for Modeling Purposes

| Metric           | FY Guidance                         | 2025 Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Organic Revenue* | ~+6%                                | <ul style="list-style-type: none"> <li>~30%+ organic leverage* for FY'25</li> <li>~+1 point M&amp;A, FX ~flat</li> <li>Includes all tariff costs and related pricing</li> <li>FY'25 expect ~\$0.20 negative impact to adj. EPS from M&amp;A. M&amp;A primarily related to technology acquisition BrainBox AI, with accelerated intangibles amortization and year one acquisition and integration related costs. Q4 negatively impacted by ~\$0.05 of integration costs related to M&amp;A</li> <li>Expect acquisitions to be EPS accretive by year 3</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| M&A              | ~+1 pt<br>(Neg ~-\$0.20 EPS impact) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| FX               | ~flat                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Reported Revenue | ~+7%                                | <div>Other Items</div> <p><b>4Q'25:</b> expect ~+3% organic revenue growth, Adj. EPS \$2.75 to \$2.85. Expect ~50 bps M&amp;A</p> <ul style="list-style-type: none"> <li>3% organic revenue growth reflects the following Q4 headwinds:               <ul style="list-style-type: none"> <li>(~\$150M) – Soft residential market –as discussed in September 2025</li> <li>(~\$100M) – Timing of CHVAC Americas desired customer delivery dates moved Q4'25 to 2026</li> <li>(~\$50M) – ACT lower Q4 transport market forecasts</li> </ul> </li> </ul> <p><b>FY'25 Unchanged Items:</b></p> <ul style="list-style-type: none"> <li>~\$235M interest expense</li> <li>~20% adj. effective tax rate</li> <li>~226M diluted shares</li> <li>Expect CapEx at high-end of 1% to 2% of revenues in 2025</li> </ul> <p><b>FY'25 Updated Items:</b></p> <ul style="list-style-type: none"> <li>~\$290M corporate costs (from ~\$315M prior)– 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 2H reflecting proactive measures around softer residential markets.</li> <li>FY'25 Other income / expense of ~\$50M (\$30M prior); includes pension expense and other items in other inc. / exp. such as FX impacts</li> </ul> |
| Adj. EPS*        | \$12.95 to \$13.05<br>+15% to +16%  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

\*Includes certain Non-GAAP financial measures. See the company's Q3 2025 earnings release for additional details and reconciliations.



# 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<sub>2</sub>e) from our customers' footprint

### Leading by Example

Achieve carbon neutral operations, zero waste to landfill, and reduce embodied carbon by 40%

### 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



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

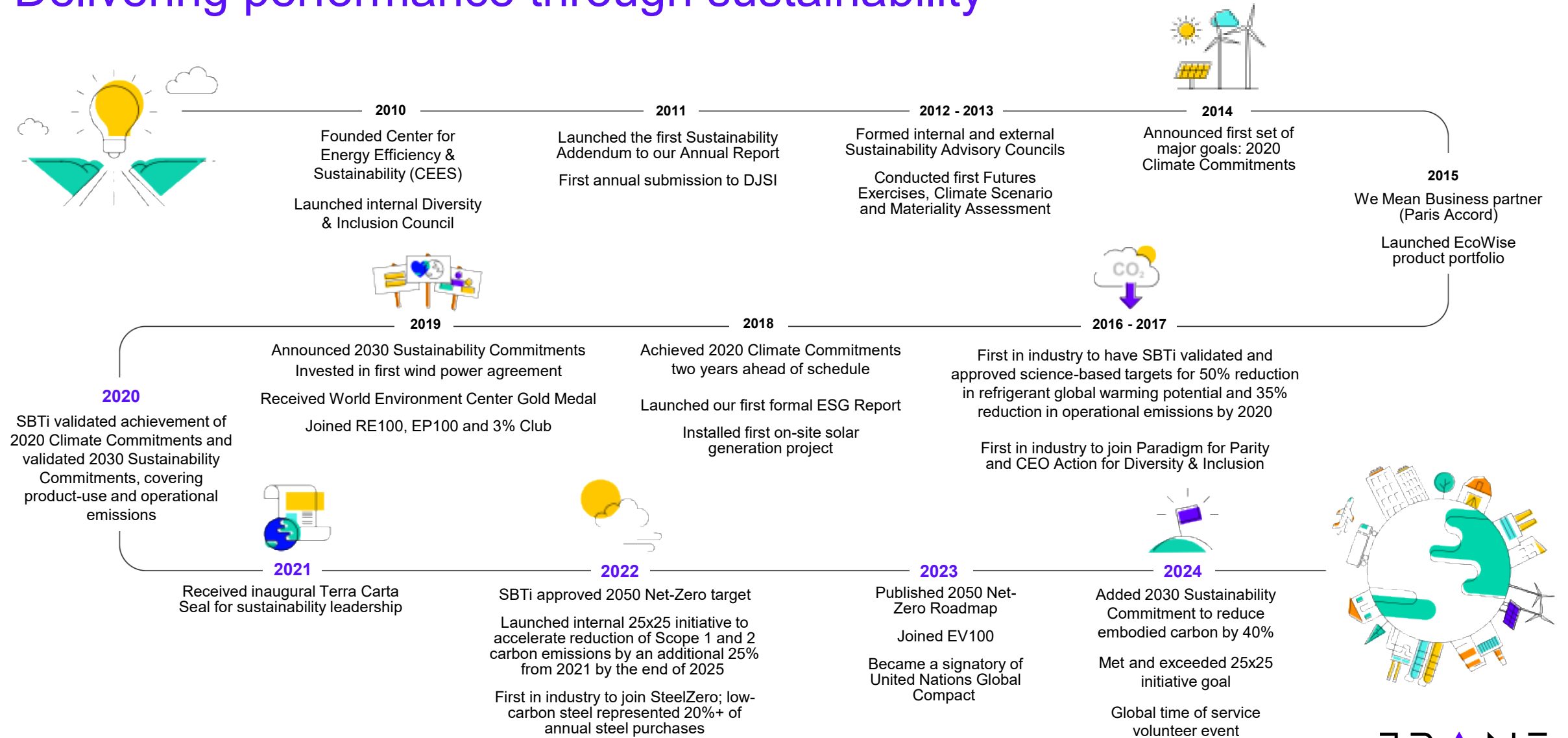


13 Climate Action



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

# Delivering performance through sustainability



Years in purple indicate activities since becoming Trane Technologies



# 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 6<sup>th</sup> overall;  
Industry Leader for 3rd consecutive year



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



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



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



**Corporate Knights' 2025 Global 100**  
Second consecutive year, ranked 26<sup>th</sup> overall



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



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

## People and Citizenship



**Fortune World's Most Admired Companies**  
13 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 5<sup>th</sup> among companies in the Engineering/Manufacturing industry

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## Q3 YoY Organic Revenues up 4%; Bookings up 13%

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

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

\*Non-GAAP financial measures. See the company's Q3 2025 earnings release for additional details and reconciliations.



# Q3 & 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, merger and acquisition transaction costs, legacy legal liability, and a non-cash adjustment for contingent consideration. Please refer to the reconciliation of GAAP to non-GAAP measures on tables 2, 3 and 4 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, and a non-cash adjustment for contingent consideration. 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, merger and acquisition transaction costs, legacy legal liability, 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 operations attributable to Trane Technologies plc adjusted for net of tax impacts of restructuring costs, merger and acquisition transaction costs, and a non-cash adjustment for contingent consideration. Adjusted continuing EPS in 2024 is defined as GAAP continuing operations attributable to Trane Technologies plc adjusted for net of tax impacts of restructuring costs, merger and acquisition transaction costs, legacy legal liability, 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 adjusted to exclude depreciation and amortization expense and include other income / (expense), net. Adjusted EBITDA in 2024 is defined as adjusted operating income adjusted to exclude depreciation and amortization expense and include 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 and 5 of the news release.

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

# Q3 & 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, and merger and acquisition transaction costs, divided by adjusted net earnings. Adjusted effective tax rate for 2024 is defined as the ratio of income tax expense adjusted for a U.S. discrete tax benefit and the net tax effect of adjustments for restructuring costs, merger and acquisition transaction costs, and legacy legal liability, divided by adjusted net earnings. This measure allows for a direct comparison of the effective tax rate between periods.

**Free cash flow** in 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, and merger and acquisition transaction costs. 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. Please refer to the free cash flow reconciliation on table 8 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. Q3 2025) less the prior period (e.g. Q3 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 September 30) by the annualized revenue for the period (e.g. reported revenues for the three months ended September 30 multiplied by 4 to annualize for a full year).