SECTION 13:

Investor Relations & Complying with Securities & Exchange Laws

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A. SUMMARY

The securities and exchange laws of the United States, U.S. states, and other jurisdictions are designed to promote informed decision-making by the investing public by requiring full and fair disclosure of information about securities and the companies that issue them. These laws also support transparent and efficient securities markets and public confidence in them by prohibiting certain deceptive and manipulative practices such as deliberately misleading, fraudulent, or selective disclosures, insider trading, and other misuses of material non-public information. As an ethical company and an issuer of securities, Carrier is fully committed to these goals. Carrier, its directors, officers, and employees shall therefore comply at all times with the letter and spirit of applicable securities and exchange laws as well as this policy and associated procedures and guidelines.

B. POLICY

Safeguarding and Preventing Misuse of Material Non-Public Information

Carrier officers and employees shall be afforded access to Material Non-Public Information solely on a strict need-to-know basis and shall safeguard such information. Disclosures of Material Non-Public Information shall be made solely by designated Carrier personnel and as authorized in accordance with this Policy. (See Procedures & Guidelines 13A – Safeguarding and Preventing Misuse of Material Non-Public Information)

Preventing Insider and Other Prohibited Securities Trading Practices

Carrier directors, officers, and employees shall not trade securities on the basis of Material Non-Public Information (i.e., "insider trading") or disclose (i.e., "tip") Material Non-Public Information to others who may do so, and must refrain from other prohibited securities trading practices (e.g., short sales, pledging, put/call, hedging). Carrier directors and other Section 16 insiders must also strictly comply with the trading, preclearance, and reporting requirements of applicable securities laws and this Policy. (See Procedures & Guidelines 13B – Preventing Insider and Other Prohibited Securities Trading Practices)

Investor Relations and Preventing Selective Disclosures (Regulation FD Compliance)

Carrier shall limit communications with securities industry professionals to authorized spokespersons, and ensure that communications are duly authorized and disclosures of Carrier Material Non-Public Information are made by way of widely disseminated public releases in compliance with Regulation FD. (See Procedures & Guidelines 13C – Investor Relations and Preventing Selective Disclosures (Regulation FD Compliance)

Ensuring Compliant Disclosure and Reporting to Investors (Disclosure Controls and Procedures)

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Carrier disclosures to the investing public shall be accurate, complete, and fairly present in all material respects Carrier's actual financial and operating condition and otherwise fully comply with applicable securities and exchange laws. Carrier shall maintain controls and procedures to provide its principal officers and senior management access and opportunity to review such information as is necessary to ensure that Carrier disclosures, reports, and related certifications required under the securities and exchange laws are based on appropriate due diligence, are timely, and meet the foregoing accuracy, completeness, and representation standard. (See Procedures & Guidelines 13D – Ensuring Compliant Disclosure and Reporting to Investors (Disclosure Controls and Procedures)

C. KEY TERMS AND CONCEPTS

Material Information is information in any form, whether positive or negative, that a reasonable investor would likely consider important in deciding whether to buy, hold, or sell a Security, or that would have an effect on the market value of a Security, or that would alter the "total mix" of information available in the marketplace with regard to a Security and its issuing company. The term includes information related to and potentially impacting Carrier and Carrier Securities as well as information related to and potentially impacting another public company and Securities it issues. There is no bright-line standard for determining whether information is Material Information; rather the determination is based on an assessment of all facts and circumstances, and it is often evaluated by enforcement authorities with full benefit of hindsight. The following is an illustrative but not exhaustive or definitive list of information about a public company or its reporting segments that could be deemed "Material Information":

- Information regarding previously undisclosed past or prospective financial results at the public company-level or a financial reporting segment-level, including information communicated expressly, or indirectly or couched as "guidance" or "outlook" as to whether earnings or other financial measures are expected to be higher, lower or even the same as the amounts or range that the public company or financial analysts may have been forecasting;
- Projections of future revenues, cash flow, earnings, losses, charges, reserves or impairments at the public company-level or a financial reporting segment-level;
- Information regarding a pending or proposed tender offer, or joint venture, merger, acquisition, divestiture, or similar transaction other than in the ordinary course;
- Information regarding the proposed or contemplated disposition of a reporting segment or sale of assets or restructuring other than in the ordinary course;
- Significant costs associated with exit or divestiture activities;
- Significant borrowings, off-balance sheet obligations, or other financing transactions that are not in the ordinary course, or events that significantly accelerate or increase obligations thereunder;

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- Events relating to Securities (e.g., stock splits, stock dividends, changes in dividend policies, offerings, issuances, calls, redemptions, repurchases, unregistered sale, changes to rights of security holders, defaults on senior securities, suspension in trading, including under employee benefits plans, de-listing, failure to comply with listing requirements, etc.);
- Possible changes in control of a significant entity;
- Proposed or pending changes in the board of directors, senior management or auditors;
- Determination that company financial statements or related audit reports can no longer be relied upon or must be restated;
- Significant new products or discoveries or significant events related to development, performance, or customer acceptance of new products;
- Significant transactions or negotiations with a current or potential customer or supplier or possible gain or loss of a substantial customer or supplier;
- Entry into or modification or termination of significant agreements other than in the ordinary course;
- Significant potential or contingent losses or gains, including but not limited to the existence of or anticipated impact of pending, threatened or contemplated legal proceedings, investigations or claims;
- Impending bankruptcy, receivership, or financial solvency or liquidity problems; or
- Non-Public Information obtained from government officials regarding government action or inaction (e.g., regulatory approvals or denials, changes in laws or regulations) having significant impact on a company.

Non-Public Information is information that has not been disclosed to the general public by means of a widely disseminated communication. Do not assume that information has effectively become “public information” merely due to issuance of a press release, its presence on Carrier’s or another website or appearance on a news service. While the amount of time that must pass for information to be considered “public information” and fully incorporated in the prevailing price for the relevant Security varies depending on the circumstances, in the case of a large public company like Carrier that is widely followed by analysts and media, it is generally reasonable to assume that information has become “public information” 24 hours after release of that information by Carrier in a widely disseminated external press release, widely accessible web cast that was announced in advance by press release, or in a report filed with the Securities and Exchange Commission (the “SEC”).

Securities includes equity securities such as stock (of any class, common or preferred), derivatives such as stock options, warrants, stock appreciation rights (SARs), performance stock units (PSUs), restricted stock units (RSUs), put or call options, forwards, futures, and swaps, and debt securities such as bonds, and convertible debentures.

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D. OWNERSHIP & APPROVAL

Carrier Vice President and Chief Legal Officer, is responsible for interpreting this Policy and reviewing it biennially.

E. REFERENCES

Procedures & Guidelines 13A – Safeguarding and Preventing Misuse of Material Non-Public Information

Procedures & Guidelines 13B – Preventing Insider and Other Prohibited Securities Trading Practices

Procedures & Guidelines 13C – Investor Relations and Preventing Selective Disclosures (Regulation FD Compliance)

Procedures & Guidelines 13D – Ensuring Compliant Disclosure and Reporting to Investors (Disclosure Controls and Procedures)

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PROCEDURES & GUIDELINES 13A

SAFEGUARDING AND PREVENTING MISUSE OF MATERIAL NON-PUBLIC INFORMATION

Overview

In addition to reputational harm, legal disputes, conflict of interests (see Carrier Code of Ethics and Carrier Policy Manual 7: Conflict of Interests) and disciplinary action, the improper use of Material Non-Public Information (e.g., insider and other improper trading practices, selective disclosure) by any Carrier director, officer, or employee exposes Carrier and the individuals involved to potential regulatory enforcement actions and significant criminal and civil liability under the securities and exchange laws. See Procedure & Guidelines 13B – Preventing Insider and Other Prohibited Securities Trading Practices; Procedures & Guidelines 13C – Investor Relations and Preventing Selective Disclosure (Regulation FD Compliance)

Limiting Access to Material Non-Public Information

Carrier officers and employees shall be afforded access to Material Non-Public Information (including such Information contained in draft press releases, filings, and statements) solely on a strict need-to-know basis.

Safeguarding Material Non-Public Information

Carrier shall maintain controls (e.g., protected storage (physical and electronic), email and document markings, retention, etc.) designed to prevent unauthorized access to and improper use of Material Non-Public Information. See e.g., Carrier Policy Manual 10 – Intellectual Property and Proprietary Information; Carrier Policy Manual 14 – Corporate Governance and Records

Carrier directors, officers, and employees shall safeguard Material Non-Public Information and any disclosure of such Information shall be made solely by designated Carrier personnel in accordance with Procedures & Guidelines 13C – Investor Relations and Preventing Selective Disclosure (Regulation FD Compliance) and Procedures & Guidelines 13D – Ensuring Timely and Accurate Disclosures and Reporting (Disclosure Controls and Procedures). Other disclosures (e.g., to outside consultants) may be made only with advance written authorization by Carrier Legal upon a showing of demonstrated need and subject to appropriate protection against unauthorized use or disclosure (e.g., written non-disclosure agreements). Persons outside the company include family, relatives, and business or social acquaintances. This prohibition includes disclosure of Non-Public Information about Carrier (whether or not Material Information) on the internet, social media/chat-rooms, or investor discussion forums, (e.g., Yahoo! Finance, Google Finance, Motley Fool, etc.). To this end, no Carrier director, officer, or employee shall discuss Carrier or Carrier-related matters in such investor discussion forums.

Authorized Disclosure of Material Non-Public Information – Investor Relations

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Authorized disclosures of Material Non-Public Information about Carrier and Carrier-issued securities shall be made solely by designated Carrier personnel in accordance with Procedures & Guidelines 13C – Investor Relations and Preventing Selective Disclosure (Regulation FD Compliance) and Procures & Guidelines 13D – Ensuring Timely and Accurate Disclosures and Reporting (Disclosure Controls and Procedures).

Determinations of "Materiality" and "Non-Public"

The Carrier Chief Legal Officer / designee shall exclusively determine whether information is "Material Information", "Non-Public Information", or "Material Non-Public Information". Although not definitive, controls maintained by the Carrier to safeguard information (e.g., protected storage (physical or electronic), email and document markings, retention practices, governed by non-disclosure agreements) are an important indication that such information may be "Material Information" and "Non-Public Information" in addition to being confidential or proprietary to Carrier. Carrier directors, officers, and employees should err on the side of caution if unsure about the characterization, treatment, and use of information and seek guidance from Carrier Legal before use or dissemination.

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PROCEDURES & GUIDELINES 13B

PREVENTING INSIDER AND OTHER PROHIBITED SECURITIES TRADING PRACTICES

Introduction

It is illegal for any person, either personally or on behalf of others, to trade Securities on the basis of Material Non-Public Information. It is also illegal for a person ("tipper") who is aware of Material Non-Public Information to communicate (or "tip") such Information to others ("tippee") who may trade in Securities on the basis of such Information. These illegal activities are commonly referred to as "insider trading" and their prohibition reflects the need, as determined by the U.S. Congress, the SEC, and U.S. courts, to ensure equality of information between such "insiders" and members of the investing public. Potential individual penalties for insider trading violations include imprisonment for up to 10 years, civil fines of up to three times the profit gained or loss avoided by the trading, and criminal fines of up to $1 million. In addition, a company may be liable for a civil fine of up to the greater of $1 million or three times the profit gained or loss avoided for insider trading by its directors, officers, and employees.

Accordingly, Carrier strictly prohibits any form of insider trading or tipping, as well as certain types of trading practices described below, that are prohibited by the securities and exchange laws or that might expose Carrier and its directors, officers, and employees to significant liability and reputational damage, or erode investor confidence. Further, to prevent insider and these prohibited trading practices and to ensure compliance with mandatory reporting requirements under the securities laws, Carrier directors and certain executives must strictly comply with the No Trade Periods, transaction pre-clearance and reporting requirements, and other controls described below. These procedures and guidelines, which form part of this Policy, are designed to protect both you and Carrier from even the appearance of securities law violations. You are encouraged to ask questions of Carrier's Corporate Secretary's Office and to seek any follow-up information that you may need to understand your obligations under the law and this Policy.

Insider Trading and Tipping Prohibited

Carrier directors, officers, and employees are prohibited from engaging in any of the following, directly or indirectly through others, when having access (whether or not authorized) to Material Non-Public Information relating to Carrier or another public company (e.g., a Carrier customer or supplier):

- Trading the Securities of Carrier or the other public company on the basis of such Information;
- Transferring an accumulated balance to or from a fund in a Carrier savings or benefit plan containing Securities of Carrier or the other public company on the basis of such Information; however, this Policy does not prohibit acquisition of Carrier Securities under a Carrier Employee Savings Plan, Savings Restoration Plan, or Deferred Compensation Plan by way of periodic payroll contributions to

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the Plan elected sufficiently in advance of the first payroll contribution, and at a time when the individual is not aware of such Information; and

- Disclosing such Information to others who may trade the Securities of Carrier or the other public company on the basis of such Information (the discloser, recipient, and act of disclosure also known as “tipper”, “tippee”, and “tipping”, respectively). Disclosure of such Information could be considered illegal "tipping" if any "tippee" could be expected to engage in trading on the basis of that Information. Disclosure includes any form of verbal or written communication, electronic message, posting of comments or information on the internet, social media/chat-rooms, or investor discussion forums, (e.g., *Yahoo! Finance*, *Google Finance*, *Motley Fool*, etc.).

You are cautioned that “on the basis of” means while aware of Material Non-Public Information, regardless of whether such Information did in fact affect your or any other person’s decision to trade. The fact that you or another person may have had in mind other factors or good intentions in trading securities while aware of Material Non-Public Information may not absolve you or them of liability.

Further, transactions that may seem necessary or justifiable for independent or personal reasons (such as the need to raise money for an emergency expenditure) are not exempt from this Policy - the securities laws do not recognize such mitigating circumstances and, in any event, you must avoid even the appearance of impropriety to protect Carrier’s reputation in the marketplace.

In addition, be advised that the foregoing prohibitions also apply to your family members who reside with you, anyone else who lives in your household, and any family members who do not live in your household but whose transactions in Securities of Carrier or other public companies are directed by you or are subject to your influence or control (such as parents or children who consult with you before they trade). You are responsible for the transactions of these other persons and therefore should make them aware of the need to confer with you before they trade in the Securities of Carrier or other companies with whom Carrier has business relationships. Finally, please understand that the foregoing prohibitions may continue to apply even after you have terminated employment - if you remain in possession of Material Non-Public Information about Carrier after your termination, you may not trade in Carrier Securities until that Information ceases to be Non-Public or Material.

Other Prohibited Securities Transactions

Carrier considers it improper and inappropriate for directors, officers, and employees (including temporary employees) to engage in short-term or speculative transactions in Carrier Securities, whether legal or illegal, and therefore prohibits the following transactions:

Short Sales

Sales of Carrier Securities which you do not own or which you do own but fail to deliver within 20 days or deposit in the mail for delivery within five days of the sale

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(collectively, "Short Sales") may be interpreted as an expectation on your part that such Securities will decline in value and signal to the market that you lack confidence in Carrier's prospects. Short Sales may also reduce your incentive to improve Carrier's performance and thereby present a prohibited conflict of interest (see Carrier Code of Ethics and Carrier Policy Manual 7: Conflict of Interests). Short Sales by Carrier directors and Carrier officers designated as "Executive Officers" or "Section 16 Officers" (collectively "Section 16 Insiders") are, for the same reasons, prohibited by Section 16(c) of the Exchange Act;

Publicly Traded Options.
Transactions in options (put or call) or other derivatives based on Carrier Securities on an exchange, any other organized market, or private transaction (other than receiving and exercising rights granted under Carrier equity awards) are, in effect, a bet on the short-term movement of Carrier Securities. Such transactions create the appearance that you are trading based on Carrier Material Non-Public Information and may also focus your attention on short-term performance at the expense of Carrier's long-term objectives;

Hedging Transactions.
Certain forms of hedging or monetization transactions, such as prepaid variable forward contracts, equity swaps, zero-cost collars, and exchange funds lock in the value of Carrier Securities, often in exchange for all or part of the potential for upside appreciation in the stock, and allow you to continue to own Carrier Securities without the full risks and rewards of ownership. This creates misalignment between your objectives and those of Carrier's other shareholders; and

Margin Accounts and Pledges.
Carrier Securities held in a margin account may be sold by the broker without your consent if you fail to meet a margin call. Similarly, Carrier Securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if you default on the loan. Margin and foreclosure sales may therefore occur at a time when you, as a pledger, are aware of Carrier Material Non-Public Information or are otherwise not permitted to trade Carrier Securities (e.g., during a No Trade Period – see below).

Prohibited Short-Swing Securities Trading by Section 16 Insiders
Section 16(b) of the Exchange Act imposes liability on Carrier Section 16 Insiders[1] for any profit derived from a purchase and then sale, or a sale and then purchase, in either case, of Carrier Securities within a period of less than 6 months of one another ("Short-Swing Trade"). Although Section 16(b) rests on the premise that individuals undertaking Short-Swing Trading are likely to have been aware of Material Non-Public Information and seeks to prevent the potential erosion of investor confidence arising from such Trades, actual possession of Material Non-Public Information is not a precondition to the

[1] This Section 16(b) liability and Policy prohibition also applies to holders of more than 10% of Carrier's common stock ("Concentrated Shareholders")

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imposition of liability, which can be severe (e.g., disgorgement of any "profit" realized through short-swing trades). For this reason, Carrier prohibits Short-Swing Trading by Carrier Section 16 Insiders.

Mandatory Reporting Under Section 16(a)

To monitor compliance with Section 16(b) (Prohibited Short-Swing Sales) and (c) (Prohibited Short Sales), Section 16(a) of the Exchange Act and this Policy require Carrier Section 16 Insiders to report transactions in Carrier Securities. Exhibit A – Memorandum on Section 16 Compliance, which forms part of this Policy, provides additional guidance for Carrier Section 16 Insiders about this mandatory requirement, other Section 16 obligations for Section 16 insiders, and related assistance provided by Carrier.

Mandatory Pre-Clearance of Trading by Section 16 Insiders and Other Executives

To ensure strict compliance with Section 16(a), and to avoid even the appearance of insider and other trading practices prohibited by Sections 16(b) and (c) and this Policy the following Carrier personnel must obtain pre-clearance from the Corporate Secretary's office *before* engaging in any transaction involving Carrier Securities (including a stock plan transaction such as an option exercise, gift, loan or pledge or hedge, contribution to a trust, or any other transfer):

- Carrier Section 16 Insiders;
- each other member of the Carrier Executive Leadership Team ("ELT");
- the Carrier Corporate Secretary, Vice Presidents of Financial Planning & Analysis, Internal Audit, Investor Relations, and Treasury, the Executive Assistant of the President & Chief Executive Officer, and the chief financial officers of each Carrier reporting unit (collectively, "Additional Pre-Clearance Officers");
- any other personnel ("Designated Personnel") designated by the Carrier Vice President & Chief Legal Officer as being subject to Carrier's pre-clearance procedures; and
- family members of the foregoing personnel

The Corporate Secretary's office is under no obligation to approve a trade submitted for pre-clearance, and may determine not to permit the trade. Pre-clearance of any trade does not constitute legal advice and does not relieve you of your personal legal obligation to avoid insider trading. The foregoing preclearance requirement is mandatory and in addition to the Section 16(a) reporting requirement for Section 16 Insiders described above.

No Trade Periods

To provide a degree of certainty about the permissibility of trading in Carrier Securities, Carrier Section 16 Insiders, each other member of the ELT, Additional Pre-Clearance Officers, and any Designated Personnel, are prohibited from trading in Carrier Securities during the period commencing on the 16th calendar day of the 3rd month of each fiscal quarter and ending at the close of business on the 2nd business day after quarterly or annual earnings are released. Carrier may impose additional no trade periods relating to material events during which trading will not be allowed by certain personnel. The

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existence of an event-specific no trade period will not be announced, other than to those who are so advised. Any person made aware of the existence of an event-specific no trade period should not disclose its existence to any other person. The failure of the Chief Legal Officer/designee to advise a person as being subject to an event-specific no trade period will not relieve that person of the obligation not to trade while aware of Material Non-Public Information.

Rule 10b5-1 Plans Not Permitted

Carrier directors, officers, and employees may not enter into agreements, provide instructions or adopt plans to trade Carrier Securities pursuant to Rule 10b5-1 of the Exchange Act.

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EXHIBIT A

MEMORANDUM ON SECTION 16 COMPLIANCE

This Memorandum summarizes certain requirements for Carrier Section 16 Insiders under Section 16 of the Securities Exchange Act of 1934 ("Exchange Act"). It also describes the procedures established by Carrier to assist you, as a Carrier Section 16 Insider, in complying with these requirements. Carrier Policy Manual 13: Investor Relations and Complying with Securities and Exchange Laws incorporates these and other requirements regarding handling of Material Non-Public Information, ownership and transacting in Securities, and interaction with the investor community. Capitalized terms not otherwise defined in this Memorandum are defined in Carrier Policy Manual 13 (attached) of which this Memorandum is part.

Introduction

Section 16(a) of the Exchange Act requires that you file reports with the Securities and Exchange Commission ("SEC") concerning your beneficial ownership of Carrier Securities as well as any changes in such ownership. Section 16(b) of the Exchange Act provides for the recovery from you by Carrier of any profits deemed to be realized by you on any matched purchase and sale, or sale and purchase, of Carrier Securities within any period of less than six months (known as "Short-Swing Trades"), unless an exemption applies to one or both of the transactions giving rise to the match. Section 16(c) also prohibits you from selling shares of Carrier Securities which you do not own and from selling shares which are owned if they are not delivered within 20 days or deposited in the mail for delivery within five days of the sale (collectively "Short Sales"). Carrier Policy Manual 13 also prohibits you from engaging in Short-Swing Trades and Short Sales.

Persons Covered by Section 16

The provisions of Section 16 apply to all Carrier directors and to certain Carrier officers who are deemed to be corporate insiders for the purpose of the Exchange Act or that are designated by Carrier as "Executive Officers" or "Section 16 Officers" (collectively "Section 16 Insiders"). Every Section 16 Insider who becomes subject to the requirements of Section 16 will be notified in writing by the Corporate Secretary's office, who will also advise of any significant changes in the interpretation of these provisions as they occur.

Mandatory Reporting Under Section 16(a) and Transaction Preclearance

Section 16(a) requires that you file reports of your ownership of Carrier Securities. Initially, a statement of beneficial ownership on Form 3 must be filed within 10 calendar days of the date when you first become subject to the requirements of Section 16. Thereafter, statements of changes in beneficial ownership on Form 4 must be filed within two business days after any such change has occurred. SEC reporting is mandatory and remains your responsibility as a Carrier Section 16 Insider, but Carrier will assist you in complying with this requirement as described below.

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Pursuant to Carrier Policy Manual 13, you must consult with and obtain preclearance from the Corporate Secretary's office to determine whether a reportable change in beneficial ownership of Carrier Securities (including stock options, stock appreciation rights, restricted stock units, performance share units, warrants, and other convertible securities) will occur, and if so, how and when it must be reported. A transaction may need to be reported even through the transaction is not a purchase or sale (e.g., a grant of securities or a gift), involves only a change in the form of ownership (e.g., a distribution to a beneficiary from a trust), or results in no net change in ownership from the last report. This preclearance policy is designed to protect you from violating the very technical and complex Section 16 reporting rules and otherwise incurring liability for profits arising from Short-Swing Trades, and also serves to ensure that the transactions otherwise comply with the securities and exchange laws and Carrier Policy Manual 13.

The Concept of Beneficial Ownership

A Section 16 Insider must report ownership of and transactions in any Securities that he or she "beneficially owns." A Section 16 Insider is deemed to beneficially own any Security from which the Insider can derive a direct or indirect pecuniary benefit, other than in certain limited contexts (e.g., where the Insider is a beneficiary of a trust and has no influence over the trustee's investment decisions). A Section 16 Insider is considered the direct beneficial owner of all Securities held in the insider's own name or held jointly with others. A Section 16 Insider is considered the indirect beneficial owner of any Securities from which the Insider obtains benefits substantially equivalent to those of ownership. Thus, equity Securities of Carrier beneficially owned through partnerships, corporations, trusts, estates, and family members may be beneficially owned by the Insider and therefore subject to reporting. A Section 16 Insider is presumed to be the beneficial owner of Securities held by the Insider's spouse and family members sharing the Insider's home. A Section 16 Insider may, however, disclaim beneficial ownership of these or any other securities being reported if there is a reasonable basis for a disclaimer.

Reporting Employee Retirement / Savings Plan Transactions

If you held shares of United Technologies Corporation (UTC) before the spinoff, upon the spinoff you will hold shares of Carrier in the UTC Savings Plan. After approximately one-year, the UTC Savings Plan will begin to automatically liquidate your Carrier shares (and any Otis shares you hold). Section 16 Insiders must obtain pre-approval before selling any Carrier shares in the UTC Savings Plan – the Plan will not allow any purchases. In addition, all grants of stock options, stock appreciation rights, restricted stock, and restricted share units must be reported on Form 4 within two business days after the grant date. This is in addition to the obligation to report exercises in any of the foregoing Carrier Securities on a Form 4 with in two business days after the date of exercise.

Consequences of Failing to File and Untimely Section 16 Reports

As described below, you may incur significant liability to Carrier for any profits you realize from Short-Swing Trades. However, the failure to file Forms 3, 4, and 5 on time, or at all, can also result in substantial negative consequences to both you and Carrier, even if there is no matching transaction. Consequently, pursuant to Carrier Policy Manual 13,

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Carrier requires you to comply with all pre-clearance requirements and to promptly report all transactions in Carrier Securities, and to fully cooperate with Carrier to ensure timely Section 16 reporting. Carrier is obligated to disclose in its proxy statements the names of any Section 16 Insider who fails to file Forms 3 or 4 during the past year or filed by them after they were due. This disclosure must be made even if the deficiency was subsequently corrected. Such a disclosure may result in significant embarrassment to you and damage Carrier's reputation. Further, the SEC is empowered to impose civil fines for violations of the securities and exchange laws. These fines can be quite substantial, even for inadvertent violations such as deficient or late filings of Forms 3 or 4. Individuals are potentially subject to fines of up to $5,000 per inadvertent violation (or $50,000 for knowing violations or $100,000 for knowing violations that result in or create a significant risk of substantial losses to other persons). This could conceivably result in fines of $5,000 (or greater) for each day that a Form 3, 4, or 5 is late. There are also criminal penalties and fines for willful violations of the securities and exchange laws. As a result of amendments effected by the Sarbanes-Oxley Act of 2002, each willful violation of any provision of the Exchange Act, including Section 16, can be punishable by up to 20 years in jail and a $5 million fine. While the SEC historically has not sought to pursue enforcement actions or recommend criminal sanctions for Section 16 violations except in the most egregious cases, these penalties underscore the personal nature of your obligations under Section 16.

Liability for Profits Arising from Short-Swing Trades

To deter you from engaging in Short-Swing Trades, Section 16(b) requires Carrier to recover from any Section 16 Insider the "statutory profit" realized by him or her when a purchase and sale, or a sale and a purchase, take place within a period of less than six months. The amount of the recoverable profit is not based purely on economic gain, and there have been cases where an individual actually lost heavily but was held accountable for "profits" as described below. Further, the actual possession or use of inside or undisclosed information is not a precondition to the recovery of these profits. If Carrier fails or refuses to seek to collect such profits, any shareholder may bring suit in Carrier's name for recovery. Courts in these actions often award attorney's fees to the plaintiff's counsel based upon the amount of the profit recovered. As a result, there are a small cadre of attorney's who review Section 16 reports for violations of Section 16(b) with the intention of bringing suit (and collecting attorney's fees) if an issuer fails to do so after demand. Unpaid Section 16(b) liability must also be shown as indebtedness of the Section 16 Insider to the issuer in its proxy statement.

Liability for Short-Swing Trades Before and After Section 16 Status

Section 16 may apply to transactions undertaken by you before the time that you became subject to Section 16 or after such status ends (e.g., your resignation as a director or separation of employment with Carrier). A transaction undertaken by you in the six months before your becoming a Section 16 Insider will itself be subject to Section 16 and reported on the first required Form 4 if the transaction occurred within six months of the transaction requiring the Form 4 filing and the Section 16 Insider became subject to Section 16 solely as a result of the issuer registering a class of Securities pursuant to

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Section 12 of the Exchange Act. A transaction effected by you in the six months after the cessation of your Section 16 Insider status is subject to Section 16 if such transaction is not exempt from Section 16(b) and is executed within the six months of an "opposite way" transaction subject to Section 16(b) that occurred while you were a Section 16 Insider. Accordingly, you should not make an opposite trade within six months after the last transaction while a Section 16 Insider. Such as trade, if it were to occur, and the sales price is higher than the purchase price against which it is matched, would subject you to Section 16(b) liability.

Compliance Program

In order to facilitate compliance by Carrier Section 16 Insiders with the foregoing legal requirements, Carrier requires that you strictly comply with Section 16, Carrier Policy Manual 13, this Memorandum (which forms part of Carrier Policy Manual 13), and the following procedures:

1. **Section 16 Insiders shall contact and obtain pre-clearance from the Corporate Secretary's office *before* transacting Carrier Securities. This will enable the Corporate Secretary's office to assist you in complying with the applicable requirements of Section 16, as well as other requirements of the securities and exchange laws and Carrier Policy Manual 13, and will ensure that the records of the Corporate Secretary office with respect to your ownership of Carrier Securities are accurate and current; and**

2. **Carrier will complete and file Forms 3 and 4 on your behalf subject to preclearance of the transaction and receipt by the Corporate Secretary's office of a signed power of attorney authorizing the Corporate Secretary's office to file on your behalf. Carrier will also notify reporting persons monthly of the number of Carrier Securities reflected on company records as being beneficially owned by them at month's end.**

Be advised, the foregoing reporting requirements are ultimately your personal obligation and you must promptly reconcile any information provided by Carrier or your representatives regarding your beneficial ownership if incorrect. In addition, because Section 16(a) is concerned with the beneficial ownership, which entails voting and pecuniary interest rather than simply ownership of record, you must be aware of and report transaction in Carrier Securities undertaken by any relatives and entities whose stock ownership is attributable to you (e.g., family members living in the same household, trusts, partnerships, and corporations).

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PROCEDURES & GUIDELINES 13C

INVESTOR RELATIONS AND PREVENTING SELECTIVE DISCLOSURES (REGULATION FD COMPLIANCE)

Introduction

Carrier is committed, consistent with legal and regulatory requirements, to maintaining an active, transparent, and fair dialogue with its shareholders, members of the investing public, and securities industry professionals that is free from preferential treatment. To further these goals and ensure compliance with Regulation FD, Carrier shall limit communications with security industry professionals to Carrier authorized spokespersons, and ensure that communications are duly authorized and disclosures of Carrier Material Non-Public Information are made by way of a widely disseminated public release and not made in a manner that is preferential or selective to certain industry professionals.

Regulation FD

The SEC's Regulation FD prohibits the selective disclosure of Material Non-Public Information to "Enumerated Persons" without also making such Information available to the general public. Regulation FD requires that whenever an issuer of Securities or a "Person Acting on Behalf" of an issuer discloses Material Non-Public Information to certain "Enumerated Persons," the company-issuer must *simultaneously* disseminate the Information to the public. If the company-issuer learns that it has unintentionally disclosed Material Non-Public Information to Enumerated Persons without simultaneous public disclosure, it must publicly disseminate such Information as soon as reasonably practicable, but in no event after the later of the commencement of the next day's trading of its Securities on the applicable exchange or within 24 hours after the discovery of the unintentional disclosure.

For the purposes of this Policy, "Enumerated Persons" includes stockbroker-dealers, investment analysts, investment advisors, fund managers, certain institutional investment managers, investment companies, and hedge funds, and any persons associated or affiliated with any of the foregoing. "Enumerated Persons" also includes shareholders of Carrier Securities and prospective shareholders under circumstances where it is reasonably foreseeable that the individual or institutions would trade such Securities on the basis of the information. A "Person Acting on Behalf" of Carrier means any Carrier director, Executive Officer, member of Carrier's Investor Relations, Communications, and similar functions, and any other Carrier employees or agents who regularly communicate with holders of Carrier Securities or securities industry professionals. Communications in the ordinary course of business with customers, suppliers, or strategic partners, communications with the press or news organizations, rating agencies, or government, and disclosures to agents retained by Carrier pursuant to a non-disclosure agreement or who owe Carrier a duty of confidence (e.g., outside legal counsel, auditors and accountants, and investment bankers), are not governed by Regulation FD, but Carrier

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directors, officers, and employees should seek guidance from Carrier legal counsel before relying on the foregoing exceptions.

Communications with Enumerated Persons Limited to Carrier Authorized Spokespersons

Communications on behalf of Carrier with Enumerated Persons shall be limited to the Carrier CEO, CFO, Vice President, Investor Relations, and other Carrier personnel expressly designated by them to speak with respect to a particular topic or purpose (each, an "Authorized Spokesperson"). To the extent practicable, Authorized Spokespersons should contact an appropriate person in Investor Relations and Legal before having conversations with Enumerated Persons in order to review as much of the substance of the intended communication as possible and to determine whether the intended recipient is an Enumerated Person per Regulation FD. In addition, all Authorized Spokespersons (other than Authorized Spokespersons who are representatives of Investor Relations) should be accompanied during such conversations by a representative of Investor Relations.

Inquiries from analysts, investors, and other Enumerated Persons received by any director, or any employee other than an Authorized Spokesperson, should be forwarded to the Vice President, Investor Relations or, in his/her absence, another Authorized Spokesperson. Under no circumstances should any attempt be made to handle these inquiries without prior authorization from an Authorized Spokesperson. If practicable, planned conversations should include the Vice President, Investor Relations. In consultation with Carrier Legal as appropriate, Authorized Spokespersons should determine in advance of any planned communication whether Carrier intends to disclose Material Non-Public Information. If so, such Information should be disclosed prior to or simultaneously with the planned conversation by the issuance of a press release, the filing with or "furnishing" to the SEC of a report on a Form 8-K, or other means reasonably designed to provide broad, non-selective dissemination of the Information to the public. Carrier Investor Relations shall identify and update as necessary the most commonly asked questions and types of information sought by Enumerated Persons and circulate written responses to such questions and information requests to Authorized Spokespersons. See also Procedures & Guidelines 13D – Ensuring Compliant Disclosure and Reporting to Investors (Disclosure Controls and Procedures)

Public Disclosures of Significant Company Information.

Any time an Authorized Spokesperson determines to disclose or discuss Non-Public Information with anyone who is or might be an Enumerated Person, there must be a determination made beforehand, in consultation with the Chief Legal Officer/designee, whether such Information is also Material Information. (See Procedures & Guidelines 13A – Safeguarding and Preventing Misuse of Material Non-Public Information) Disclosures of Material Non-Public Information must be made via means reasonably designed to provide broad, non-selective distribution to the public (e.g., a press release or Form 8-K) before or at the same time that the Information is disclosed to an Enumerated Person. The public disclosure may either disclose the Material Non-Public Information or, if it is

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issued prior to disclosure to the Enumerated Person, may disclose that a conference call and/or webcast will be held to disclose the Information. The public must be given adequate advance notice of any conference call and/or webcast and the means of access.

Earnings Calls. Adequate advance public notice shall be given of any quarterly earnings conference call and/or webcast. Notice shall include a press release issued to all major news wires and a posting on Carrier's external website with information including the date, time, telephone number, and webcast URL for the call. The press release shall also state the period, if any, for which a replay of the webcast will be available. Press releases should generally be furnished to the SEC on a Form 8-K. A quarterly earnings conference call and/or webcast must be open to analysts, media representatives, and the general public. All conference calls must be recorded and preserved for at least 12 months. In anticipation of recording and archiving webcasts, an Authorized Spokesperson participating in the conference call, as part of the verbal Private Securities Litigation Reform Act forward-looking safe harbor statement given during the call, shall state the date of the conference call to prevent confusion about the date of the information discussed and the recording shall incorporate this statement. This practice is intended to reinforce the historical nature of the information discussed in the webcast. (See also Procedures & Guidelines 13D – Ensuring Compliant Disclosure and Reporting to Investors (Disclosure Controls and Procedures)

Earnings Projections (Guidance), No Comment Policy, Quiet Period. Whenever the Company shall have issued earnings, cash flow or other financial or operational performance projections or "outlook or guidance" (which will ordinarily be issued through a press release and Form 8-K), no Carrier director, officer, or employee shall comment on those projections to any third party during the quarter. All responses or inquiries about projections shall be referred to Investor Relations, and Authorized Spokespersons shall say only that earnings projects speak for themselves as of the date originally made, and it is Carrier policy not to comment on projections during the quarter. Authorized Spokespersons shall not comment on Carrier's intention to update these materials or provide "comfort" with respect to an earnings estimate or otherwise "walk the Street" up or down (i.e., suggest adjustments to an analyst's estimates). If an analyst inquires as to the reliability of a previously, publicly disseminated projection, the Spokesperson should follow the "No Comment" policy. Carrier will observe a "quiet period" during which the Company shall not comment on its earnings estimates or other prospective financial results for the period. The quiet period will begin two weeks prior to the end of the quarter and continue until the Company's earnings information for the applicable period is made public. (See also Procedures & Guidelines 13D – Ensuring Compliant Disclosure and Reporting to Investors (Disclosure Controls and Procedures)

Analyst Reports. Analyst reports and earnings models will be reviewed solely to correct computational errors, or factual errors that can be corrected by reference to

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publicly available, historical information. No other feedback or guidance on earnings models shall be communicated to an analyst. Investor Relations shall maintain a written record of any feedback provided on an analyst's report. Neither Carrier nor any Carrier director, officer, or employee shall distribute copies of, or refer to, selected analysts' reports to any third party, and shall avoid other actions (e.g., attaching or hyperlinking to reports on Carrier websites or other communications) which could be interpreted as implied endorsement. This is consistent with Carrier's policy not to provide preferential treatment to Enumerated Persons, in this case by not adopting or endorsing any analyst's report, or creating the appearance thereof.

Investment Banker Conferences/Roadshows. This Policy also applies to communications between Authorized Spokespersons and Enumerated Persons at investment banker conferences and roadshows (other than roadshows undertaken in connection with a registered public offering of Carrier Securities that is not subject to Regulation FD). Accordingly, before any conference or roadshow, Carrier shall disclose either through a press release, an open conference call or a webcast pursuant to the requirements above or any combination of these methods, any Material Non-Public Information that is not already public and which may be discussed or presented at the conference or roadshow. If Material Non-Public Information may have been unintentionally released during any conference or roadshow, Carrier Legal should be notified immediately. If Carrier Legal determines that an inadvertent disclosure of Material Non-Public Information did occur, a press release will be issued to disclose the information within 24 hours of such determination.

Meetings with Enumerated Persons – General Precautions.

Authorized Spokespersons should avoid "one-on-one" meetings with Enumerated Persons (including analysts), whether separately planned or during "break-out" sessions at widely attended events, and, when having in-person meetings shall, if at all possible, be accompanied by another Authorized Spokesperson or another Carrier representative. Discussions during such meetings shall be limited to a prepared presentation and script and Public Information, and Authorized Spokespersons shall avoid non-verbal cues (emphasis, tone, body language, demeanor) that could reasonably be interpreted by Enumerated Persons as Material Non-Public Information.

Legal Department Review of Press Releases

Carrier Legal shall review before issuance all press releases concerning matters that may be Material Non-Public Information, particularly earnings and cash flow releases and any releases involving financial and operational performance projections (guidance) or other forward-looking statements (i.e., a statement which has a forward intent and connotation upon which a person can reasonably expected to rely). Carrier directors, officers, and employees shall immediately notify Carrier Legal or Investor Relations if a forward-looking statement has been made under circumstance suggesting lack of Carrier authorization or other safeguards described in this Policy. If a meeting or conference call is held after the issuance of a press release, the purpose of which is to give analysts or other major

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shareholders an opportunity to make inquiries or seek additional information about the content of the press release, the meeting or call shall be preceded by a press release as soon as the meeting or call is planned which shall announce such meeting or call and provide information including the date, time, telephone number, and webcast URL for the meeting or call. The meeting or call shall be open to analysts, media representatives, and the general public. Notwithstanding the foregoing, any such meeting or call held for the purpose of providing Material Information by the Vice President, Investor Relations, shall be exempt from the requirements of this paragraph. If a Carrier director, officer, or employee learns of information that causes him or her to believe that a Carrier disclosure may have been misleading or inaccurate when made, or may no longer true, the director, officer, or employee shall immediately advise Carrier Legal. (See also Procedures & Guidelines 13D – Ensuring Compliant Disclosure and Reporting to Investors (Disclosure Controls and Procedures)

Rumors: No Comment Policy

Carrier will not comment on market rumors or other matters (e.g., contemplated or pending acquisitions and divestitures, pending litigation, investigations, or government enforcement actions) identified by Carrier policy as being subject to no comment requirements. When rumors about Carrier or Carrier Securities are circulating, Authorized Spokespersons should state only that it is Carrier policy not to comment or speculate on rumors. If the source of the rumor is determined to be internal, Carrier Legal shall be consulted to determine the appropriate response.

Role of Investor Relations

In furtherance of this Policy and Procedures and Guidelines, Carrier Investor Relations shall maintain procedures and standard work (scripts, FAQ, etc.), play a leading role in educating Carrier personnel about their obligations under Regulation FD, and ensure that this Policy reflects actual practice and, if not, in coordination with Carrier Legal, change the practice or amend this Policy and Guidelines. (See also Procedures & Guidelines 13D – Ensuring Compliant Disclosure and Reporting to Investors (Disclosure Controls and Procedures

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PROCEDURES & GUIDELINES 13D

ENSURING COMPLIANT DISCLOSURE AND REPORTING TO INVESTORS (DISCLOSURE CONTROLS AND PROCEDURES)

Introduction

Carrier disclosures to the investing public shall be accurate, complete, and fairly present in all material respects Carrier's actual financial and operating condition and otherwise fully comply with applicable securities and exchange laws. Carrier shall maintain controls and procedures as further described below to provide the Carrier's principal officers and senior management access and opportunity to review such information as is necessary to ensure that Carrier disclosures, reports, and related certifications required under the securities and exchange laws are based on appropriate due diligence, are timely, and meet the foregoing accuracy, completeness, and representation standard.

Management Review and Certifications - Generally

Carrier senior management, with the participation of the Carrier President & CEO ("CEO"), Senior Vice President, Chief Financial Officer ("CFO"), and Vice President, Controller ("Controller"), shall review the effectiveness of the design and operation of Carrier's disclosure controls and procedures as further described below as of the end of the period covered by each periodic report on Form 10-Q or 10-K and shall certify, as required under Sections 302 and 906 of the Sarbanes-Oxley Act, regarding the adequacy of Carrier's disclosures and its disclosure controls.

Disclosure Controls and Procedures – Generally

The following disclosure controls and procedures have been designed and adopted by the Carrier CEO (the "Principal Executive Officer"), and CFO and Controller (collectively, the "Principal Financial Officers") to ensure that information required to be disclosed in reports filed under the Exchange Act (which includes reports on Form 10-Q, Form 10-K, the Annual Report, Form 8-K and the Proxy Statement) is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms. This includes, without limitation, controls and procedures designed to ensure that the information required to be disclosed is accumulated and communicated to Carrier's senior management, including the Principal Executive Officer, the Principal Financial Officers, and Senior Vice President, Chief Legal Officer ("CLO"), as appropriate, to allow timely decisions regarding the required disclosure. Disclosure controls and procedures cover the information in the financial statements and the other financial information in the reports, including footnotes, selected financial data, and management's discussion and analysis ("MD&A"). According to SEC rules, this means that the information disclosed, viewed in its entirety, must meet a standard of overall material accuracy and completeness that is broader than financial reporting requirements under U.S. generally accepted accounting principles ("GAAP"). Disclosure controls and procedures are also intended to ensure that Carrier's proxy statements, press releases, investor presentations, website disclosure, and other public communications are consistent with

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its disclosure obligations. Further, Exchange Act Rules 13a-14(a) and 15d-14(a), implementing Section 302 of the Sarbanes-Oxley Act, require Carrier's Principal Executive Officer and the Principal Financial Officers each to certify in each quarterly (Form 10-Q) and annual (Form 10-K) report, among other things, that he or she and the other certifying officer(s):

- are responsible for establishing and maintaining "disclosure controls and procedures" for Carrier;
- have designed such disclosure controls and procedures to ensure that Material Information is made known to them, particularly during the period for which the periodic report has been prepared;
- have evaluated the effectiveness of Carrier's disclosure controls and procedures as of the end of each period covered by the report; and
- have presented in the report their conclusions about the effectiveness of the disclosure controls and procedures based upon the required evaluation as of that date.

In addition, Exchange Act Rules 13a-14(b) and 15d-14(b), implementing Section 906 of the Sarbanes-Oxley Act, require Carrier's Principal Executive Officer and the Principal Financial Officers each to certify in each Form 10-Q and Form 10-K report that:

- the Form 10-Q or Form 10-K, as the case may be, fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
- information contained in such Form 10-Q or Form 10-K, as the case may be, fairly presents, in all material respects, the financial condition and results of operations of Carrier.

Disclosure Committee – Responsibilities

In order to assist the Principal Executive Officer and the Principal Financial Officers to meet their responsibilities under Exchange Act Rules 13a-14 and 15d-14, and Carrier to fulfill its disclosure obligations, the Carrier Disclosure Committee ("Disclosure Committee") is responsible to the Principal Executive Officer, the Principal Financial Officers and CLO to:

- Ensure there is an effective process for establishing disclosure controls and procedures consistent with applicable law, regulations, and stock exchange requirements;
- Evaluate the effectiveness of the disclosure controls and procedures as of the end of the period covered by each periodic report on Form 10-Q or Form 10-K, and report the results of such evaluation to the Principal Executive Officer, the Principal Financial Officers and CLO;
- Revise or supplement disclosure controls and procedures as necessary;
- Review each report prior to filing, giving consideration to potential Material Non-Public Information, and determine the nature and timing of disclosure obligations

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for such Information on a timely basis. If disclosure is required, assist in the preparation, review and timely filing or release of such disclosure;
- Evaluate new laws, regulations and SEC and stock exchange rules and advise on disclosure obligations; and
- Perform such other duties and tasks relevant to the objectives of the Disclosure Committee as may from time-to-time be requested by the Principal Executive Officer, the Principal Financial Officers, or the CLO, or as may be required or advisable in light of applicable law, regulations, or stock exchange requirements.

The Disclosure Committee may delegate responsibility to subcommittees as necessary or appropriate. The Disclosure Committee shall have access to Carrier books, records, facilities and personnel as necessary or appropriate to perform its responsibilities.

Disclosure Committee – Membership, Meetings, Reports, and Records
The Disclosure Committee comprises the Principal Financial Officers and such other Carrier officers or employees as the Principal Executive Officer and the Principal Financial Officers determine appropriate and appoint from time-to-time in view of the Disclosure Committee's responsibilities. The Principal Executive Officer and the Principal Financial Officers have appointed the following officers as the members of the Disclosure Committee:

- CFO (Committee Chair);
- Vice President, Controller;
- Vice President, Treasurer;
- Vice President, Tax;
- Chief Litigation Counsel;
- Vice President, Assistant Secretary (Committee Secretary);
- Vice President, Financial Planning & Analysis; and
- Vice President, Investor Relations.

The following Carrier officers or employees are appointed "adjunct" members of the Disclosure Committee, with the responsibility to participate in the Committee's discussions and determinations regarding individual disclosure issues that arise within their areas of functional responsibility:

- Vice President, Global Ethics and Compliance; and
- Vice President, Internal Audit.

The Disclosure Committee shall meet (which may include telephonically) at such times as shall be necessary or appropriate to fulfill its duties and responsibilities, taking into account Carrier's current and periodic reporting obligations. In addition, the Disclosure Committee shall meet at the request of either of the Principal Executive Officer, either of the Principal Financial Officers or the CLO. The Disclosure Committee shall make such

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reports and maintain such records of its proceedings as are appropriate in light of applicable laws, regulations, and rules.

Disclosure Controls and Procedures for Form 10-Q/-K, Annual Report, and Earnings Releases on Form 8-K

Data Accumulation:

- *Calendar* – The Controller's group shall prepare and distribute a detailed calendar of requirements and deliverables before the end of each quarter to Carrier's principal business units ("Reporting Units") and Carrier World Headquarters working group comprising the Legal, Investor Relations, FP&A, Tax, and Treasury functions;
- *Accumulation of Assessment Numbers* – The Reporting Units shall submit preliminary assessment information on a monthly basis to FP&A through the consolidated accounting and reporting system ("CARS"). The assessment information for the month preceding the close of the quarter is used to prepare initial drafts of the Form 10-Q and 10-K reports and quarterly earnings release on Form 8-K. The Controller's group shall review significant accounting matters and supporting documentation with the Reporting Unit controllers, external auditors, and the Principal Financial Officers based on the monthly assessments;
- *Accumulation of Final Quarterly Numbers* – The Reporting Units shall submit quarterly segment financial information by the specified date shortly after the end of the quarter through CARS, which is used to prepare final drafts of consolidated financial statements and business segment financial information, MD&A disclosure, and other financial information required in the reports;
- *Additional Year-End Data Accumulation* - Additional detailed financial information required for year-end financial reporting shall be provided by the Reporting Units through other systems maintained by the Controller and Treasury functions; and
- *Legal Proceedings and Other Non-Financial Information* - Legal shall compile legal proceeding information from sources that may include internal reports, periodic reviews or due diligence meetings with the Reporting Units, and through additional input from representatives of Reporting Unit legal departments and external legal counsel. Additional non-financial information, including Executive Officer information, and submissions of votes to shareholders shall be compiled from Corporate Secretary's records.

Document Preparation:

- *Financial Information For Reports* – The Controller's group shall assemble financial information and prepare drafts of the financial statements, notes and MD&A of the Form 10-Q or Form 10-K with input from FP&A and financial representatives in each Reporting Unit and based on information received from CARS;
- *Non-Financial Information for Reports* - Legal shall prepare non-financial portions of the Form 10-Q and Form 10-K report with input from various departments, including Reporting Unit legal and the Corporate Secretary's records; and

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- *Earnings Release and Investor Presentation Materials* – Investor Relations shall prepare the draft earnings release and investor meeting materials based on the assessment and final segment information provided by FP&A and Controller's group and others as deemed necessary. The Controller's group shall prepare Form 8-K and financial tables to be attached to the earnings release. Legal shall review the Form 8-K to ensure compliance with SEC requirements.

Document Review:

- *Review of Reports* – The Controller's group, in coordination with Legal, shall circulate drafts of the Form 10-Q and Form 10-K report to Communications, FP&A, Internal Audit, Investor Relations, Legal, Tax, and Treasury (collectively, the "Carrier Review Team"), Reporting Unit representatives, external auditors and external legal counsel for review, comment, and revision, with final draft sign-off by the Carrier Review Team and Reporting Unit representatives;
- *Review of Earnings Release* – Investor Relations shall circulate drafts of the earnings release and investor meeting materials to the Carrier Review Team, Reporting Unit representatives and external auditors for review, comment, and revision, with final draft sign-off by the Carrier Review Team and Reporting Unit representatives; and
- *Compliance Check* - Legal and the Controller shall review the draft 10-Q/-K and earnings release for compliance with SEC requirements, stock exchange rules, and accounting requirements, as applicable, and consult external legal securities counsel and external auditors, as necessary.

Review by Disclosure Committee, Senior Management, and Audit Committee:

- *Disclosure Committee* – The Disclosure Committee shall hold a quarterly disclosure meeting with the Principal Financial Officers to review significant financial statement and disclosure issues, including key accounting and management judgments underlying the financial statements. The Disclosure Committee shall also evaluate disclosure controls and procedures and review the adequacy of the disclosures made in the reports, the earnings release and investor presentation materials;
- *Senior Management* – The Controller and Investor Relations shall schedule meetings with the Principal Financial Officers and the Principal Executive Officer to review drafts of reports, earnings release, and investor relations materials; and
- *Audit Committee* – The Audit Committee of Carrier's Board of Directors shall review drafts of reports (including Carrier financial statements), earnings releases, and investor presentation materials with the Principal Financial Officers, the Principal Executive Officer, and external auditors before filing/release.

Certifications:

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- *Reporting Unit Back-Up Certifications* – Each Reporting Unit president, chief financial officer, chief accounting officer, FP&A lead, lead ethics and compliance officer, and lead legal counsel shall provide a back-up certification to the Principal Executive Officer, the Principal Financial Officers and the CLO, supporting the certifications required under Sections 302 and 906 of the Sarbanes-Oxley Act at the time of issuing the earnings release for the quarter, with the obligation to update the certification if any material developments occur prior to filing the 10-Q report. A formal updated certification is required prior to filing the 10-K;
- *Reporting Unit External Auditor Representations* – Each Reporting Unit President, chief financial officer, chief accounting officer, and FP&A lead shall provide back-up certifications to the Principal Financial Officers, supporting the Principal Executive Officer's and Principal Financial Officers' management representation letter to external auditors regarding the accuracy of the Reporting Unit's financial information and its system of internal control over financial reporting and disclosure controls and procedures;
- *Carrier CLO Back-Up Certifications* – The CLO or Chief Litigation Counsel, as applicable, shall provide back-up certifications to the Principal Executive Officer and the Principal Financial Officers in support of the certifications required under Sections 302 and 906 and to external auditors regarding litigation and other contingent liabilities in connection with the earnings release and prior to filing the reports;
- *Disclosure Committee Report* – The Disclosure Committee shall provide a report recommending execution by the Principal Executive Officer and the Principal Financial Officers of the Section 302 and 906 Certifications;
- *Senior Management Certifications* – The Principal Executive Officer and the Principal Financial Officers shall provide certifications under Sections 302 and 906 to be included in SEC reports and a management representation letter to external auditors prior to filing the reports;
- *Additional Annual Back-up Certifications* – The Reporting Unit chief financial officers and lead legal counsels shall provide an annual certification to external auditors regarding FASB Accounting Standards Codification (ASC) subtopic 450-20 legal contingencies and as to financial information provided through certain Carrier database systems; and
- *External Auditors Report* - The external auditor shall issue its report or review letter, as applicable, dated as of the earnings release date, which is filed with the report. Various internal certifications are provided to the external auditors supporting their report.

Disclosure Controls and Procedures for the Proxy Statement

Data Accumulation:

- Director and Executive Officer share ownership information, director biographies, Carrier relationships with director-affiliated entities and non-profits, director independence information, any related party transactions, and other information

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about directors, including director nominees, shall be obtained from the stock transfer agent records, questionnaires, Reporting Unit reports to the Controller, and Carrier records;
- Shares outstanding and corresponding votes entitled to be cast shall be verified with stock transfer agent for common stock;
- Shareowner meeting procedures shall be obtained from Carrier Articles of Incorporation and Bylaws and applicable laws;
- Fees paid to external auditors and other audit-related data shall be provided by the Controller function and confirmed with external auditors;
- Board committees and compensation shall be verified from Carrier records;
- Named Executive Officer and director compensation information and benefit arrangements shall be obtained from and verified with Carrier Human Resources; payroll records and back-up support shall be obtained and reviewed from outside service providers; external auditors shall perform special procedures reviews of compensation disclosures required by Reg. S-K Item 402; Human Resources, Legal, and the Controller functions shall review the Compensation Discussion & Analysis section prior to review by the Compensation Committee;
- Section 16(a) reporting shall be verified with Carrier records and SEC reports filed by each individual and director and Executive Officer questionnaires;
- Management statements concerning shareholder proposals shall be drafted by Carrier Legal and verified with relevant internal departments; and
- The Corporate Secretary shall provide Carrier Legal with the reports of the Audit Committee and Compensation Committee.

Document Preparation:

Legal shall prepare a draft proxy statement based on foregoing data.

Document Review:

- Carrier Legal shall circulate a draft proxy statement to Communications, Controller, Human Resources, Tax, external auditors, and external legal counsel;
- Carrier Legal and Controller shall review the draft for compliance with SEC requirements, stock exchange rules, and accounting requirements, as applicable, and consult with external securities legal counsel and external auditors, as necessary;
- Carrier Human Resources and Legal shall provide back-up certifications to the Principal Executive Officer and Principal Financial Officers as to compliance with disclosure requirements for proxy statements;
- Final drafts shall be reviewed by the Principal Executive Officer, the Principal Financial Officers, and Board of Directors; and
- Legal shall review the Proxy statement for compliance with SEC requirements, stock exchange rules, as applicable, and consult external legal securities counsel, as necessary.

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Disclosure Controls and Procedures for Section 16(a) Reporting
See Procedures & Guidelines 13B – Preventing Insider and Other Prohibited Securities Trading Practices

Disclosure Controls and Procedures for Current Reports on Form 8-K Other Than for Earnings Releases

Triggering Events:

The events required to be disclosed by Carrier on Form 8-K, include, but are not limited to, the following:

- Entry into a material non-ordinary course agreement;
- Termination of a material non-ordinary course agreement;
- Bankruptcy or receivership;
- Completion of acquisition or disposition of assets other than in the ordinary course of business;
- Public announcement or release of results of operation or financial condition;
- Creation of a material direct financial obligation or a material obligation under an off-balance sheet arrangement;
- Triggering events that accelerate or increase a material direct financial obligation or a material obligation under an off-balance sheet arrangement;
- Material costs associated with exit or disposal activities;
- Material impairments;
- Notice of delisting or failure to satisfy a continued listing rule or standard; transfer of listing;
- Non-reliance on previously issued financial statements or a related audit report or completed interim review (restatements);
- Unregistered sales of equity securities;
- Material modifications to rights of security holders;
- Changes to certifying accountant;
- Change in control;
- Departure of directors or principal officers, election of directors or appointment of principal officers;
- Amendments to Articles of Incorporation or Bylaws and change in fiscal year;
- Temporary suspension of trading under employee benefit plans; and
- Waiver of a provision of the Code of Ethics.

Filing Deadline:

Four (4) business days after the occurrence of triggering event.

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Data Accumulation:

- The Carrier function or Reporting Unit that is the source of the triggering event shall advise the Disclosure Committee, Controller, Investor Relations, and Legal functions, as appropriate;
- The Disclosure Committee, Controller, Investor Relations, and Legal functions shall be responsible for determining whether Form 8-K reports are required to be filed; and
- The Disclosure Committee shall monitor relevant events to ensure that timely, complete, and accurate disclosure is made.

Document Preparation:

Legal shall draft the report on Form 8-K and circulate as required.

Document Review:

Legal and the Controller shall coordinate review of the draft Form 8-K with the Carrier function or Reporting Unit that is the source of the triggering event, as applicable, and sign off on the final draft to be filed with the SEC.

Disclosure Controls and Procedures for Financial Guidance

The Principal Executive Officer and the Principal Financial Officers are primarily responsible for determining any guidance provided to investors concerning anticipated future financial results. Baseline earnings and cash flow guidance for the following year is developed on the basis of approved internal Carrier Reporting Unit financial performance commitments resulting from the annual planning process. During the year of execution, each Reporting Unit finance lead shall provide Carrier FP&A a monthly roll-up of EBIT and cash flow performance against approved plans, and an updated forecast of current quarter and full-year performance, identifying risks and opportunities. The Vice President, FP&A shall consolidate this input and review it with Investor Relations and the Principal Financial Officers to evaluate Carrier's overall performance and forecast, and risks and opportunities. Reporting Unit finance and Carrier FP&A shall monitor financial results and maintain communication to support prompt identification and upward visibility regarding any anomalies that might adversely affect forecasts. With respect to the issuance of press releases or other communications containing guidance, Investor Relations shall prepare a draft release, which is reviewed, as appropriate, by the Disclosure Committee, the Principal Executive Officer, the Principal Financial Officers, Legal, Reporting Unit financial representatives, and the Audit Committee in accordance with the requirements of Procedures & Guidelines 13C – Investor Relations and Preventing Selective Disclosure (Regulation FD Compliance). All responses or inquiries regarding previously issued guidance shall be referred to Investor Relations and handled

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in accordance with Procedures & Guidelines 13C (Earnings Projections (Guidance), No Comment Policy, Quiet Period).

Disclosure Controls and Procedures for Regulation FD Compliance

Investor Relations shall coordinate with the Principal Executive Officer, the Principal Financial Officers, Reporting Unit Presidents and Carrier Legal, as necessary, regarding periodic or other meetings with Enumerated Persons and shall coordinate with the Controller, FP&A, Legal and the Reporting Unit representatives, as necessary, to prepare presentation materials, which shall be reviewed by the Principal Executive Officer, Legal, the Principal Financial Officers and Reporting Unit financial representatives, as required. A representative of Investor Relations shall attend all meetings and other planned discussions with Enumerated Persons. If Material Non-Public information is to be disclosed during a meeting with Enumerated Persons, Investor Relations shall ensure compliance with Procedures & Guidelines 13C – Investor Relations and Preventing Selective Disclosure (Regulation FD Compliance) and all press releases shall be reviewed by the Principal Executive Officer, the Principal Financial Officers, Legal and Reporting Unit financial representatives, as required. Investor Relations shall also prepare and distribute to key Disclosure Committee members presentation materials and talking points prepared for management discussions with Enumerated Persons for continuing awareness of communications to the investment community.

Disclosure Controls and Procedures for Use of Non-GAAP Financial Measures

Under Regulation G, if Carrier discloses publicly, whether verbally or in writing, any Material Information that includes a non-GAAP financial measure, it is required to include in that disclosure: (a) a presentation of the most directly comparable financial measure calculated and presented in accordance with GAAP; and (b) a reconciliation of the non-GAAP financial measure presented with the most directly comparable financial measure or measures calculated and presented in accordance with GAAP. If the non-GAAP financial measure is released verbally, telephonically, in a webcast, by broadcast, or by similar means, Carrier may provide the accompanying information by posting it on its website if it also discloses during the presentation the location and availability of the required accompanying information. If the non-GAAP information is contained in an SEC filing, in addition to the GAAP reconciliation required as discussed above, the filing must meet the following requirements: (i) the most directly comparable financial measure calculated and presented in accordance with GAAP must be presented with equal or greater prominence, rather than merely accompanying the non-GAAP measure; (ii) there must be a statement describing the reasons why management believes the non-GAAP financial measure provides useful information to investors; and (iii) to the extent material and not already covered, there must be a statement disclosing the purposes for which management uses the non-GAAP financial measure presented. The SEC rules also prohibit the following types of non-GAAP financial measures to be used in SEC filings:

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(A) performance measures that exclude recurring items; and (B) liquidity measures that exclude cash items. Carrier Legal and Controller functions shall review proposed communications for compliance with Regulation G.

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