SECTION 3:
Product Integrity

A. INTRODUCTION

Carrier will establish and maintain proactive product integrity programs to ensure the quality and safety of the products and services it provides. These programs, designed to prevent product and process defects, will assure that Carrier customers receive products and services that meet or exceed all stated requirements.

B. DEFINITIONS

Carrier Quality Council – Consists of the VP Quality, the four Reporting Unit Quality Directors (REF, RHVAC, CHVAC, & FSP), and is supported by the WHQ Quality Team. Its purpose is to develop and implement strategies and processes to ensure Carrier meets or exceeds the quality expectations of customers, shareholders, and employees.

Products and Services Safety (PASS) Council – A committee that provides guidance and approval for external communications and actions relating to product safety concerns.

Product or Service – Any product manufactured by Carrier, sold by Carrier or branded under a Carrier owned brand, or a service provided by Carrier, including installation, maintenance or repair.

Product Safety Officer – An individual who is responsible for the oversight of a Reporting Unit's product and services safety issue management and deployment/training of new product safety standard work.

C. FUNCTIONAL RESPONSIBILITY

Quality Assurance Programs

The Carrier Vice President, Operations, in consultation with the Carrier Executive Leadership Team (ELT), is responsible for developing, implementing and maintaining quality assurance programs throughout Carrier. Reporting Unit Presidents, Carrier Quality Council members, and WHQ functional heads are responsible for implementing and administering quality assurance programs within their respective organizations. The Carrier Vice President, Quality has the authority, in coordination with the Carrier Quality Council, to coordinate quality assurance programs, policies and procedures among Carrier Segments, Reporting and Sub-Reporting Units and to coordinate as needed with the Legal and Compliance organizations. Senior management must take a leading and visible role in defining, implementing, and administering the quality system to meet all commitments to customer requirements.

Product and Services Safety Assurance

The Carrier Vice President, Product Safety, in consultation with the Carrier Executive Leadership Team (ELT), is responsible for developing, implementing and maintaining safety assurance programs throughout Carrier. Reporting Unit Presidents, Carrier WHQ PASS Council members, and WHQ functional heads are responsible for implementing and administering product safety processes within various Reporting and Sub-Reporting Units. The Carrier Vice President, Product Safety, further has the authority, in coordination with the Carrier PASS Council, to coordinate safety focused quality assurance procedures among Carrier Segments, Reporting and Sub-Reporting Units and to coordinate as needed with the Global Ethics and Compliance and Legal organizations. Management must take a leading and visible role in implementing and administering the PASS program to ensure the safety of all Carrier customers.

D. PROGRAM REQUIREMENTS

Quality Assurance Programs

All Carrier Reporting Units shall implement the Carrier Global Quality Manual (QLY-30) that is based on the international ISO 9001:2015 standard, and have a documented quality system that ensures compliance. All quality assurance requirements are communicated in the Carrier Global Quality Manual and ISO compliance shall be evident through ISO third party registration or internal audit at all Carrier manufacturing sites. Carrier Excellence is Carrier's overall operating continuous improvement system that sites shall implement. Carrier Excellence is a system that utilizes data driven decisions to drive root cause and corrective action resulting in robust processes.

Product and Services Safety Program

Carrier shall establish a Carrier Product Safety Board, whose primary responsibilities shall include oversight of product safety issues, as well as monitoring metrics and performance to ensure the existence of a robust program. The Carrier Product Safety Board will provide oversight to maintain a robust product and services safety program that promotes open and transparent disclosure of product safety issues and assures consistent communications with customers as well as product safety regulatory agencies. The Carrier Product Safety Board shall be chaired by the Carrier President and CEO and include key members of the Carrier Executive Leadership Team.

The Carrier Product Safety Board shall establish a Carrier PASS Council to address and administer product safety issues in accordance with CPSW-3A. CPSW-3A shall provide that product safety considerations are prioritized to allow effective hazard elimination,

independent of financial considerations, and that product safety considerations are made consistently across Carrier. In addition, the Product Safety Board shall promote product requirements that assure the safety of all users, even if those standards exceed applicable regulatory requirements.

All Carrier Reporting and Sub-Reporting Units shall have the support of a Product Safety Officer and operate a PASS Council as part of their respective product safety responsibilities in accordance with CPSW-3B. CPSW-3B will provide for the immediate reporting of all potential safety issues upon reasonable verification, and further, shall require that all issues are treated as potential product safety incidents until clear and convincing data determines otherwise.

E. OWNERSHIP & APPROVAL

This policy shall be jointly owned by the Vice President, Operations and Vice President, Product Safety. This policy will be reviewed as needed, and at least every four (4) years following initial issuance.

F. REFERENCES

All referenced documents below may be obtained via ePolicy.

Carrier Global Quality Manual (QLY-30)

Carrier Product and Services Safety Process (PASS) CPSW-3A

Carrier Reporting Unit Product and Services Safety Process (PASS) CPSW-3B

Carrier Excellence Program *Insight* Page

Carrier Product & Services Safety (PASS) *Insight* Page

Carrier Quality & Continuous Improvement *Insight* Page