



## California Transparency In Supply Chains Act

California law requires companies to disclose their efforts to eradicate slavery and human trafficking from their direct supply chains for goods offered for sale.

Carrier Global Corporation ("Carrier") provides heating, air conditioning and refrigeration systems, building controls and automation, and fire and security systems to the building industry. Carrier is committed to ensuring that slavery and human trafficking are not taking place in our businesses or supply chains and, to this end, takes the following actions:

(1) Commitment to Good Citizenship. Carrier is committed to the highest standards of ethics and business conduct. Carrier is committed to good citizenship and believes that engagement with others improves the human condition. For our employees worldwide, Carrier assures safe and healthy work environments, based on the more stringent of U.S. standards, local standards or Carrier policies. Carrier does not use child labor or forced labor. For our communities worldwide, Carrier works to protect the environment, maximize the efficiencies of our products and reduce wastes, emissions, energy consumption and the use of materials of concern. Carrier obeys the law, does not discriminate in personnel practices and does not engage in corrupt practices. In addition to its own commitments, Carrier expects direct suppliers to adopt suitable codes of business conduct.

(2) Supply Chain Expectations. Our suppliers are critical to our success and, in order to provide superior products and services in a responsible manner, we insist that our suppliers meet our expectations for ethics and compliance.

Supplier Code of Conduct: The Supplier Code of Conduct conveys Carrier's expectation that our suppliers comply with laws and regulations prohibiting human trafficking, not engage in the use of child labor, forced labor, bonded labor, indentured labor, involuntary prison labor, slavery or human trafficking. The Code also provides that suppliers will allow Carrier and/or its representatives to assess their compliance, as well as the compliance of the suppliers' business partners, with the expectations set forth in the Code in performing work for Carrier, including on-site inspection of facilities. The Supplier Code of Conduct is available at <https://corporate.carrier.com/supplier>

Contract Terms: Carrier's standard contract terms and conditions of purchase require suppliers to comply with all applicable laws and regulations. In addition, our standard contract terms require suppliers to adopt and comply with a code of conduct or policy statement regarding business conduct, ethics and compliance that satisfies, at a minimum,



the principles set forth in the Carrier Supplier Code of Conduct. In the event that the suppliers commit any material violation of law relating to basic working conditions and human rights in their performance of work of their contracts with Carrier, Carrier has the right to terminate those contracts for default.

(3) Verification of Supply Chain. Carrier and its business units engage in verification of product supply chains to evaluate and address the risk of human trafficking and slavery as described herein. Typically, such verification is not performed by a third party.

- Suppliers are subject to robust selection processes and criteria, including for example, verification against government denied party lists.
- Periodically, in the normal course of business, Carrier may conduct a site visit with a supplier. However, Carrier does not in the ordinary course of business conduct site visits or otherwise evaluate suppliers specifically for the purpose of verifying the eradication of slavery and human trafficking in their supply chains.

(4) Supply Chain Audits. Carrier does not in the normal course of business conduct audits (independent, unannounced or otherwise) of suppliers specifically to evaluate their compliance with company standards for trafficking and slavery in supply chains. Anyone who observes such conduct may ask a question or raise concerns in complete confidence through Carrier's Anonymous Reporting Program. Information regarding the Program is available on Carrier's website at <https://corporate.carrier.com/reporting>.

(5) Supplier Certifications. Carrier does not require suppliers to certify that materials incorporated into the product comply with the laws regarding slavery and human trafficking. However, Carrier's standard contract terms and conditions of purchase require suppliers to comply with all applicable laws and regulations.

(6) Internal Accountability Standards. Carrier maintains internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking. These include, as described above, Carrier's Code of Ethics and Carrier's Supplier Code of Conduct. Carrier requires its employees to annually certify that they will honor the Code of Ethics. Compliance with the requirements of the Code of Ethics is expected behavior for all Carrier employees. Violation of these requirements will result in appropriate corrective action. Anyone who observes or suspects a violation of Carrier's Code of Ethics may ask a question or raise concerns in complete confidence through Carrier's Anonymous Reporting Program.



(7) Internal Training. Carrier provides human trafficking and slavery training to employees and management who have direct responsibility for supply chain management, particularly with respect to mitigation risks within the supply chains of products.

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