



GOVERNANCE COMMITTEE CHARTER

April 3, 2020

I. Purpose

The Governance Committee (the "Committee") shall be a standing committee of the Board of Directors (the "Board"). The purpose of the Committee shall be to identify and recommend qualified candidates for election to the Board, develop and recommend appropriate corporate governance guidelines, oversee the design and conduct of the annual self-evaluation of the performance of the Board and its committees, recommend appropriate compensation of directors, submit to the Board recommendations for committee assignments, review and monitor the orientation of new Board members and the continuing education of all directors, review and oversee Carrier's positions on significant public issues and corporate social responsibility, and review and monitor such other matters that may be referred to it by the Board from time to time.

II. Composition

The Committee shall be comprised exclusively of directors who are independent under the applicable stock exchange rules. Committee members should have experience evaluating the qualifications and abilities of candidates for high level, sensitive oversight and leadership positions, as well as a strong understanding of the critical role of directors in setting corporate governance standards. The members of the Committee shall be appointed by the Board, based upon the recommendations of the Committee, and will serve at the discretion of the Board. One member of the Committee shall be appointed as the Chair of the Committee.

III. Meetings

The Committee shall meet as required to fulfill its responsibilities and, in doing so, may meet privately with any search firm, members of management, and others. Committee meetings shall be called, and the Committee shall act, only in accordance with Carrier's Bylaws.

IV. Responsibilities

The Committee shall:

- A. Recommend for approval by the Board the appropriate qualifications and criteria for service as a director;
- B. Consistent with criteria approved by the Board, the Committee shall evaluate candidates based upon their skills, integrity, independence, experience, appreciation of the appropriate role of the corporation in society, ability to contribute to the diversity of perspectives present in Board deliberations and willingness to devote the extensive time necessary to fulfill a director's duties;

- C. Identify persons qualified to serve as members of the Board, consistent with the criteria approved by the Board, and report to the Board on key candidates;
- D. Review candidates recommended by management and shareowners in light of the Board's criteria for selection of new directors;
- E. Recommend a slate of director candidates to be proposed for annual election by shareowners and make recommendations to the Board as to the election of candidates to fill vacancies on the Board;
- F. Promptly consider and recommend to the Board whether to accept or reject the tendered resignation of an incumbent director who, in an uncontested election of directors, received a greater number of votes cast "against" than votes "for" his or her election. In assessing whether to accept or reject the resignation, the Committee will consider all factors it deems relevant including, without limitation, the stated reasons why shareowners voted "against" such director, the director's length of service and qualifications, the director's contributions to Carrier, and Carrier's corporate governance guidelines;
- G. Submit to the Board recommendations for committee assignments;
- H. Develop and recommend to the Board appropriate corporate governance guidelines;
- I. Recommend to the Board the appropriate compensation for service as a non-employee director based upon its assessment of director responsibilities and benchmark data for relevant U.S. peer corporations;
- J. Oversee the design and conduct of the annual self-evaluation of the performance of the Board and its committees as well as the Board's evaluation of management. Report annually to the Board its self-evaluation of the Committee's performance;
- K. Review at least annually Carrier's corporate governance guidelines, the charter of this Committee and relevant benchmark data to determine whether changes should be submitted to the Board for approval;
- L. Review and recommend to the Board whether to accept the resignation of a director who has offered to resign because his or her principal employment or principal responsibilities outside of Carrier have changed substantially. This review will consider whether the director remains able to devote the time required to effectively serve on the Board or on any committee of the Board in accordance with Carrier's policies;
- M. Review whether a director should continue service on the Board if there is a change in the number or type of outside boards on which a director serves. A director may not serve on the boards of more than four other public companies in addition to the Carrier Board. For Audit Committee members, continued service on that committee should be reviewed if there is an increase in the number of public company audit committees on which the director serves;

- N. Review periodically Carrier's policies as to retirement age and tenure for non-employee directors, review and approve service by executive officers of Carrier as directors of other public companies;
- O. Review and monitor the orientation of new Board members and the continuing education of all directors;
- P. Review corporate governance developments and trends and, where appropriate, make recommendations to the Board on Carrier's governance;
- Q. Review and make recommendations to the Board regarding the rights and interests of shareholders;
- R. Review and, where appropriate, make recommendations to the Board regarding the Company's responses to shareholder proposals;
- S. Review and monitor Carrier's positions and responses to significant public policy issues, including but not limited to Carrier's compliance with applicable laws, its policies and objectives with respect to safety, the environment and affirmative action plans for equal employment opportunities, its positions taken in legislative, regulatory and judicial forums, and its actions in furtherance of corporate social responsibility;
- T. Review and monitor Carrier's policies and practices with respect to contributions to charitable, educational and other tax-exempt organizations involved in the arts, civic and community affairs, education and health and human services;
- U. Review transactions, arrangements or relationships between Carrier and related persons, as required by Carrier's Related Person Transactions Policy;
- V. Report regularly to the Board; and
- W. Review such other matters as may be referred to it by the Board from time to time.

V. Authority

The Committee shall have authority to consult independent legal or other advisors as deemed appropriate, full access to management, as well as access to internal and independent accountants, internal and outside lawyers and other internal staff members. The Committee shall also have sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms. The Committee shall have the authority to form and delegate authority to subcommittees.