



SECTION 11:

Philanthropic Donations

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A. SUMMARY

Carrier may donate funds, property, products, and services to reputable philanthropic organizations when provided openly and transparently for Philanthropic Purposes in approved focus areas. Donations that are unrelated to bona-fide Philanthropic Purposes, or that are offered or given in a concealed manner or to corruptly influence, are categorically prohibited because they are contrary to Carrier's core values, misappropriate company resources, and expose Carrier to significant liability under anti-corruption and related laws.

B. POLICY

Carrier may make Philanthropic Donations to Eligible Recipient Organizations with priority given to budgeted donations in one or more Carrier approved Focus Areas. Non-budgeted requests, donations outside of the Focus Areas (budgeted or non-budgeted), and disbursement through employee business expense reimbursement are discouraged. No donation shall be offered or made if it would constitute or create the appearance of a Corrupt Payment. All Philanthropic Donations shall be approved in accordance with [CPSW-11A: Philanthropic Donations Standard Work](#).

C. DEFINITIONS

All capitalized terms not defined in this policy are defined in [CPM 1: Governance and Definitions](#) including [Exhibit 1: Compliance Glossary](#)

Philanthropic Donation – a donation of funds, property, products, and services to eligible charitable and philanthropic organizations by or on behalf of Carrier for a Philanthropic Purpose.

Focus Areas – WHQ, Reporting and Sub-Reporting Units should give priority to donations that provide direct business value in the following focus areas:

- **Science, Technology, Engineering, and Mathematics (STEM) Education**: Carrier will support Eligible Recipient Organizations engaged in the development of the next generation of engineers, researchers, scientists and trade technicians. Corporate will coordinate efforts at the global level by creating signature STEM focused programs, and BUs will be encouraged to participate in these programs. Apart from these signature programs, Carrier will consider supporting trade -, college- and university-level programs that encourage participation in technical trades, engineering and the physical sciences, basic research in areas of interest to Carrier, and increasing the numbers of minorities and women in engineering and the sciences.
- **Sustainable Urbanization**: Carrier will support Eligible Recipient Organizations that promote environmental responsibility through sustainable building practices in urban



areas. Corporate will coordinate efforts at the global level through the development of signature programs with leading Eligible Recipient Organizations. In addition to these signature programs, Carrier will consider Philanthropic Donations that support and/or promote climate resiliency, energy efficiency, environmental sustainability, and water conservation.

- Safety and Security: Carrier will support Eligible Recipient Organizations that promote safe communities by reducing threats from fire and crime. Corporate will coordinate efforts at the global level through the development of signature programs with leading Eligible Recipient Organizations.
- Hunger and Food Waste: Carrier will support Eligible Recipient Organizations that work to alleviate hunger and reduction of food waste. Corporate will coordinate efforts at the global level through the development of signature programs with leading Eligible Recipient Organizations.
- Disaster Relief: Carrier will support disaster relief efforts, generally through contributions to national or international Eligible Recipient Organizations focused on disaster relief in cases where the scope of the disaster overwhelms the ability of local authorities and relief agencies and where there is an immediate need for aid to support basic living requirements and/or rebuilding efforts.
- Diversity and Inclusion: Carrier will support Eligible Recipient Organizations that promote the pursuit of diversity and minority inclusion in business and public affairs.
- Vibrant Communities: Carrier will support Eligible Recipient Organizations that improve the well-being of the communities in which Carrier operates. This includes, but is not limited to, cultural organizations, health and human service charities, local fundraising efforts, and community-based volunteer programs.

D. RESPONSIBILITIES

The Carrier Board of Directors is ultimately responsible for oversight of Carrier's Philanthropic Donations.

Carrier Philanthropic Donations Advisory Council. The Carrier Philanthropic Donations Advisory Council ("Carrier Advisory Council") comprises the following Carrier senior executives (or their designees): CFO; CHRO; Vice President, Communications ("VP Communications") (Chair); and Vice President, Global Ethics and Compliance ("VP GEC"). The Carrier Advisory Council is responsible for reviewing and making recommendations to the CEO for proposed Philanthropic Donations over \$500,000,



reviewing and approving the Carrier donations budget, and Carrier-wide implementation and administration of this Policy in accordance with CPSW-11A.

Segment or Reporting Unit (RU) Philanthropic Donations Committees. Each Segment or RU chief executive shall appoint either a Segment or RU Philanthropic Donations Committee (either a "Segment Committee" or "RU Committee") comprising the Communications lead (chair) and representatives from controls and compliance functions for the Segment/RU. The Segment and/or RU Committees are responsible (together with Segment/RU chief executives) for reviewing and approving budgets for Philanthropic Donations as well as Segment/RU implementation and administration of this Policy in accordance with CPSW-11A.

The Carrier Vice President, Controller, will incorporate controls and testing procedures in applicable common controls matrices, and the Carrier Vice President, Internal Audit, will conduct periodic audits (including Compliance Audits (see CPM 4: Global Ethics and Compliance Program)), in each case to assess compliance at the Reporting Unit level. Within the regular scope of its annual financial audits, Carrier's independent auditor will also review such controls and transactions to ensure compliance.

E. OWNERSHIP AND APPROVAL

Communications & Marketing is the owner of this Policy. VP Communications, in consultation with VP GEC, shall be responsible for interpreting this Policy and reviewing it biennially. All waivers or modifications of this Policy or procedures shall require the approval of the VP Communications, VP GEC or authorized delegate.

F. REFERENCES

All referenced CPM and CPSW can be retrieved from [ePolicy](#).

CPSW-11A: Philanthropic Donations Standard Work