Carrier Global Corp

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

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04/11/2025, 08:25 am

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☑ USD

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

Carrier Global Corporation, global leader in intelligent climate and energy solutions, is committed to creating solutions that matter for people and our planet for generations to come. From the beginning, we've led in inventing new technologies and entirely new industries. Today, we continue to lead because we have a world-class, diverse workforce that puts the customer at the center of everything we do. For more information, visit corporate.carrier.com.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

12/31/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:

☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:

☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:

☑ 2 years

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:

☑ 2 years

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:

☑ 1 year

[Fixed row]

(1.4.1) What is your organization’s annual revenue for the reporting period?

22100000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

CARR

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No
[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☑ Guam
☑ Chile
☑ China
☑ Egypt
☑ India
☑ France
☑ Greece
☑ Kuwait
☑ Latvia
☑ Mexico
☑ Austria
☑ Belgium
☑ Croatia
☑ Czechia
☑ Denmark
☑ Ukraine
☑ Bulgaria
☑ Malaysia
☑ Portugal
☑ Slovakia
☑ Singapore
☑ Sri Lanka
☑ Luxembourg
☑ Uzbekistan
☑ Italy
☑ Japan
☑ Spain
☑ Brazil
☑ Canada
☑ Norway
☑ Poland
☑ Serbia
☑ Sweden
☑ Turkey
☑ Finland
☑ Germany
☑ Hungary
☑ Ireland
☑ Romania
☑ Slovenia
☑ Thailand
☑ Viet Nam
☑ Australia
☑ Lithuania
☑ Switzerland
☑ Saudi Arabia
☑ South Africa
☑ Taiwan, China

☑ Netherlands
☑ Hong Kong SAR, China
☑ United Arab Emirates
☑ United States of America
☑ United Kingdom of Great Britain and Northern Ireland
☑ Brunei Darussalam

(1.8) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
	Select from: ☑ No, this is confidential data	*We are not able to provide this data at this time.*

[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:
☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply
☑ Upstream value chain
☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 4+ suppliers

(1.24.7) Description of mapping process and coverage

Carrier takes a transparent and data-driven approach to identifying what is important to our business, stakeholders and the environment. It informs our products, operations, investments and transformation toward becoming the leader in intelligent climate and energy solutions. We conducted a materiality assessment to identify potential material topics based on industry trends, best practice reporting frameworks and input from internal and external stakeholders. This assessment considered our entire value chain, including upstream suppliers, downstream customers and consumers, and our operations. The topics were prioritized based on their relevance to Carrier, determined through key stakeholder engagement. Sustainability topics are often linked to one another, and their interdependencies have been considered in our reporting and in the design of our programs. We are now in the process of conducting a Double Materiality Assessment in accordance with the European Union's Corporate Sustainability Reporting Directive to evaluate the environmental and social impacts as well as the financial materiality of sustainability topics for Carrier. Recognizing that not all suppliers face the same challenges or operate within identical contexts, we conduct sustainability risk-mapping assessments on suppliers identified as presenting potential risks. Through these exercises, we systematically identify and prioritize key suppliers and regions that require focused attention regarding sustainability risks. This strategic approach allows us to tailor our engagement efforts, ensuring that we address the most pertinent sustainability concerns in a targeted and impactful manner. By proactively identifying risks, we aim to collaboratively work with suppliers to implement effective mitigation strategies and collectively contribute to a more sustainable and resilient supply chain ecosystem.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Primary reason for not mapping plastics in your value chain	Explain why your organization has not mapped plastics in your value chain
	Select from: ☑ No, and we do not plan to within the next two years	*Select from:* ☑ Not an immediate strategic priority	*Plastics is not a major component of our products based on mass of materials.*

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

1

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

We aligned our time horizons with our enterprise risk management program and longer term climate goals and regulations.

Medium-term

(2.1.1) From (years)

3

(2.1.3) To (years)

7

(2.1.4) How this time horizon is linked to strategic and/or financial planning

We aligned our time horizons with our enterprise risk management program and longer term climate goals and regulations.

Long-term

(2.1.1) From (years)

7

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

We aligned our time horizons with our enterprise risk management program and longer term climate goals and regulations.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

☑ National

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Enterprise Risk Management

International methodologies and standards

☑ IPCC Climate Change Projections

☑ ISO 14001 Environmental Management Standard

☑ Life Cycle Assessment

Other

☑ Materiality assessment

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Heat waves

☑ Heavy precipitation (rain, hail, snow/ice)

☑ Wildfires

Chronic physical

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

☑ Heat stress

☑ Water stress

Policy

☑ Carbon pricing mechanisms

☑ Changes to national legislation

Market

☑ Changing customer behavior

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

☑ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)

Technology

☑ Transition to lower emissions technology and products

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Investors

☑ Local communities

☑ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

We assess climate risks and define substantive financial or strategic impact consistent with the methodology used in our ERM process to evaluate other non-climate risks from a financial and strategic perspective. Risks are reviewed against an impact measurement scale to determine operational, legal and regulatory, reputational

and financial impact. Risks are also measured for their current control effectiveness to determine threat to company. Our ERM risk register measures impact on a 1 to 5 scale: 1. No operational impact or loss of business or less than 1 percent of revenue. 2. Noticeable but easily manageable; limited impact on operations or 1 to 3 percent of revenue. 3 Results in some damage at an individual customer or stakeholder level; requires careful management attention or 3 to 5 percent of revenue. 4. Severe impact on the business unit's or company's operational performance or 5 to 10 percent of revenue. 5. Catastrophic impact on the business unit's or company's operational performance or equal to or greater than 10 percent of revenue. Our Enterprise Risk Management addresses supplier risk as part of our business continuity planning process. We model our supplier locations, routes and essential raw material inputs to analyze the potential impact and likelihood of regulation, extreme weather events and black swan events impacting our supply and value chains at large. While we believe that we currently have adequate sources for materials, components and services, we work continuously with our supply base to ensure that we have adequate resources and to reduce costs. Accordingly, we consolidate purchases and suppliers, engage in global sourcing, implement design changes and implement competitive bidding.

Row 2

(2.2.2.1) Environmental issue

Select all that apply

☑ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

(2.2.2.10) Integration of risk management process

Select from:

☑ A specific environmental risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ EcoVadis

☑ WRI Aqueduct

Enterprise Risk Management

☑ Enterprise Risk Management

International methodologies and standards

☑ IPCC Climate Change Projections

☑ ISO 14001 Environmental Management Standard

☑ Life Cycle Assessment

Other

☑ Materiality assessment

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical

☑ Groundwater depletion

☑ Water stress

Technology

☑ Data access/availability or monitoring systems

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Employees
☑ Local communities
☑ Regulators
☑ Other water users at the basin/catchment level

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:
☑ No

(2.2.2.16) Further details of process

Our 2030 water goal focuses on deploying water stewardship programs across our global operations, prioritizing water- scarce locations. Carrier uses water across our facilities for potable use as well as industrial purposes. The primary drivers of water withdrawals across our operations are heating, cooling, washing for manufacturing and research and development purposes. Water is also used by our employees for sanitary, canteen and food preparation in addition to landscape irrigation. Carrier's Environmental, Health and Safety Operating System (EHSOS) Manual governs our approach to water management and outlines the requirements for our reporting sites to monitor water withdrawal and implement programs where feasible. Our exposure to water risks varies by region and type of facility. Informed by the World Resources Institute Aqueduct Water Risk Atlas tool, Carrier prioritizes water stressed sites that score a 3 or above in the "Overall water stress" category, which takes into consideration the physical risks of quantity and quality in addition to other considerations. We assess and prioritize sites against water risk criteria on an annual basis. At select sites, we treat water for reuse within our industrial processes and sanitation. Carrier's Water Pollution, Prevention and Control standard procedures require that wastewater generated from a significant water source must be identified and documented in addition to complying with applicable regulations covering the quantity of chemicals or materials under permit. We use a third-party software platform to monitor our water purchases, withdrawals and compliance requirements monthly.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:
☑ Yes

(2.2.7.2) Description of how interconnections are assessed

Carrier encounters an extensive range of risks, including compliance, financial, geopolitical, legal, operational, regulatory, reputational and strategic. Within these broad categories, specific risks include: climate impacts; cybersecurity; the competitive landscape (including disruptive technologies); human capital management (including talent acquisition, development and retention); logistics and supply chain; and the impact of disruptive events (including natural disasters and pandemics). To manage these and other risks, we have implemented an ERM program, which is a companywide effort that is managed by senior executives and overseen by the Audit Committee and Board to identify, assess, manage, report and monitor enterprise risks that may affect our ability to achieve the company's objectives and strategy. As part of the ERM program, ownership of enterprise risk is assigned to the appropriate business segment or corporate function that is responsible for developing and implementing comprehensive mitigation plans. The Board reviews these risks and mitigation plans on an annual basis in conjunction with Carrier's strategic plan. Mitigation plans are reviewed for effectiveness and include a broad range of measures to manage and reduce risk, including adjustments to strategic and business initiatives, research and development, product design, increased protections for our facilities and supply chain, and enhanced internal controls, including employee and contractor training. The Board and committees also review enterprise risks with senior management on an on-going basis throughout the year. Each committee has primary risk oversight responsibility in the areas that align with its focus and charter responsibilities as described in the table on the following page. At each regular meeting, or more frequently as needed, the Board receives and considers committee reports that provide additional detail on risk management issues and management's response to them. For example, cybersecurity risk is an enterprise risk that the Audit Committee and the Board oversee and review, with four briefings to the Audit Committee and one briefing to the Board.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we are currently in the process of identifying priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

(2.3.3) Types of priority locations identified

Locations with substantive dependencies, impacts, risks, and/or opportunities

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

(2.3.4) Description of process to identify priority locations

Our 2030 water goal focuses on deploying water stewardship programs across our global operations, prioritizing water- scarce locations. Carrier uses water across our facilities for potable use as well as industrial purposes. The primary drivers of water withdrawals across our operations are heating, cooling, washing for manufacturing and research and development purposes. Water is also used by our employees for sanitary, canteen and food preparation in addition to landscape irrigation. Carrier's Environmental, Health and Safety Operating System (EHSOS) Manual governs our approach to water management and outlines the requirements for our reporting sites to monitor water withdrawal and implement programs where feasible. Our exposure to water risks varies by region and type of facility. Informed by the World Resources Institute Aqueduct Water Risk Atlas tool, Carrier prioritizes water-stressed sites that score a 3 or above in the "Overall water stress" category, which takes into consideration the physical risks of quantity and quality in addition to other considerations. We assess and prioritize sites against water risk criteria on an annual basis. At select sites, we treat water for reuse within our industrial processes and sanitation. Carrier's Water Pollution, Prevention and Control standard procedures require that wastewater generated from a significant water source must be identified and documented in addition to complying with applicable regulations covering the quantity of chemicals or materials under permit. We use a third-party software platform to monitor our water purchases, withdrawals and compliance requirements monthly.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we have a list/geospatial map of priority locations, but we will not be disclosing it

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ Absolute decrease

(2.4.5) Absolute increase/ decrease figure

100000000

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

We assess climate risks and define substantive financial or strategic impact consistent with the methodology used in our ERM process to evaluate other non-climate risks from a financial and strategic perspective. Risks are reviewed against an impact measurement scale to determine operational, legal/regulatory, reputational and financial impact. Risks are also measured for their current control effectiveness to determine threat to company. Our ERM risk register measures impact on a 1 to 5 scale: 1. No operational impact or loss of business or less than 1 percent of revenue. 2. Noticeable but easily manageable; limited impact on operations or 1 to 3 percent of revenue. 3 Results in some damage at an individual customer or stakeholder level; requires careful management attention or 3 to 5 percent of revenue. 4. Severe impact on the business unit's or company's operational performance or 5 to 10 percent of revenue. 5. Catastrophic impact on the business unit's or company's operational performance or equal to or greater than 10 percent of revenue.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ Absolute increase

(2.4.5) Absolute increase/ decrease figure

100000000

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

We assess climate risks and define substantive financial or strategic impact consistent with the methodology used in our ERM process to evaluate other non-climate risks from a financial and strategic perspective. Risks are reviewed against an impact measurement scale to determine operational, legal/regulatory, reputational and financial impact. Risks are also measured for their current control effectiveness to determine threat to company. Our ERM risk register measures impact on a 1 to 5 scale: 1. No operational impact or loss of business or less than 1 percent of revenue. 2. Noticeable but easily manageable; limited impact on operations or 1 to 3 percent of revenue. 3. Results in some damage at an individual customer or stakeholder level; requires careful management attention or 3 to 5 percent of revenue. 4. Severe impact on the business unit's or company's operational performance or 5 to 10 percent of revenue. 5. Catastrophic impact on the business unit's or company's operational performance or equal to or greater than 10 percent of revenue.
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

Carrier’s Water Pollution, Prevention and Control standard procedures require that wastewater generated from a significant water source must be identified and documented in addition to complying with applicable regulations covering the quantity of chemicals or materials under permit. The standard requires an annual evaluation to identify the type and quantity of chemicals or materials that comprise each discharge covered by a permit/license and the applicable regulation. These data are compared to permit or regulatory requirements to determine if changes or modifications are required to maintain compliance with permit or regulatory requirements. Where permits or regulations do not define the effluent quality requirements, this evaluation is conducted using the Performance Indicators for Industrial Wastewater listed in the standard. Carrier's Prevention, and Control standard, "Performance Indicators for Industrial Wastewater" includes the following inorganic pollutants: • Cadmium • Chromium, total • Copper • Lead • Nickel • Silver • Zinc • Cyanide, total We use a third-party software platform to monitor our water purchases, withdrawals and compliance requirements monthly.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:

☑ Oil

(2.5.1.2) Description of water pollutant and potential impacts

Potential impact of water pollutants: Oil and grease may reduce water availability for use. Carrier's Prevention, and Control standard, "Performance Indicators for Industrial Wastewater" includes oil and grease.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Beyond compliance with regulatory requirements

(2.5.1.5) Please explain

Carriers Water Pollution Prevention and Control standard requires an annual evaluation to identify the type and quantity of chemicals or materials that comprise each discharge covered by a permit or license and the applicable regulation These data are compared to permit or regulatory requirements to determine if changes or modifications are required to maintain compliance with permit or regulatory requirements Where permits or regulations do not define the effluent quality requirements this evaluation is conducted using the Performance Indicators for Industrial Wastewater listed in the standard.

Row 3

(2.5.1.1) Water pollutant category

Select from:

☑ Other nutrients and oxygen demanding pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Potential impact of water pollutants: Other nutrients and oxygen demanding pollutants may threat micromacrofauna and vegetation on water bodies by reducing level of dissolved oxygen due to organic pollution in water. Carriers Prevention and Control standard Performance Indicators for Industrial Wastewater includes: Total Toxic Organics (TTO) & Chemical Oxygen Demand COD.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Beyond compliance with regulatory requirements

(2.5.1.5) Please explain

Carriers Water Pollution Prevention and Control standard requires an annual evaluation to identify the type and quantity of chemicals or materials that comprise each discharge covered by a permit or license and the applicable regulation. These data are compared to permit or regulatory requirements to determine if changes or modifications are required to maintain compliance with permit or regulatory requirements. Where permits or regulations do not define the effluent quality requirements this evaluation is conducted using the Performance Indicators for Industrial Wastewater listed in the standard.

Row 4

(2.5.1.1) Water pollutant category

Select from:

☑ Inorganic pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Potential impact of water pollutants Inorganic contaminants such as heavy metals and cyanides may cause water bodies to become toxic Carriers Prevention and Control standard Performance Indicators for Industrial Wastewater includes the following inorganic pollutants: Cadmium, Chromium, Copper, Lead, Nickel, Silver, Zinc and Cyanide.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Beyond compliance with regulatory requirements

(2.5.1.5) Please explain

Carriers Water Pollution Prevention and Control standard requires an annual evaluation to identify the type and quantity of chemicals or materials that comprise each discharge covered by a permit or license and the applicable regulation These data are compared to permit or regulatory requirements to determine if changes or modifications are required to maintain compliance with permit or regulatory requirements Where permits or regulations do not define the effluent quality requirements this evaluation is conducted using the Performance Indicators for Industrial Wastewater listed in the standard..

Row 5

(2.5.1.1) Water pollutant category

Select from:

☑ Other, please specify **:**Acidity and/or alkalinity (pH)

(2.5.1.2) Description of water pollutant and potential impacts

Potential impact of water pollutants: Acidity and/or alkalinity levels in discharged water may threat micro/macro fauna vegetation and local population. Carriers Prevention and Control standard Performance Indicators for Industrial Wastewater includes pH.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Beyond compliance with regulatory requirements

(2.5.1.5) Please explain

Carriers Water Pollution Prevention and Control standard requires an annual evaluation to identify the type and quantity of chemicals or materials that comprise each discharge covered by a permit or license and the applicable regulation These data are compared to permit or regulatory requirements to determine if changes or modifications are required to maintain compliance with permit or regulatory requirements Where permits or regulations do not define the effluent quality requirements this evaluation is conducted using the Performance Indicators for Industrial Wastewater listed in the standard.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Water

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

Our exposure to water risks varies by region and type of facility. Informed by the World Resources Institute Aqueduct Water Risk Atlas tool, Carrier prioritizes water-stressed sites that score a 3 or above in the "Overall water stress" category, which takes into consideration the physical risks of quantity and quality in addition to other considerations. We assess and prioritize sites against water risk criteria on an annual basis. At select sites, we treat water for reuse within our industrial processes and sanitation. Carrier's Water Pollution, Prevention and Control standard procedures require that wastewater generated from a significant water source must be identified and documented in addition to complying with applicable regulations covering the quantity of chemicals or materials under permit. Water stress at these locations have not had a substantive effect on Carrier during the reporting year.

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Not an immediate strategic priority

(3.1.3) Please explain

Plastics, if included in our products at all, represent a fraction of the overall mass.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Technology

☑ Transition to lower emissions technology and products

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Downstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Guam
☑ Chile
☑ China
☑ Egypt
☑ India
☑ France
☑ Greece
☑ Kuwait
☑ Latvia
☑ Mexico
☑ Austria
☑ Belgium
☑ Croatia
☑ Czechia
☑ Denmark
☑ Ukraine
☑ Bulgaria
☑ Malaysia
☑ Portugal
☑ Slovakia
☑ Singapore
☑ Sri Lanka
☑ Luxembourg
☑ Italy
☑ Japan
☑ Spain
☑ Brazil
☑ Canada
☑ Norway
☑ Poland
☑ Serbia
☑ Sweden
☑ Turkey
☑ Finland
☑ Germany
☑ Hungary
☑ Ireland
☑ Romania
☑ Slovenia
☑ Thailand
☑ Viet Nam
☑ Australia
☑ Lithuania
☑ Switzerland
☑ Saudi Arabia
☑ South Africa

☑ Uzbekistan
☑ Netherlands
☑ Hong Kong SAR, China
☑ United Arab Emirates
☑ United States of America
☑ United Kingdom of Great Britain and Northern Ireland
☑ Taiwan, China
☑ Brunei Darussalam

(3.1.1.9) Organization-specific description of risk

Carrier conducted a climate risk assessment to further analyze climate risk as identified within our annual enterprise risk assessment. As part of this analysis, we evaluated the transition risk to Carrier of failing to keep pace with consumer preferences for energy efficient products leading to obsolete inventory in North America and Europe.

(3.1.1.11) Primary financial effect of the risk

Select from:
☑ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply
☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:
☑ Unlikely

(3.1.1.14) Magnitude

Select from:
☑ Medium-high

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Our research and development efforts, including those that advance environmental sustainability, may not culminate in new technologies or timely products, or may not meet the needs of our customers as effectively as competitive offerings. Our competitors may develop competing technologies that gain market acceptance before or instead of our products. In addition, we may not be successful in anticipating or reacting to changes in the regulatory environments in which our products are sold, and the markets for our products may not develop or grow as we anticipate.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

1000000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

3000000000

(3.1.1.25) Explanation of financial effect figure

The estimated risk is approximately 1B to 3B USD. We conducted climate-related scenario analysis in 2023 based on 2022 data to identify risks and opportunities and assess the company's resiliency. Climate scenarios and time horizons were based on IPCC guidance to illustrate the potential pathways and outcomes at each time horizon. We assessed how the overall market size changes and relative market share evolves due to shift in customer preferences toward more efficient, low carbon products. We refined the scope to the residential and commercial HVAC products and considered the respective products categories and assessed efficiency compared to industry averages. We assumed no further innovation for Carrier products and/or adjustments to the product portfolio. We ran the analysis using bespoke scenarios starting with the Shared Socioeconomic Pathways (SSPs) and related Integrated Assessment scenarios to simulate 1.5C, 2C and 4C temperature increases to see potential impacts across very aggressive mitigation, some mitigation and business as usual climate change scenarios. We assessed these scenarios across short term (2025), medium term (2030) and long term (2035). The data provided in this response captures the range of risk as estimated using a simulated 1.5C increase a very aggressive mitigation climate change scenario and a simulated 2C increase a more moderate climate risk scenario comparing both to a simulated 4C increase business as usual in 2035.

(3.1.1.26) Primary response to risk

Diversification

☑ Develop new products, services and/or markets

(3.1.1.27) Cost of response to risk

550000000

(3.1.1.28) Explanation of cost calculation

Carrier conducts research and development activities with a focus on new product development and technology innovation. These costs are charged to expense as incurred. For the years ending December 31, 2023, 2022 and 2021, these costs amounted to 617 million, 539 million and 503 million, respectively. We took the approximate annual average of 550 million to estimate the annual cost of our response to climate change risk.

(3.1.1.29) Description of response

Our strategy involves leveraging our global operations, the strength of our iconic, industry-leading brands and our success in creating valuable partnerships to focus on targeted expansion into new locations and channels where we believe that we can drive profitable growth. These drivers are supported by research and development activities with a focus on new product development and new technology innovation. We also pursue potential acquisitions to enter new locations and channels as well as expand and enhance our current product portfolio. In addition, Carrier Ventures, a global venture capital group, focuses on investments to accelerate the development of sustainable innovations and disruptive technologies to transform future building and cold chain management. The group engages in strategic partnerships with high growth organizations as they invest in the development of technologies to innovate and commercialize the next generation of differentiated net-zero solutions. In 2023, Carrier announced the acquisition of Viessmann Climate Solutions and planned divestiture of our Fire & Security and Commercial Refrigeration businesses, which will transform our business portfolio and establish Carrier as a pure-play, global leader in intelligent climate and energy solutions. The acquisition is anticipated to position Carrier to lead in the rapid climate and energy transition in Europe. Geopolitical dynamics and the push for energy independence are driving European governments to promote and prioritize renewable and electric solutions for heating and cooling, which comprise approximately half of Europe's residential energy requirements. Several European governments are promoting heat pumps and renewable solutions to address these challenges and have implemented related regulations and incentive programs that present a growth opportunity for key climate solutions.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Market

☑ Other market risk, please specify :Increased cost of raw materials

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ China
☑ India
☑ Italy
☑ Spain
☑ Brazil
☑ Turkey
☑ Belgium
☑ Denmark
☑ Germany
☑ Iceland
☑ United States of America
☑ United Kingdom of Great Britain and Northern Ireland
☑ Canada
☑ France
☑ Greece
☑ Norway
☑ Sweden
☑ Ireland
☑ Portugal
☑ Luxembourg
☑ Netherlands
☑ Switzerland

(3.1.1.9) Organization-specific description of risk

Carrier conducted a climate risk assessment to further analyze climate risk as identified within our annual enterprise risk assessment. As part of this analysis, we evaluated climate risks affecting Carrier's supplier base, resulting in higher input costs where Carrier anticipates expanded manufacturing capacity.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

As a result of climate change impacts, we could face indirect financial risks passed through the supply chain that could result in higher prices for our products and the resources needed to produce them

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

156000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

260000000

(3.1.1.25) Explanation of financial effect figure

We conducted a climate-related scenario analysis in 2023 based on 2022 data to identify risks and opportunities and assess the company's resiliency. Climate scenarios and time horizons were based on IPCC guidance to illustrate the potential pathways and outcomes at each time horizon. We assessed materials used during production (machinery and electrical equipment, steel, other metals and packaging, and chemicals and refrigerants), labor (direct and indirect) and energy (renewable electricity, non-renewable electricity and oil and gas use). We projected Carrier growth equal to that of the manufacturing sector and change in input costs for each of the materials, energy and labor categories for each climate scenario. We ran the analysis using bespoke scenarios starting with the Shared Socioeconomic Pathways (SSPs) and related Integrated Assessment scenarios to simulate 1.5C, 2C and 4C temperature increases to see potential impacts across very aggressive mitigation, some mitigation and business as usual climate change scenarios. We assessed these scenarios across short term (2025), medium term (2030) and long term (2035). The data provided in this response captures the range of risk as estimated using a simulated 1.5C increase a very aggressive mitigation climate change scenario and a simulated 2C increase a more moderate climate risk scenario comparing both to a simulated 4C increase business as usual in 2035.

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with suppliers

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

Our supply chain could be impacted by climate change through extreme weather events, resulting in delivery or production disruptions and increased material costs. In addition, other issues with suppliers (such as capacity constraints, quality issues, consolidations, closings or bankruptcies), price increases, raw material shortages, regulatory limitations, or the decreased availability of trucks and other delivery services could also have a material adverse effect on our ability to meet our commitments to customers or increase our operating costs. Periodic disruptions in our supply chains has resulted, and may continue to result, in sufficient inventory not being available in a timely manner or during the appropriate season as well as higher freight and other logistic costs, including increased carrier rates, which could have a material adverse effect on our business.

(3.1.1.29) Description of response

We use various tactical and strategic actions to mitigate our raw material and supply chain risks and challenges, including consolidating commodity purchases, locking in prices of expected purchases of certain raw materials, dual sourcing, increasing regionalization, proactive engagement with suppliers and our workforce and dynamic management of freight costs and availability. However, these efforts may be unsuccessful or could cause us to pay higher prices for a commodity when compared with the market price at the time the commodity is actually purchased or delivered. Our suppliers could be subject to tariffs as well as climate change related regulations, compliance with which would increase our costs and the impacts of which are difficult to predict. We believe that our supply management and

production practices appropriately balance the foreseeable risks and the costs of alternative practices. Nonetheless, these risks may have a material adverse effect on our competitive position, results of operations, cash flows or financial condition.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ China

☑ Italy

☑ Spain

☑ France

☑ Mexico

☑ Poland

☑ Germany

☑ United States of America

(3.1.1.9) Organization-specific description of risk

Carrier conducted a climate risk assessment to further analyze climate risk as identified within our annual enterprise risk assessment. As part of this analysis, we evaluated the transition risk of the introduction of a price on carbon increasing operating costs in regions in which we operate, including the U.S., Europe, China and Mexico.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Our customers and the markets we serve may impose emissions or other environmental standards through regulation, market-based emissions policies or consumer preferences that we may not be able to timely meet due to our required level of capital investment and technology advancement. While we are committed to pursuing sustainable solutions for our products, there can be no assurance that our development efforts will be successful, that our products will be accepted by the market, that proposed regulations or deregulation will not have an adverse effect on our competitive position, or that economic returns will justify our investments in new product development.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

29000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

74000000

(3.1.1.25) Explanation of financial effect figure

We conducted climate-related scenario analysis in 2023 based on 2022 data to identify risks and opportunities and assess the company's resiliency. Climate scenarios and time horizons were based on IPCC guidance to illustrate the potential pathways and outcomes at each time horizon. We assessed a carbon price designed to capture the direct costs of greenhouse gas emissions produced from our manufacturing locations. We assumed the carbon price risk for scope 1 greenhouse gas emissions as carbon costs are implicit in scope 2 emissions, purchased electricity. We modeled the increase in scope 1 greenhouse gas emissions through 2045 aligned with the anticipated growth of the manufacturing sector and assumed no decarbonization efforts by the company. We ran the analysis using bespoke scenarios starting with the Shared Socioeconomic Pathways (SSPs) and related Integrated Assessment scenarios to simulate 1.5C, 2C and 4C temperature increases to see potential impacts across very aggressive mitigation, some mitigation and business as usual climate change scenarios. We assessed these scenarios across short term (2025), medium term (2030) and long term (2035). The data provided in this response captures the range of risk as estimated using a simulated 1.5C increase a very aggressive mitigation climate change scenario and a simulated 2C increase a more moderate climate risk scenario comparing both to a simulated 4C increase business as usual in 2035.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Increase environment-related capital expenditure

(3.1.1.27) Cost of response to risk

5000000

(3.1.1.28) Explanation of cost calculation

To reach our goal to achieve carbon neutrality in our operations by 2030, we expect to incur capital expenditures for climate-related projects, including upgrading our facilities, equipment and controls to optimize energy efficiency, transitioning our energy consumption from a dependency on fossil fuels to renewable energy and expanding the electrification of our fleet vehicles. We are making both capital and operational investments annually to realize this goal, invested 5M toward these efforts in 2023.

(3.1.1.29) Description of response

We have set Sustainability and Impact goals to be achieved by 2030, which include investing over 4 billion to develop intelligent climate and energy solutions that incorporate sustainable design principles and reduce lifecycle impacts, helping our customers to avoid more than 1 gigaton in GHG emissions, achieving carbon neutral operations and reducing energy intensity by 10% across our operations. We may be required to expend significant resources to do so, which could increase our operational costs. Further, there can be no assurance of the extent to which any of our goals will be achieved, or that any future expenditures or investments we make in furtherance of achieving such goals will be available, effective, meet investor expectations or any binding or non-binding legal standards regarding sustainability performance. For example, to make substantial progress toward or to meet some of these goals, we may need to purchase or deploy a combination of renewable energy utility contracts, carbon credits or offsets, energy-efficient or low-emission products or operations, or carbon sequestration technologies, and there can be no assurance of the extent to which such contracts, credits, offsets, products, operations or technologies will be available or effective in reducing emissions or energy intensity.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

22100000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ 1-10%

(3.1.2.7) Explanation of financial figures

Through our acquisitions and rigorous innovation, we are advancing our portfolio of solutions focused on efficiency and electrification, in support of the shift from fossil fuel to electric heating. We also remain focused on helping our customers achieve their climate goals, including net-zero commitments, and we are on track to reduce our customers' carbon footprint by more than 1 gigaton by 2030.
[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
	Select from: ☑ No	*Carrier was not subject to any material fines, enforcement orders and/or penalties for water-related regulatory violations in the reporting year.*

[Fixed row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:
☑ No, but we anticipate being regulated in the next three years

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Carrier's climate strategy is inclusive our Scope 1, 2 and 3 greenhouse gas emissions with reduction targets across each. For our operations, we are committed to carbon neutrality and reducing our energy intensity by 10% relative to 2019 by 2030. For our Scope 3 emissions, which account for 99% of our carbon footprint, we established an avoided emission target of 1 gigaton by 2030.   Additionally, Carrier's near and long-term greenhouse gas emission reduction goals have been validated by the Science-based Target initiative, as in line with a trajectory to limit global warming to 1.5C. Carrier's specific SBTi-validated targets are: Long-term goal: Reach net-zero greenhouse gas emissions across the value chain by 2050. Near-term targets: Reduce absolute scope 1 and 2 GHG emissions 42% by 2030 from a 2021 base year and reduce absolute scope 3 GHG emissions 25% within the same timeframe. These targets are supported by a commitment to invest over 4B to develop intelligent climate and energy solutions that reduce environmental impacts. We have invested more than 965 million in sustainable research and design since 2020. Additionally, our global venture capital group, Carrier Ventures, expanded its portfolio of strategic partnerships with high-growth companies to accelerate the development of sustainable innovations and disruptive technologies for building and cold chain net-zero solutions. Our Scope 1 and 2 GHG emissions are attributable primarily to electricity and fuel consumption across our operations, including factories, offices, fleet vehicles and

*fugitive refrigerant emissions within manufacturing. As such, our carbon neutrality strategy includes: 1) Reducing emissions through energy efficiency, refrigerant management, and electrification;2) Expanding renewable energy consumption; 3) Addressing remaining unabated emissions through carbon offsets, prioritizing carbon removal and sequestration. In the United States, we entered long-term contracts that will provide us with renewable energy certificates to credit against 100% of our annual U.S. electricity consumption. With regards to our overall energy consumption in 2023, we reduced our energy intensity by approximately 8% compared to 2021. *

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized
Water	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:
☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ China
☑ India
☑ Italy
☑ Japan
☑ Spain
☑ Sweden
☑ Austria
☑ Belgium
☑ Denmark
☑ Germany
☑ Switzerland
☑ United States of America
☑ United Kingdom of Great Britain and Northern Ireland
☑ Brazil
☑ Canada
☑ France
☑ Greece
☑ Norway
☑ Iceland
☑ Ireland
☑ Portugal
☑ Luxembourg
☑ Netherlands

(3.6.1.8) Organization specific description

Sustainable Products and Services: Our strategy involves driving organic growth in part by maintaining our proven track record of innovation, which is focused on designing smarter, more connected and more sustainable systems and solutions. Our strategy also relies on our iconic, industry-leading brands and on strengthening our long-term relationships with channel partners and customers by offering solutions that anticipate customer needs with a focus on technologies related to refrigerants with lower global warming potential, energy efficiency, low emissions, air quality, electrification, noise reduction and safety. In addition, we continue to actively manage and strengthen our business and product portfolio to meet the current and future needs of our customers. This is driven by sustaining activities with a focus on improving existing products and reducing production costs. We also pursue potential acquisitions to complement existing products and services to enhance

our product portfolio. Carrier Ventures, a global venture capital group that focuses on investments to accelerate the development of sustainable innovations and disruptive technologies to transform future building and cold chain management. The group engages in strategic partnerships with high growth organizations as they invest in the development of technologies to innovate and commercialize the next generation of differentiated net-zero solutions.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Carrier lives at the intersection of secular drivers, including health and wellness, sustainability, digitalization and a growing middle class. These trends are anticipated to increase our total addressable market by 250 billion by 2030, and we believe Carrier is well positioned to capture more than our share of that opportunity. Using externally published data from sources including Goldman Sach's Carbonomics report, we estimated that the annual infrastructure investments for global net zero by 2050 will increase from 0.7T in 2020 to approximately 1.1T by 2025. With this data, we estimated the total addressable market across the HVAC-R industry - and from there our own potential market share gains - to arrive at an annual opportunity of 4.5B through 2030.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

4500000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

4500000000

(3.6.1.23) Explanation of financial effect figures

Carrier lives at the intersection of secular drivers, including health and wellness, sustainability, digitalization and a growing middle class. These trends are anticipated to increase our total addressable market by 250 billion by 2030, and we believe Carrier is well positioned to capture more than our share of that opportunity. Using externally published data from sources including Goldman Sach's Carbonomics report, we estimated that the annual infrastructure investments for global net zero by 2050 will increase from 0.7T in 2020 to approximately 1.1T by 2025. With this data, we estimated the total addressable market across the HVAC-R industry - and from there our own potential market share gains - to arrive at an annual opportunity of 4.5B through 2030.

(3.6.1.24) Cost to realize opportunity

550000000

(3.6.1.25) Explanation of cost calculation

Carrier conducts research and development activities with a focus on new product development and technology innovation. These costs are charged to expense as incurred. For the years ending December 31, 2023, 2022 and 2021, these costs amounted to 617 million, 539 million and 503 million, respectively. We took the approximate annual average of 550 million to estimate the annual cost of our response to climate change risk.

(3.6.1.26) Strategy to realize opportunity

Carrier develops intelligent climate and energy solutions that support our commitment to achieving net-zero greenhouse gas emissions across our value chain by 2050. Our comprehensive offerings help customers reach and exceed their goals and stay ahead of regulatory changes. Our portfolio of digitally enabled lifecycle solutions expanded with offerings such as Abound Net Zero Management, Lynx Logix, InteliSense and more. We introduced more electric technologies and energy efficient products to reduce dependency on fossil fuels, and we increased the use of refrigerants with lower global warming potential. We increased our annual investment in research and development, investing more than 2 billion in the last four years. In 2023, for the ninth year in a row, we released more than 100 new products. We also have more than 14,000 active patents and pending patent applications worldwide combined. Carrier innovates through collaboration. We opened

four additional i3 Labs in the United States, India, China and Japan. The innovation incubators are creative spaces where we ignite the development of disruptive technologies and empower our teams to test and develop solutions quickly, choosing speed to deliver differentiated customer solutions.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

☑ Increased availability of products with reduced environmental impact [other than certified products]

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ China
☑ India
☑ Japan
☑ Spain
☑ Brazil
☑ Denmark
☑ Germany
☑ Iceland
☑ Portugal
☑ Thailand
☑ France
☑ Greece
☑ Sweden
☑ Turkey
☑ Austria
☑ Singapore
☑ Luxembourg
☑ Netherlands
☑ Switzerland
☑ South Africa

☑ Republic of Korea

☑ United States of America

☑ United Kingdom of Great Britain and Northern Ireland

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Other, please specify :Carrier servers customers globally

(3.6.1.8) Organization specific description

In addition to portfolio energy monitoring and building assessments, we offer sustainability services through our NORESCO and Environmental Market Solutions Inc. (EMSI) businesses. They specialize in the development, design, construction and operation of energy and environmental efficiency projects, including water efficiency and wastewater treatment projects. EMSI provides a series of sustainable technical consulting services for more sustainable, healthier buildings for real estate developers, organizations and manufacturers in Greater China, Northeast Asia and Southeast Asia. EMSI offers stormwater risk management and water efficiency management, finding innovative ways to use rainwater as a resource and drive water-system efficiencies.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Carrier lives at the intersection of secular drivers, including health and wellness, sustainability, digitalization and a growing middle class. These trends are anticipated to increase our total addressable market by 250 billion by 2030, and we believe Carrier is well positioned to capture more than our share of that opportunity. Using externally published data from sources including Goldman Sach's Carbonomics report, we estimated that the annual infrastructure investments for global net zero by 2050 will increase from 0.7T in 2020 to approximately 1.1T by 2025. With this data, we estimated the total addressable market across the HVAC-R industry - and from there our own potential market share gains - to arrive at an annual opportunity of 4.5B through 2030.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.25) Explanation of cost calculation

n/a

(3.6.1.26) Strategy to realize opportunity

In addition to portfolio energy monitoring and building assessments, we offer sustainability services through our NORESCO and Environmental Market Solutions Inc. (EMSI) businesses. They specialize in the development, design, construction and operation of energy and environmental efficiency projects, including water efficiency and wastewater treatment projects. EMSI provides a series of sustainable technical consulting services for more sustainable, healthier buildings for real estate developers, organizations and manufacturers in Greater China, Northeast Asia and Southeast Asia. EMSI offers stormwater risk management and water efficiency management, finding innovative ways to use rainwater as a resource and drive water-system efficiencies.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ China
☑ India
☑ Italy
☑ Japan
☑ Spain
☑ Sweden
☑ Austria
☑ Belgium
☑ Denmark
☑ Germany
☑ Switzerland
☑ United States of America
☑ United Kingdom of Great Britain and Northern Ireland
☑ Brazil
☑ Canada
☑ France
☑ Greece
☑ Norway
☑ Iceland
☑ Ireland
☑ Portugal
☑ Luxembourg
☑ Netherlands

(3.6.1.8) Organization specific description

Intelligent Climate Solutions: Our strategy is focused on offering a comprehensive and differentiated suite of sustainable technologies and services. We expect that these solutions will increase our total available market opportunity, enhance our predictive service and maintenance capabilities, strengthen our customer intimacy and fuel aftermarket growth. For example, Abound is a cloud-based building platform that unlocks and unites building data to create healthy, sustainable and

intelligent solutions for indoor spaces. It gathers data from disparate systems, sensors and sources; identifies opportunities to optimize performance; and works with healthy building solutions to improve occupant experiences. Carrier's Lynx digital ecosystem offers a suite of advanced analytics solutions that provides customers with enhanced visibility, increased connectivity and actionable intelligence across their cold chain operations.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Carrier lives at the intersection of secular drivers, including health and wellness, sustainability, digitalization and a growing middle class. These trends are anticipated to increase our total addressable market by 250 billion by 2030, and we believe Carrier is well positioned to capture more than our share of that opportunity. In 2022, using externally published data from sources including International Data Corporation (IDC), we estimated that the annual global spend on digital transformation solutions will increase from 4.4T in 2020 to 9.1T in 2025. Using this data, we estimated the total addressable market across the HVAC-R industry and from there our own potential market share gains to arrive at annual opportunity of 3.5B through 2030.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

3500000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

3500000000

(3.6.1.23) Explanation of financial effect figures

Carrier lives at the intersection of secular drivers, including health and wellness, sustainability, digitalization and a growing middle class. These trends are anticipated to increase our total addressable market by 250 billion by 2030, and we believe Carrier is well positioned to capture more than our share of that opportunity. Previously using externally published data from sources including International Data Corporation (IDC), we estimated that the annual global spend on digital transformation solutions will increase from 4.4T in 2020 to 9.1T in 2025. Using this data, we estimated the total addressable market across the HVAC-R industry and from there our own potential market share gains to arrive at annual opportunity of 3.5B through 2030.

(3.6.1.24) Cost to realize opportunity

550000000

(3.6.1.25) Explanation of cost calculation

Carrier conducts research and development activities with a focus on new product development and technology innovation. These costs are charged to expense as incurred. For the years ending December 31, 2023, 2022 and 2021, these costs amounted to 617 million, 539 million and 503 million, respectively. We took the approximate annual average of 550 million to estimate the annual cost of our response to climate change risk.

(3.6.1.26) Strategy to realize opportunity

We create digital solutions that leverage data-driven insights and artificial intelligence (AI) to help customers achieve their desired outcomes, while increasing our recurring revenues. In 2023, Carrier expanded the capabilities and deployment of our key digital platforms, Abound and Lynx. As we continue to accelerate our go-to-market efforts for these platforms, we are activating the full strength of our global sales network. Abound was also released on the Amazon Web Services Marketplace, opening a new path to market for our software. Internally, we continued to invest in Carrier IO, a single platform for connecting assets to the cloud. We released a collection of plug-and-play services within the platform that are designed to increase productivity and agility, while accelerating product innovation.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

☑ Expansion into new markets

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ China
☑ India
☑ Japan
☑ Spain
☑ Brazil
☑ Turkey
☑ Austria
☑ Belgium
☑ Denmark
☑ Germany
☑ Netherlands
☑ Switzerland
☑ United States of America
☑ United Kingdom of Great Britain and Northern Ireland
☑ Canada
☑ France
☑ Greece
☑ Norway
☑ Sweden
☑ Iceland
☑ Ireland
☑ Portugal
☑ Singapore
☑ Luxembourg

(3.6.1.8) Organization specific description

Urbanization and Health: Through our Healthy Buildings Program, Carrier provides solutions that inspire confidence in indoor spaces by optimizing them for human health productivity, safety, security and sustainability. Carrier's healthy building solutions include ventilation and filtration technologies, controls, touchless products and Indoor air quality assessments that inform building owners of opportunities to mitigate potential issues and achieve peak performance and efficiency.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Healthy building solutions and services address foundational elements that contribute to healthy building outcomes including indoor air quality IAQ while helping to enhance sustainability and improve operational efficiency. Using externally published data from sources including the Global Wellness Institute and The Brookings Institution we estimated that the annual wellness economy will increase from approximately 44T in 2020 to 7T in 2025. Additionally, the growing middleclass population is expected to increase the current demand for comfort and cold chain solutions with this data we estimated the total addressable market across the HVACR industry and from there our own potential market share gains to arrive at annual opportunity of 2B through 2030.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

2000000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

2000000000

(3.6.1.23) Explanation of financial effect figures

Healthy building solutions and services address foundational elements that contribute to healthy building outcomes including indoor air quality IAQ while helping to enhance sustainability and improve operational efficiency Using externally published data from sources including the Global Wellness Institute and The Brookings Institution we estimated that the annual wellness economy will increase from approximately 4.4T in 2020 to 7T in 2025 Additionally the growing middleclass population is expected to increase the current demand for comfort and cold chain solutions With this data we estimated the total addressable market across the HVACR industry and from there our own potential market share gains to arrive at annual opportunity of 2B through 2030

(3.6.1.24) Cost to realize opportunity

550000000

(3.6.1.25) Explanation of cost calculation

Carrier conducts research and development activities with a focus on new product development and technology innovation These costs are charged to expense as incurred For the years ending December 31 2023, 2022 and 2021 these costs amounted to 617 million 539 million and 503 million respectively We took the approximate annual average of 550 million to estimate the annual cost of our response to climate change risk

(3.6.1.26) Strategy to realize opportunity

We transform indoor spaces to maximize health and comfort through our Healthy Homes Program. Carrier provides a full range of products and solutions through our HVAC and fire safety businesses. We are constantly innovating to bring healthy home solutions and technologies to our customers. For example, in 2023 Carrier introduced a carbon air purifier with ultraviolet light that helps remove unwanted odors volatile organic compounds and common household gases from indoor air. In addition, Carrier was named the Best HVAC Company by US News World Report for the second consecutive year based on advanced technology energy efficiency and innovation. We educate consumers on the importance of creating healthy home environments and the factors that go into a healthy home such as having smoke and carbon monoxide alarms. Together with fire departments, community organizations and other partners, Kidde provides resources to schools and families to make

healthier homes more accessible to all. Kidde was named to Fast Company's Brands That Matter list for its efforts to provide innovative home safety devices and education to those in need.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ OPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

617000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ 41-50%

(3.6.2.4) Explanation of financial figures

Carrier's sustainability and impact goals include investing over 4 billion to develop intelligent climate and energy solutions that reduce environmental impacts. Research and development costs relate to new product development and new technology innovation. Due to the variable nature of program development schedules, year-over-year spending levels can fluctuate. In addition, we continue to invest to prepare for future energy efficiency and refrigerant regulation changes and in digital controls technologies.

Water

(3.6.2.1) Financial metric

Select from:

☑ Revenue

(3.6.2.4) Explanation of financial figures

In addition to portfolio energy monitoring and building assessments, we offer sustainability services through our NORESCO and Environmental Market Solutions Inc. (EMSI) businesses. They specialize in the development, design, construction and operation of energy and environmental efficiency projects, including water efficiency and wastewater treatment projects. EMSI provides a series of sustainable technical consulting services for more sustainable, healthier buildings for real estate developers, organizations and manufacturers in Greater China, Northeast Asia and Southeast Asia. EMSI offers stormwater risk management and water efficiency management, finding innovative ways to use rainwater as a resource and drive water-system efficiencies.

Climate change

(3.6.2.1) Financial metric

Select from:

☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

18900000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 41-50%

(3.6.2.4) Explanation of financial figures

In 2023, approximately 45% of our HVAC and Transport Refrigeration revenue was clean technology. Carrier defines clean technology revenue as products and services sold that facilitate decarbonization through lower energy consumption, electrification and/or the transition to lower global warming potential refrigerants in built environments and refrigerated transport. This figure excludes our Fire & Security and Commercial Refrigeration businesses.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

In evaluating the suitability of a candidate, in addition to the foregoing attributes, the Board considers many factors, including the candidate's: (a) general understanding of global business, finance, risk management, technology, and other disciplines, and policy matters relevant to the success of a large publicly traded company; (b) understanding of Carrier's business and industry; (c) senior leadership experience; (d) educational and professional background; (e) personal accomplishments; and (f) diversity with respect to a broad range of personal characteristics.

(4.1.6) Attach the policy (optional)

Corporate-Governance-Principles-0624_final_tcm558-109312.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue	Primary reason for no board-level oversight of this environmental issue	Explain why your organization does not have board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes	*Select from:*	*Rich text input [must be under 2500 characters]*
Water	*Select from:* ☑ Yes	*Select from:*	*Rich text input [must be under 2500 characters]*
Biodiversity	*Select from:* ☑ No, and we do not plan to within the next two years	*Select from:* ☑ Not an immediate strategic priority	*Not an immediate strategic priority.*

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply
☑ Board-level committee
☑ Other, please specify :Full Board of Directors

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing the setting of corporate targets

☑ Overseeing and guiding public policy engagement

☑ Reviewing and guiding innovation/R&D priorities

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of the business strategy

☑ Overseeing reporting, audit, and verification processes

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

(4.1.2.7) Please explain

Although authority for Carrier's Sustainability and Impact program and related goals is elevated to the full Board, the Board has also delegated specific oversight responsibilities to its committees. The Compensation Committee establishes and determines the satisfaction of performance goals for Carrier's bonus plans for executives, including performance goals for senior executives related to the implementation of Carrier's Sustainability and Impact program. The Governance Committee assists the Board in its oversight responsibilities related to Carrier's environmental, health and safety programs and related sustainability and impact goals and initiatives. The Technology & Innovation Committee assists the Board in overseeing Carrier's strategy, risk management and Sustainability and Impact programs, including technology, innovation and sustainability initiatives and risks. The Technology & Innovation Committee is also responsible for monitoring technology and digital developments and trends, including those in the field of sustainability. We amended our Corporate Governance Principles and the charters of each of our committees to further refine the Carrier Board's oversight of our Sustainability and Impact program, which is inclusive of environmental, social and governance issues. The amendments elevated primary responsibility to the full Board for Carrier's Sustainability and Impact program, goals and objectives, including climate-related matters, and delegated certain elements to our committees to leverage their respective areas of expertise. This approach reflects our belief that sustainability and Carrier's growth strategy are inseparable and underscores our commitment to our stakeholders and the stewardship of our planet.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

☑ Other, please specify :Full Board of Directors

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing the setting of corporate targets

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of the business strategy

☑ Overseeing reporting, audit, and verification processes

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

(4.1.2.7) Please explain

Although authority for Carrier's Sustainability and Impact program and related goals is elevated to the full Board, the Board has also delegated specific oversight responsibilities to its committees. The Compensation Committee establishes and determines the satisfaction of performance goals for Carrier's bonus plans for executives, including performance goals for senior executives related to the implementation of Carrier's Sustainability and Impact program. The Governance Committee assists the Board in its oversight responsibilities related to Carrier's environmental, health and safety programs and related sustainability and impact goals and initiatives. The Technology & Innovation Committee assists the Board in overseeing Carrier's strategy, risk management and Sustainability and Impact programs, including technology, innovation and sustainability initiatives and risks. The Technology & Innovation Committee is also responsible for monitoring technology and digital developments and trends, including those in the field of sustainability. We amended our Corporate Governance Principles and the charters of each of our committees to further refine the Carrier Board's oversight of our Sustainability and Impact program, which is inclusive of environmental, social and governance issues. The amendments elevated primary responsibility to the full Board for Carrier's Sustainability and Impact program, goals and objectives, including climate-related matters, and delegated certain elements to our committees to leverage their respective areas of expertise. This approach reflects our belief that sustainability and Carrier's growth strategy are inseparable and underscores our commitment to our stakeholders and the stewardship of our planet.
[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

Climate change

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☑ Yes

Water

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☑ Yes

Biodiversity

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☑ No, and we do not plan to within the next two years

(4.3.2) Primary reason for no management-level responsibility for environmental issues

Select from:

☑ Other, please specify **:**Biodiversity has not been identified as a material topic through our sustainability-related materiality assessments nor have such issues occurred in the reporting year.

(4.3.3) Explain why your organization does not have management-level responsibility for environmental issues

Biodiversity has not been identified as a material topic through our sustainability-related materiality assessments nor have related issues occurred in the reporting year.
[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Implementing the business strategy related to environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Half-yearly

(4.3.1.6) Please explain

Our sustainability governance is integrated throughout the organization and embedded into our culture. Our Chairman and CEO directs the strategy for climate related issues for Carrier which as described above is primarily overseen by our Board of Directors. The Chairman and CEO monitors climate related issues such as regulation operational performance and product innovation through regular updates from the Executive Leadership Team - direct reports to the Chairman and CEO.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ As important matters arise

(4.3.1.6) Please explain

Our sustainability governance is integrated throughout the organization and embedded into our culture. Our Chairman and CEO directs the strategy for water related issues for Carrier which as described above is primarily overseen by our Board of Directors.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Operating Officer (COO)

(4.3.1.2) Environmental responsibilities of this position

Engagement

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

Strategy and financial planning

☑ Managing annual budgets related to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Half-yearly

(4.3.1.6) Please explain

Our Senior Vice President of Operations leads both our Environment Health and Safety (EHS) and supply chain functions. The SVP of Operations has global responsibility for regulatory EHS compliance and the achievement of our sustainability goals and initiatives across our facilities. Additionally, the SVP of Operations is responsible for overseeing the responsible supplier program to assess ESG related risks and opportunities across our supply chain and overseeing ongoing program governance.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Sustainability Officer (CSO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

Strategy and financial planning

☑ Implementing the business strategy related to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Half-yearly

(4.3.1.6) Please explain

Across our value chain our largest carbon footprint is within the use of our products therefore how we design our products has profound implications for our planet. Our Senior Vice President and Chief Technology & Sustainability Officer leads the company's efforts in research development and technology overseeing a global network of accomplished engineers driving innovation and product development in collaboration with the business units to best serve Carrier's customers. The Senior Vice President & Chief Technology & Sustainability Officer is responsible for strategy and governance of our gigaton sustainable design and net zero goals as well as our science based targets.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Operating Officer (COO)

(4.3.1.2) Environmental responsibilities of this position

Engagement

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Implementing the business strategy related to environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ As important matters arise

(4.3.1.6) Please explain

Our Senior Vice President of Operations leads both our Environment Health and Safety (EHS) and supply chain functions. The SVP of Operations has global responsibility for regulatory EHS compliance and the achievement of our sustainability goals and initiatives across our facilities. Additionally, the SVP of Operations is responsible for overseeing the responsible supplier program to assess ESG related risks and opportunities across our supply chain and overseeing ongoing program governance.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:
☑ Yes

(4.5.3) Please explain

Carrier's guiding principles for executive compensation were established as follows: We create compensation plans that are simple and transparent to employees and shareowners. We strive to attract and retain the best and most diverse teams that are motivated through compensation programs that are market competitive. We pay for performance and ensure that incentive plans have a clear connection between increasing shareowner value and exceeding customer commitments. We clearly align compensation programs to business priorities and shareowner interests, underpinned by a culture strongly tied to the Carrier Code of Ethics and The Carrier Way. As it relates to climate change, we will continue to assess industry best practices to design transparent, formulaic incentive plans to promote short- and long-term business success.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:
☑ Yes

(4.5.3) Please explain

Carrier's guiding principles for executive compensation were established as follows: We create compensation plans that are simple and transparent to employees and shareowners. We strive to attract and retain the best and most diverse teams that are motivated through compensation programs that are market competitive. We pay for performance and ensure that incentive plans have a clear connection between increasing shareowner value and exceeding customer commitments. We clearly align compensation programs to business priorities and shareowner interests, underpinned by a culture strongly tied to the Carrier Code of Ethics and The Carrier Way. As it relates to water, we will continue to assess industry best practices to design transparent, formulaic incentive plans to promote short- and long-term business success.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Bonus – set figure

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in emissions intensity

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Carrier's guiding principles for executive compensation were established as follows: We create compensation plans that are simple and transparent to employees and shareowners. We strive to attract and retain the best and most diverse teams that are motivated through compensation programs that are market competitive. We pay for performance and ensure that incentive plans have a clear connection between increasing shareowner value and exceeding customer commitments. We clearly align compensation programs to business priorities and shareowner interests, underpinned by a culture strongly tied to the Carrier Code of Ethics and The Carrier Way.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Carrier's climate change goals include helping our customers to reduce their carbon footprint by more than 1 gigaton of GHG emissions as well as achieving carbon neutral operations. Progress against these climate targets is tracked across the company and shared with our Executive Leadership Team at least quarterly. Carrier's Compensation Committee establishes and determines the satisfaction of performance goals for Carrier's bonus plans for executives, including performance goals for senior executives related to implementation of Carrier's Sustainability and Impact program.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Bonus – set figure

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

Resource use and efficiency

☑ Reduction in water consumption volumes – direct operations

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Carrier's guiding principles for executive compensation were established as follows: We create compensation plans that are simple and transparent to employees and shareowners. We strive to attract and retain the best and most diverse teams that are motivated through compensation programs that are market competitive. We pay for performance and ensure that incentive plans have a clear connection between increasing shareowner value and exceeding customer commitments. We clearly align compensation programs to business priorities and shareowner interests, underpinned by a culture strongly tied to the Carrier Code of Ethics and The Carrier Way.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Carrier's climate change goals include helping our customers to reduce their carbon footprint by more than 1 gigaton of GHG emissions as well as achieving carbon neutral operations. Progress against these climate targets is tracked across the company and shared with our Executive Leadership Team at least quarterly. Carrier's Compensation Committee establishes and determines the satisfaction of performance goals for Carrier's bonus plans for executives, including performance goals for senior executives related to implementation of Carrier's Sustainability and Impact program.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

☑ Portfolio

(4.6.1.4) Explain the coverage

Sustainability related topics, including climate change and water, are covered across several policies including our Climate Change Policy, Environmental. Health and Safety, and Human Rights policies as well as our Supplier Code of Conduct. These policies address our global operations and include how engage on the topics as well as set the expectations for our business partners.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to net-zero emissions

Water-specific commitments

☑ Commitment to control/reduce/eliminate water pollution

☑ Commitment to water stewardship and/or collective action

Social commitments

☑ Adoption of the UN International Labour Organization principles

☑ Commitment to respect internationally recognized human rights

Additional references/Descriptions

☑ Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

CPSW-Section-12B-Climate-Change-0924_tcm558-135797.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:
☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply
☑ Race to Zero Campaign
☑ Science-Based Targets Initiative (SBTi)
☑ We Are Still In
☑ We Mean Business

(4.10.3) Describe your organization's role within each framework or initiative

In 2023, Carrier announced plans to reduce its greenhouse gas (GHG) emissions in line with the Science Based Targets initiative (SBTi) to limit global warming to 1.5º C. These new goals, including a net zero target, will build on Carrier's previous climate goals and further support decarbonization efforts. In 2024, SBTi's Target Validation Team validated Carrier's near- and long-term greenhouse gas emission reduction goals as in line with a trajectory to limit global warming to 1.5C. Carrier's specific SBTi-validated targets are: 1. Reach net-zero greenhouse gas emissions across the value chain by 2050. 2. Reduce absolute scope 1 and 2 GHG emissions 42% by 2030 from a 2021 base year. 3. Reduce absolute scope 3 GHG emissions 25% within the same timeframe.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

(4.11.4) Attach commitment or position statement

CPSW-Section-12B-Climate-Change-0924_tcm558-135797-FINAL.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

☑ Mandatory government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

Carrier and its external lobbyists file lobbying disclosure reports with the United States Congress, which are publicly accessible at the U.S. House of Representatives Office of the Clerk and the U.S. Senate Office of Public Records websites. These reports include full lists of federal lobbyists and the issues on which they lobbied, as well as global expenses. Carrier's public filings commenced in 2020 when it became an independent public company after its spin off from United Technologies Corp.

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

Carrier engages in political activity and public policy advocacy on issues that impact the company's business – whether at the local, state or federal level in the United States, or with foreign governments and international governmental organizations. The Board believes that participating in the legislative and regulatory process is an important part of responsible corporate citizenship and that Carrier and its employees have a legitimate interest in public policy debates. The Governance Committee and Board review and monitor the company's government relations activities, including those of the Carrier PAC. These activities are governed by and conducted in accordance with the standards articulated in our Code of Ethics and corporate policy on Government Relations, both of which are available on the company's website. Our Government Relations team, which has responsibility for policy engagement, uses our climate change policy as the guide for climate engagement. This team regularly meets with our Sustainability team and regularly participates in business meetings with Product and Engineering leaders to ensure alignment with our business. Carrier's government relations initiatives are intended to educate and inform officials and the public on a broad range of public policy issues that are important to our business and consistent with the best interests of the company, our shareowners and our other stakeholders. The Governance Committee and Board review and monitor the company's government relations activities.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

We engage globally with policy makers to address the refrigerant phasedowns aligned with the Montreal Protocol and the Kigali Amendment internationally and the AIM Act in the United States.

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply
☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Environmental impacts and pressures

☑ Emissions – CO2

☑ Emissions – other GHGs

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ Global

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

☑ Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

We support refrigerant phasedowns when they are technically feasible, safe, and affordable.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Participation in working groups organized by policy makers

☑ Responding to consultations

☑ Other, please specify **:**Trade associations

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

We support the refrigerant phasedowns and engage to inform the timelines of new refrigerant adoption, considering what is technically feasible. In the CARB R4 rulemaking, we advocated for policy that would encourage a faster transition to low GWP refrigerants. The CARB R4 program requires manufacturers of AC and VRF systems to use a specified minimum amount of reclaimed R-410A refrigerant in new equipment or in the servicing of existing equipment. We engaged with CARB staff and board members to promote counting the use of low GWP refrigerants in new products prior to the transition date for compliance the R4 requirements.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Another global environmental treaty or policy goal, please specify **:**Reduce greenhouse gas emissions through lower GWP refrigerants

Row 2

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

We engage globally with policy makers on energy efficiency related codes and standards as well as on government funded consumer incentive programs such as rebates and tax credits.

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

☑ Energy efficiency requirements

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ Global

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization’s proposed alternative approach to the policy, law, or regulation

Generally, our few exceptions, have been because a proposed efficiency increase would economically burden consumers, which in turn could have unintended consequences that lead to undesired results. In a prior case, the proposal was not technically feasible as the best available technology is already used to meet the existing efficiency standard.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Participation in working groups organized by policy makers

☑ Responding to consultations

☑ Other, please specify **:**Trade associations

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

Globally, Carrier supports both the Paris Climate Agreement and Kigali Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer. Carrier supports public policy that coordinates, incentivizes and accelerates efforts that decrease the country's GHG emissions at the pace and scale needed to meet the Nationally Determined Contributions emission reduction targets. Furthermore, policies to address climate change should promote affordability while distributing costs and benefits that promote equity and healthier outcomes for all people. We collaborate globally with government officials to promote the use of incentives to increase

the transition to climate solutions. In a prior case, in the United States, we worked closely with the executive branch and Congress to ensure that the Inflation Reduction Act supports increased heat pump adoption and the shift toward energy-efficient air-conditioning solutions. Additionally, we were a voting member on the Department of Energy's Appliance and Equipment Standards Program (ASRAC) working group, which negotiated a new test procedure and energy efficiency standard for commercial air conditioners and heat pumps. We have engaged through manufacturer interviews and written comments on several other rulemakings, including but not limited to, furnace efficiency, furnace fans, air cleaners, DOAS, and VRF.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Another global environmental treaty or policy goal, please specify **:**Reduce greenhouse gas emissions through more energy efficient products

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Water

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy

☑ Governance

☑ Emission targets

☑ Emissions figures

☑ Risks & Opportunities

☑ Value chain engagement

☑ Public policy engagement

☑ Water accounting figures

☑ Content of environmental policies

(4.12.1.6) Page/section reference

Environmental issues are covered extensively across the full report.

(4.12.1.7) Attach the relevant publication

Corporate-Carrier-2024-SIR-0924-English_tcm558-236758 (1).pdf

(4.12.1.8) Comment

Carrier annually discloses progress toward our climate change goals to hold ourselves accountable and inform stakeholders, including our customers and shareowners. Carrier's 2024 Sustainability and Impact Report covers performance for calendar year 2023. Where relevant, we include information from 2024. The information and data included in this report are based on the best available information and data at publication and are subject to change. In some cases, data is estimated. This report includes, where appropriate, references to Global Reporting Initiative (GRI) Standards. We also use other recognized frameworks in this report, including the Sustainability Accounting Standards Board (SASB) Standards and the Task Force on Climate-related Financial Disclosures (TCFD).

[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Every two years

Water

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Every two years
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ Bespoke climate transition scenario

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ Other, please specify :2035

(5.1.1.9) Driving forces in scenario

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

Macro and microeconomy

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Carrier conducted a climate risk assessment to further analyze climate risk as identified within our annual enterprise risk assessment. We ran the analysis using bespoke scenarios starting with the Shared Socioeconomic Pathways or SSPs and related Integrated Assessment scenarios to simulate 1.5 degree Celsius, 2 degrees Celsius and 4 degrees Celsius temperature increases to see potential impacts across very aggressive mitigation, some mitigation and business as usual climate change scenarios. We assessed these scenarios across short term or 2025, medium term or 2030 and long term or 2035. The data provided in this response captures the range of risk as estimated using a simulated 1.5 degree Celsius increase or a very aggressive mitigation climate change scenario and a simulated 2 degree Celsius increase or a more moderate climate risk scenario, comparing both to a simulated 4 degree Celsius increase or business as usual scenario in 2035.

(5.1.1.11) Rationale for choice of scenario

The range allowed for Carrier to assess the climate change impacts and opportunities across three potential futures aggressive, middle of the road and business as usual. These scenarios would provide insights across the best to worst case scenarios.

Water

(5.1.1.1) Scenario used

Water scenarios

☑ WRI Aqueduct

(5.1.1.3) Approach to scenario

Select from:

☑ Quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

☑ 2080

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes in ecosystem services provision

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Impact of nature footprint on reputation

Regulators, legal and policy regimes

☑ Global regulation

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Informed by the World Resources Institute Aqueduct Water Risk Atlas tool, Carrier prioritizes water-stressed sites that score a 3 or above in the "Overall water stress" category, which takes into consideration the physical risks of quantity and quality in addition to regulatory and reputational risk across 13 indicators. For 5 of the 13 indicators, a global hydrological model called PCR-GLOBWB 2is used to generate datasets on sub-basin water supply and use. WRI uses PCR-GLOBWB 2 to project future sub-basin water supply, demand, stress, depletion and variability using CMIP6 climate forcings. The projections are centered around three periods (2030, 2050 and 2080) under three future scenarios (business as usual SSP 3 RCP 7.0, optimistic SSP 1 RCP 2.6, and pessimistic SSP 5 RCP 8.5). We assess and prioritize sites against water risk criteria on an annual basis.

(5.1.1.11) Rationale for choice of scenario

Informed by the World Resources Institute Aqueduct Water Risk Atlas tool, Carrier prioritizes water-stressed sites that score a 3 or above in the "Overall water stress" category, which takes into consideration the physical risks of quantity and quality in addition to regulatory and reputational risk across 13 indicators. For 5 of the 13 indicators, a global hydrological model called PCR-GLOBWB 2is used to generate datasets on sub-basin water supply and use. WRI uses PCR-GLOBWB 2 to project future sub-basin water supply, demand, stress, depletion and variability using CMIP6 climate forcings. The projections are centered around three periods (2030, 2050 and 2080) under three future scenarios (business as usual SSP 3 RCP 7.0, optimistic SSP 1 RCP 2.6, and pessimistic SSP 5 RCP 8.5). We assess and prioritize sites against water risk criteria on an annual basis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 6.0

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP2

(5.1.1.3) Approach to scenario

Select from:

☑ Quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ Other, please specify :2035

(5.1.1.9) Driving forces in scenario

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

Macro and microeconomy

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Carrier conducted a climate risk assessment to further analyze climate risk as identified within our annual enterprise risk assessment. We ran the analysis using bespoke scenarios starting with the Shared Socioeconomic Pathways or SSPs and related Integrated Assessment scenarios to simulate 1.5 degree Celsius, 2 degrees Celsius and 4 degrees Celsius temperature increases to see potential impacts across very aggressive mitigation, some mitigation and business as usual climate change scenarios. We assessed these scenarios across short term or 2025, medium term or 2030 and long term or 2035. The data provided in this response captures the range of risk as estimated using a simulated 1.5 degree Celsius increase or a very aggressive mitigation climate change scenario and a simulated 2 degree Celsius increase or a more moderate climate risk scenario, comparing both to a simulated 4 degree Celsius increase or business as usual scenario in 2035.

(5.1.1.11) Rationale for choice of scenario

Carrier conducted a climate risk assessment to further analyze climate risk as identified within our annual enterprise risk assessment and narrowed the physical climate scenarios to areas with water scarcity risks. We ran the analysis across the Representative Concentration Pathways (RCP) 2.6, 6.0 and 8.5 to see potential impacts across very aggressive mitigation, some mitigation and business as usual climate change scenarios. We assessed these scenarios across short term (2025), medium term (2030) and long term (2035). The data provided in this response captures the range of risk as estimated using the RCP 2.6 (a very aggressive mitigation climate change scenario) and RCP 6.0 (a more moderate climate risk scenario) comparing both to RCP 8.5 (business as usual scenario) in 2035.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP2

(5.1.1.3) Approach to scenario

Select from:

☑ Quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ Other, please specify :2035

(5.1.1.9) Driving forces in scenario

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

Macro and microeconomy

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Carrier conducted a climate risk assessment to further analyze climate risk as identified within our annual enterprise risk assessment. We ran the analysis using bespoke scenarios starting with the Shared Socioeconomic Pathways or SSPs and related Integrated Assessment scenarios to simulate 1.5 degree Celsius, 2 degrees Celsius and 4 degrees Celsius temperature increases to see potential impacts across very aggressive mitigation, some mitigation and business as usual climate change scenarios. We assessed these scenarios across short term or 2025, medium term or 2030 and long term or 2035. The data provided in this response captures the range of risk as estimated using a simulated 1.5 degree Celsius increase or a very aggressive mitigation climate change scenario and a simulated 2 degree Celsius increase or a more moderate climate risk scenario, comparing both to a simulated 4 degree Celsius increase or business as usual scenario in 2035.

(5.1.1.11) Rationale for choice of scenario

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Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP2

(5.1.1.3) Approach to scenario

Select from:

☑ Quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ Other, please specify :2035

(5.1.1.9) Driving forces in scenario

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

Macro and microeconomy

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Carrier conducted a climate risk assessment to further analyze climate risk as identified within our annual enterprise risk assessment. We ran the analysis using bespoke scenarios starting with the Shared Socioeconomic Pathways or SSPs and related Integrated Assessment scenarios to simulate 1.5 degree Celsius, 2 degrees Celsius and 4 degrees Celsius temperature increases to see potential impacts across very aggressive mitigation, some mitigation and business as usual climate change scenarios. We assessed these scenarios across short term or 2025, medium term or 2030 and long term or 2035. The data provided in this response captures the range of risk as estimated using a simulated 1.5 degree Celsius increase or a very aggressive mitigation climate change scenario and a simulated 2 degree Celsius increase or a more moderate climate risk scenario, comparing both to a simulated 4 degree Celsius increase or business as usual scenario in 2035.

(5.1.1.11) Rationale for choice of scenario

Carrier conducted a climate risk assessment to further analyze climate risk as identified within our annual enterprise risk assessment and narrowed the physical climate scenarios to areas with water scarcity risks. We ran the analysis across the Representative Concentration Pathways (RCP) 2.6, 6.0 and 8.5 to see potential impacts across very aggressive mitigation, some mitigation and business as usual climate change scenarios. We assessed these scenarios across short term (2025), medium term (2030) and long term (2035). The data provided in this response captures the range of risk as estimated using the RCP 2.6 (a very aggressive mitigation climate change scenario) and RCP 6.0 (a more moderate climate risk scenario) comparing both to RCP 8.5 (business as usual scenario) in 2035.
[Add row]

(5.1.2) Provide details of the outcomes of your organization’s scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

With regard to transition risk, we assessed the following risks, which were identified through Carrier’s enterprise risk management process: market shifts with failing to keep pace with consumer preferences for energy efficient products, particularly in the US and Europe; increased input costs due to supplier disruptions associated with climate change and a price of carbon. We also assessed physical risks, specifically where we have operations that could be vulnerable to climate change. Assuming no further innovation for Carrier products and/or adjustments to the product portfolio the climate scenario analysis estimated the net potential short term (2025) transition risk to be approximately 400-600M and in the long-term (2035) transition risk to be approximately 2.5-3B. The market shift to more energy efficient products represents the majority of the transition risk. We did not identify significant physical risks related to climate change within our building portfolio. The climate-related scenario analysis validated Carrier’s business strategy to be the global leader in intelligent climate and energy solutions. As an example, through our acquisition of Toshiba’s HVAC business, we are supporting the transition to electrification with additional highly efficient variable refrigerant flow (VRF) and heat pump offerings. This complements our leading heat pump position in North America and our leading commercial HVAC heat pump position in Europe. In 2023, Carrier announced strategic actions that will transform the Company’s business portfolio and establish Carrier as a pure-play, global leader in intelligent climate and energy solutions. The acquisition is anticipated to position Carrier to lead in the rapid climate and energy transition in Europe, which is driving sustainable market growth. Geopolitical dynamics and the push for energy independence are driving European governments to promote and prioritize renewable and electric solutions for heating and cooling, which comprise approximately half of Europe’s residential energy requirements. European governments are actively promoting heat pumps and

renewable solutions to address these challenges and have implemented several related regulations and incentive programs that are expected to result in a significant growth opportunity for key climate solutions.

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Facility

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Our exposure to water risks varies by region and type of facility. Informed by the World Resources Institute Aqueduct Water Risk Atlas tool, Carrier prioritizes water-stressed sites that score a 3 or above in the "overall water stress" category, which takes into consideration the physical risks of quantity and quality in addition to other considerations. We assess and prioritize sites against water risk criteria on an annual basis. Our 2030 water goal focuses on deploying water stewardship programs across our global operations, prioritizing water scarce locations.
[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☑ No, and we do not plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

Through our acquisitions and rigorous innovation, we are advancing our portfolio of solutions focused on efficiency and electrification, in support of the shift from fossil fuel to electric heating. We also remain focused on helping our customers achieve their climate goals, including net-zero commitments, and we are on track to reduce our customers' carbon footprint by more than 1 gigaton by 2030. Heat pumps are a vital tool to address the rapidly growing demand for sustainable building solutions. In Europe, new regulations and incentive programs are expected to result in approximately 400% growth in the region's heat pump installed base by 2030. In the United States, the Inflation Reduction Act is further incentivizing the transition to heat pumps, as government subsidies provide Americans with access to 370 billion for clean energy investments in the form of tax credits, incentives and rebates to improve energy efficiency and, notably, a 2,000 incentive for residential heat pumps. We are starting to see this transition play out around the world, and we expect significant acceleration throughout 2024.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

Carrier advances the long-term interests of our company and our shareowners by actively engaging our stakeholders. Apart from ongoing direct engagement, stakeholders can contact Carrier anonymously by phone or online through our Speak Up program or through various channels accessible via our corporate website.

(5.2.9) Frequency of feedback collection

Select from:

☑ More frequently than annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

As the world recognizes the increasing urgency of climate change, and secular trends continue to increase the demand for HVAC and refrigeration products, Carrier is committed to aggressive actions that minimize our environmental impact and help address the most critical challenge our planet has ever faced. Through our road map to net zero, we are driving reductions in greenhouse gas emissions across our value chain by 2050. We are transforming to become the global leader in intelligent climate and energy solutions, and strategically transforming our portfolio through: Electrification: Reduce dependency on fossil fuels and provide sustainable comfort solutions for our customers. Integration: Offer complete energy management suite with efficient heat pumps, optimized battery energy storage and smart connectivity. Resilience: Drive sustainable energy use and grid resilience through autonomous solutions.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain. Our Scope 3 GHG emissions account for more than 99% of our carbon footprint, with GHG emissions from our products in use representing the majority. Our emissions from our products in use were 458,248,000 metric tons of carbon dioxide equivalent (tCO2e) in 2023. In 2023, our operational emissions decreased by 28,009 tCO2e2 (7%). Our Scope 1 emissions decreased by 35,667 tCO2e (18%), with 27,574 tCO2e directly attributed to emission-reduction projects. Using market-based accounting, our Scope 2 indirect emissions increased by 7,658 tCO2e (3.7%) relative to 2022. In the United States, we entered long-term contracts that will provide us with renewable energy certificates (RECs) to credit against 100% of our annual U.S. electricity consumption.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

Carrier-20683_Roadmap-To-NetZero_R19a_tcm558-234548.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ No other environmental issue considered

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

According to the UN, emissions from buildings related energy-demand represents around 27 per cent of total global CO2 emissions in 2022 (or 21 percent of global GHG emissions). And more than one-third of the food produced for human consumption is lost before it can even make it to market, resulting in a significant carbon footprint. Carrier is helping to address these challenges through a comprehensive, integrated and growing suite of sustainability solutions and services that allow customers to reach their energy and decarbonization goals. Our suite of sustainability solutions – ranging from energy efficient products to energy optimization services – are designed to reduce carbon emissions and support healthier communities Additionally, Carrier is aiming to reduce its customers' carbon footprint by more than one gigaton by 2030 in part through a tailored approach for commissioning, specifying equipment and providing assessment services based on each customer's sustainability, operational and budgetary goals. Examples of our HVAC-R products and services include: - Our portfolio of digitally enabled lifecycle solutions expanded with offerings such as Abound Net Zero Management, Lynx Logix, InteliSense and more. We introduced more electric technologies and energy efficient products to reduce dependency on fossil fuels, and we increased the use of refrigerants with lower global warming potential. - In Europe, Riello launched a range of heat pumps for residential properties that provide year-round comfort and control. The solutions are energy-efficient alternatives to conventional wall-

mounted gas boilers and use a refrigerant with lower global warming potential than a traditional refrigerant. The heat pumps feature quiet operation and a slim profile for homes and apartments.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

To achieve our 2030 Sustainability and Impact goal to establish a responsible supply chain program and assess key factory suppliers against program criteria, we follow a four-pillar strategy: 1. Develop a clear understanding of sustainability performance across our supply chain. 2. Strengthen supplier engagement and sustainability performance. 3. Embed sustainability insights and criteria across our procurement procedures, processes and tools. 4. Lead with a world-class program for supply chain sustainability. As part of the Carrier Quality Systems Audit, new suppliers are screened against sustainability related metrics to understand the environmental and health and safety management systems and processes they have in place to manage risk and track compliance. The screening questionnaire also focuses on recycling efforts and commodity management. For existing direct suppliers, Carrier uses EcoVadis, a third-party risk assessment platform and engagement tool, to assess top factory suppliers across key Sustainability and Impact topic areas, including labor practices, human rights, ethics, energy, climate and water. To incentivize performance, we require Carrier Preferred Suppliers to maintain a minimum score of 45 on the EcoVadis assessment.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Carrier develops intelligent climate and energy solutions that support our commitment to achieving net-zero greenhouse gas emissions across our value chain by 2050. Our comprehensive offerings help customers reach and exceed their goals and stay ahead of regulatory changes. Our key strategic innovation and technology focus supports Carrier's transformation toward becoming the global leader in intelligent climate and energy solutions. By 2030, we have committed to invest over 4 billion to develop intelligent climate and energy solutions that reduce environmental impacts, up from our original commitment of 2 billion. We have also increased our overall annual investment in research and development, investing more than 2 billion in the last four years. Since 2020, we have invested over 965M in sustainable research and design. We currently have over 14,000 active patents and pending patent applications worldwide.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Carrier's greenhouse gas emission-reduction goals are in line with the Science Based Targets initiative and include reducing absolute Scope 1 and 2 GHG emissions by 42% by 2030, from a 2021 baseline. Additionally, we aim to achieve carbon neutral operations by 2030, building on our legacy of implementing targeted reduction programs across our global facilities. These two goals are associated with the GHG emissions from our operations that make up less than 1% of our total GHG emissions. Our operational emissions are related to the energy used through electricity and fuel to power our operations, including factories, offices, fleet vehicles and fugitive refrigerant emissions associated with manufacturing. To progress toward our carbon neutrality operations goal, reduce climate impact and drive operational efficiencies, our climate and energy strategy includes: Reducing overall energy consumption through energy efficiency programs and technologies. Reducing reliance on fossil fuels and increasing electrification. Managing refrigerants effectively. Expanding renewable energy consumption. This strategy is based on our Energy and Greenhouse Gas Reduction standard practice and implemented by our Environmental, Health & Safety (EH&S) and Operations teams. We implemented an operational GHG emission-reduction strategy focused on addressing high-emissions activities across our global footprint. To support this, each reporting site is required to develop, implement and annually update an Energy and Greenhouse Gas Reduction Plan. The plan: 1. Documents energy consumption

data and resulting GHG emissions for the site. 2. Identifies significant energy users. 3. Lists projects with an estimated investment, cost savings, energy savings and payback, and associated GHG reduction details. We also established an internal capital expenditure fund targeted at reducing GHG emissions and overall energy consumption. The fund prioritizes capital-intensive programs that demonstrate strong projected GHG reduction returns and potential cost savings, identified through emissions modeling and financial analysis. We routinely monitor the performance of these programs through a process involving key internal and external stakeholders in addition to third-party advisors and partners.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply
☑ Revenues
☑ Direct costs
☑ Indirect costs
☑ Capital expenditures

(5.3.2.2) Effect type

Select all that apply
☑ Risks
☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply
☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Our key strategic innovation and technology focus supports Carrier's transformation toward becoming the global leader in intelligent climate and energy solutions. By 2030, we have committed to invest over 4 billion to develop intelligent climate and energy solutions that reduce environmental impacts, up from our original commitment of 2 billion. We have also increased our overall annual investment in research and development, investing more than 2 billion in the last four years. We implemented an operational GHG emission-reduction strategy focused on addressing high-emissions activities across our global footprint. To support this, each reporting site is required to develop, implement and annually update an Energy and Greenhouse Gas Reduction Plan. We also established an internal capital expenditure fund targeted at reducing GHG emissions and overall energy consumption. The fund prioritizes capital-intensive programs that demonstrate strong projected GHG reduction returns and potential cost savings, identified through emissions modeling and financial analysis. We routinely monitor the performance of these programs through a process involving key internal and external stakeholders in addition to third-party advisors and partners. Our global venture capital group, Carrier Ventures, expanded its portfolio of strategic partnerships with high-growth companies to accelerate the development of sustainable innovations and disruptive technologies for building and cold chain net-zero solutions.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition
	Select from: ☑ Yes	*Select all that apply* ☑ Other methodology or framework

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ Other, please specify :Revenue from products and services sold that facilitate decarbonization through lower energy consumption, electrification and/or the transition to lower global warming potential refrigerants in built environments and refrigerated transport

(5.4.1.5) Financial metric

Select from:

☑ Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

18900000000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

45

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

In 2023, approximately 45% of our HVAC and Transport Refrigeration revenue was clean technology. Carrier defines clean technology revenue as products and services sold that facilitate decarbonization through lower energy consumption, electrification and/or the transition to lower global warming potential refrigerants in built environments and refrigerated transport.
[Add row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:

☑ Yes

(5.5.2) Comment

Our key strategic innovation and technology focus supports Carrier's transformation toward becoming the global leader in intelligent climate and energy solutions. By 2030, we have committed to invest over 4 billion to develop intelligent climate and energy solutions that reduce environmental impacts, up from our original commitment of 2 billion. We have also increased our overall annual investment in research and development, investing more than 2 billion in the last four years. In 2023 we invested over 965 million in sustainable research and design since 2020. We released over 100 new products for the 9th consecutive year. We have over 14,000 active and pending patent applications worldwide and over 45% of HVAC and Transportation Refrigeration revenue was clean technology. Carrier defines clean technology revenue as products and services sold that facilitate decarbonization through lower energy consumption, electrification and/or the transition to lower global warming potential refrigerants in built environments and refrigerated transport. Carrier innovates through collaboration. In 2023, we opened four additional i3 Labs in the United States, India, China and Japan. The innovation incubators are creative spaces where we ignite the development of disruptive technologies and empower our teams to test and develop solutions quickly, choosing speed to deliver differentiated customer solutions. The labs are collectively led by the Digital, Engineering, Business Development and Strategy teams. Our global venture capital group, Carrier Ventures, expanded its portfolio of strategic partnerships with high-growth companies to accelerate the development of sustainable innovations and disruptive technologies for building and cold chain net-zero solutions.
[Fixed row]

(5.5.2) Provide details of your organization's investments in low-carbon R&D for capital goods products and services over the last three years.

Row 1

(5.5.2.1) Technology area

Select from:

☑ Other, please specify **:**Intelligent climate and energy solutions

(5.5.2.3) Average % of total R&D investment over the last 3 years

50

(5.5.2.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

We have invested more than 965 million in sustainable research and design since 2020. Our net zero road map involves strategically transforming our portfolio through electrification, integration and resilience. By providing sustainable solutions, we are also advancing toward our goal of helping customers avoid more than 1 gigaton of greenhouse gas emissions by 2030. Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals. Energy-efficient heat pumps, all-electric refrigeration and building solutions, refrigerants with lower global warming potential and connected technologies are just a few of the ways we are improving efficiencies in buildings, in homes and across the cold chain. In 2024, Carrier increased its commitment to sustainable research and design from 2B to 4B by 2030.

[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Primary reason for not pricing environmental externalities	Explain why your organization does not price environmental externalities
	Select from: ☑ No, but we plan to in the next two years	*Select from:* ☑ Other, please specify :Process underway	*At present, we are capturing our material environmental risks (including externalities) in our Enterprise Risk Management.*

[Fixed row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Other value chain stakeholders	*Select from:*	*Select all that apply*

	Engaging with this stakeholder on environmental issues	Environmental issues covered
	☑ Yes	☑ Climate change

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

☑ Dependence on water

☑ Impact on pollution levels

☑ Other, please specify :EcoVadis environmental metrics

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

More than 80% of direct supplier spend is covered by sustainability screening. For existing suppliers, Carrier uses EcoVadis, a third-party risk assessment platform and engagement tool, to assess top factory suppliers across key Sustainability and Impact topic areas, including labor practices, human rights, ethics, energy, climate and water. To incentivize performance, we require Carrier Preferred Suppliers to maintain a minimum score of 45 on the EcoVadis assessment.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ Unknown

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Dependence on water

☑ Impact on water availability

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

More than 80% of direct supplier spend is covered by sustainability screening. For existing suppliers, Carrier uses EcoVadis, a third-party risk assessment platform and engagement tool, to assess top factory suppliers across key Sustainability and Impact topic areas, including labor practices, human rights, ethics, energy, climate and water. To incentivize performance, we require Carrier Preferred Suppliers to maintain a minimum score of 45 on the EcoVadis assessment.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ Unknown

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Supplier performance improvement

(5.11.2.4) Please explain

As part of the Carrier Quality Systems Audit, new suppliers are screened against sustainability-related metrics to understand the environmental and health and safety management systems and processes they have in place to manage risk and track compliance. The screening questionnaire also focuses on recycling efforts and commodity management. By incorporating these metrics into our screening questionnaire, we aim to manage sustainability-related risk effectively. Carrier also uses EcoVadis to evaluate top factory suppliers on an ongoing basis. The sustainability screening questionnaire includes a focus on labor practices, human rights, ethics, energy, climate and water management. To encourage participation and continuous improvement, Carrier mandates that Preferred Suppliers maintain a minimum score of 45 on the EcoVadis assessment from the beginning of the supplier relationship.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Supplier performance improvement

(5.11.2.4) Please explain

As part of the Carrier Quality Systems Audit, new suppliers are screened against sustainability-related metrics to understand the environmental and health and safety management systems and processes they have in place to manage risk and track compliance. The screening questionnaire also focuses on recycling efforts and commodity management. By incorporating these metrics into our screening questionnaire, we aim to manage sustainability-related risk effectively. Carrier also uses EcoVadis to evaluate top factory suppliers on an ongoing basis. The sustainability screening questionnaire includes a focus on labor practices, human rights, ethics, energy, climate and water management. To encourage participation and continuous improvement, Carrier mandates that Preferred Suppliers maintain a minimum score of 45 on the EcoVadis assessment from the beginning of the supplier relationship.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

	Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process	Policy in place for addressing supplier non-compliance	Comment
Climate change	*Select from:* ☑ No, but we plan to introduce environmental requirements related to this environmental issue within the next two years	*Select from:* ☑ No, we do not have a policy in place for addressing non-compliance	*We continuously review opportunities to expand and strengthen our supplier sustainability program.*

	Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process	Policy in place for addressing supplier non-compliance	Comment
Water	*Select from:* ☑ No, but we plan to introduce environmental requirements related to this environmental issue within the next two years	*Select from:* ☑ No, we do not have a policy in place for addressing non-compliance	*We continuously review opportunities to expand and strengthen our supplier sustainability program.*

[Fixed row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Information collection

☑ Collect environmental risk and opportunity information at least annually from suppliers

☑ Collect GHG emissions data at least annually from suppliers

☑ Collect targets information at least annually from suppliers

Innovation and collaboration

☑ Other innovation and collaboration activity, please specify :Sustainability Training

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ Unknown

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Carrier also uses EcoVadis to evaluate top factory suppliers on an ongoing basis. The sustainability screening questionnaire includes a focus on labor practices, human rights, ethics, energy, climate and water management. To encourage participation and continuous improvement, Carrier mandates that Preferred Suppliers maintain a minimum score of 45 on the EcoVadis assessment from the beginning of the supplier relationship.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Unknown

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Total water withdrawal volumes reduction

(5.11.7.3) Type and details of engagement

Information collection

☑ Collect WASH information at least annually from suppliers

☑ Collect water quality information at least annually from suppliers (e.g., discharge quality, pollution incidents, hazardous substances)
☑ Collect water quantity information at least annually from suppliers (e.g., withdrawal and discharge volumes)

(5.11.7.4) Upstream value chain coverage

Select all that apply
☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:
☑ 76-99%

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

Select from:
☑ Unknown

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Carrier also uses EcoVadis to evaluate top factory suppliers on an ongoing basis. The sustainability screening questionnaire includes a focus on labor practices, human rights, ethics, energy, climate and water management. To encourage participation and continuous improvement, Carrier mandates that Preferred Suppliers maintain a minimum score of 45 on the EcoVadis assessment from the beginning of the supplier relationship.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:
☑ Unknown
[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Align your organization's goals to support customers' targets and ambitions

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 76-99%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 76-99%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Carrier advances the long-term interests of our company and our shareowners by actively engaging our stakeholders. We engage with our customers and consumers of our products on the following sustainability topics: Quality of products and services, Safety of products during installation and in use and Sustainability performance of products and services Excluding Carrier's Fire & Security and Commercial Real Estate portfolio, roughly 85% of Carrier's 2023 revenue is associated with our HVAC and Refrigeration businesses and it is in these businesses that we actively engage with customers through our products and services to support them in attaining their climate change objectives. We offer product training for both our HVAC and Refrigeration customers. Carrier University offers HVAC training courses

and training materials for architects, building owners, consulting/specifying engineers, contractors, technicians, developers, facility managers and HVAC instructors. With regards to optimizing building energy performance, we offer training for Energy Modeling for LEED Energy and Atmosphere. Training covers building energy analysis and includes development of creative HVAC system alternatives. As a measure of success, students who complete this course have the ability to run simulation software for analyzing baseline versus proposed building models for LEED Energy and Atmosphere Credit, Optimize Energy Performance.

(5.11.9.6) Effect of engagement and measures of success

We listen to the voice of the customer and integrate their feedback into our Product Development Process. We engage closely with our customers during the conceptual design phase to capture comprehensive product specifications. Within this phase, the Carrier team evaluates technical and manufacturing prerequisites, while also considering environmental and social factors. We have a simplified and standardized approach to managing customer feedback using the Net Promoter Score survey, which asks customers how likely they are to recommend our brands. Real-time responses lead to powerful and actionable insights, helping us identify customer needs while reinforcing behaviors that help turn customers into advocates of our products and services. Feedback is visible to employees who receive training and tools to help understand the voice of the customer. Customer service surveys have allowed us to identify and engage with thousands of customers, greatly improving the customer experience. Product declarations provide customers with comprehensive information to enable informed sustainable product choices. In response to growing customer and regulatory expectations for transparency, Carrier discloses the environmental impact of

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 76-99%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 76-99%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Carrier advances the long-term interests of our company and our shareowners by actively engaging our stakeholders. The information we share with our investor community includes financial performance, risk management processes, sustainability strategy and organizational transparency. The information is shared through investor meetings and materials, Earnings releases, Sustainability disclosures and Raters and rankers.

(5.11.9.6) Effect of engagement and measures of success

We directly engage with investors on sustainability matters through investor meetings and on earnings calls. Through these dialogues we reaffirm the company's sustainability strategy as well as obtain any feedback from our investors. We also provide environmental, social and governance disclosures through raters and rankers. We annually disclose our sustainability progress in our Sustainability and Impact report.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify **:**Regulators and Government

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ Unknown

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 76-99%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Carrier engages in political activity and public policy advocacy on issues that impact the company's business – whether at the local, state or federal level in the United States, or with foreign governments and international governmental organizations. Carrier joined the Corporate Coalition for Innovation & Technology toward Net Zero, a business alliance dedicated to helping countries meet decarbonization and climate change goals, and we supported the Global Cooling Pledge, along with governments and other organizations. Led by the United Nations Environment Programme's Cool Coalition, the pledge launched at the COP28 climate change conference in Dubai. The pledge raises international cooperation through collective targets for reducing emissions, improving energy efficiency and climate-action approaches to cooling and increasing access to sustainable cooling for those who are vulnerable. Carrier and the Greener Reefers in International Maritime Transport initiative of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH have agreed to collaborate to advance cold chain development and training in Costa Rica and South Africa. The memorandum of understanding was signed at COP28 and focuses on providing training to technicians for refrigerated containers using natural refrigerants, such as carbon dioxide. Carrier worked extensively with other leading companies that provide energy-efficient technologies for buildings to advocate for an update to the draft European Union Energy Performance of Buildings Directive that later passed in early 2024. In April 2023, Carrier participated in a White House Roundtable on Heat Pump Manufacturing and Deployment. The event focused on the president's climate and manufacturing agenda, including the administration's efforts to grow American heat pump manufacturing and deployment, expand manufacturing and clean energy jobs, decrease building emissions and strengthen American competitiveness. In November 2023, Carrier participated in the White House Roundtable on Home Electrification to discuss ways Carrier can support lowering energy costs for families and advancing home and building decarbonization.

(5.11.9.6) Effect of engagement and measures of success

Our Government Relations team, which has responsibility for policy engagement, uses our climate change policy as the guide for climate engagement. This team regularly meets with our Sustainability team and regularly participates in business meetings with Product and Engineering leaders to ensure alignment with our business. Carrier's government relations initiatives are intended to educate and inform officials and the public on a broad range of public policy issues that are important to our business and consistent with the best interests of the company, our shareowners and our other stakeholders. The Governance Committee and Board review and monitor the company's government relations activities.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify **:**Employees

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 76-99%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

In addition to capital-intensive programs and technology-based solutions, Carrier educates employees on the importance of reducing emissions, encouraging sustainable practices and the integration of emission-reduction initiatives into standard practices. Our Shut-It-Off program encourages employees to reduce equipment energy use when not in operation. The program includes employee education on energy conservation, regular communication about the importance of reducing energy consumption and recognition for innovative ideas that promote efficiency. By creating a culture that prioritizes and celebrates energy-conscious behavior, Carrier hopes to inspire employees to actively contribute to our sustainability and impact goals and empower them to make a positive difference.

(5.11.9.6) Effect of engagement and measures of success

Success is measured by our reductions in scope 1 & 2 emissions related to our operations.
[Add row]

(5.12) Indicate any mutually beneficial environmental initiatives you could collaborate on with specific CDP Supply Chain members.

Row 1

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

(5.12.4) Initiative category and type

Innovation

☑ New product or service that reduces customers' operational emissions

(5.12.5) Details of initiative

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, grid-interactive HVAC systems, and all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain.

(5.12.6) Expected benefits

Select all that apply

☑ Reduction of customers' operational emissions (customer scope 1 & 2)

☑ Reduction of downstream value chain emissions (own scope 3)

(5.12.11) Please explain

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, grid-interactive HVAC systems, and all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain.

Row 2

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

(5.12.4) Initiative category and type

Innovation

☑ New product or service that reduces customers' operational emissions

(5.12.5) Details of initiative

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, grid-interactive HVAC systems, and all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain.

(5.12.6) Expected benefits

Select all that apply

☑ Reduction of customers' operational emissions (customer scope 1 & 2)

☑ Reduction of downstream value chain emissions (own scope 3)

(5.12.11) Please explain

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, grid-interactive HVAC systems, and all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain.

Row 3

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

(5.12.4) Initiative category and type

Innovation

☑ New product or service that reduces customers' operational emissions

(5.12.5) Details of initiative

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, grid-interactive HVAC systems, and all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain.

(5.12.6) Expected benefits

Select all that apply

☑ Reduction of customers' operational emissions (customer scope 1 & 2)

☑ Reduction of downstream value chain emissions (own scope 3)

(5.12.11) Please explain

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, grid-interactive HVAC systems, and all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain.

Row 4

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

(5.12.4) Initiative category and type

Innovation

☑ New product or service that reduces customers' operational emissions

(5.12.5) Details of initiative

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, grid-interactive HVAC systems, and all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain.

(5.12.6) Expected benefits

Select all that apply

☑ Reduction of customers' operational emissions (customer scope 1 & 2)

☑ Reduction of downstream value chain emissions (own scope 3)

(5.12.11) Please explain

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, grid-interactive HVAC systems, and all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain.

Row 5

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

(5.12.4) Initiative category and type

Innovation

☑ New product or service that reduces customers' operational emissions

(5.12.5) Details of initiative

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, grid-interactive HVAC systems, and all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain.

(5.12.6) Expected benefits

Select all that apply

☑ Reduction of customers' operational emissions (customer scope 1 & 2)

☑ Reduction of downstream value chain emissions (own scope 3)

(5.12.11) Please explain

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, grid-interactive HVAC systems, and all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain.

Row 6

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

(5.12.4) Initiative category and type

Innovation

☑ New product or service that reduces customers' operational emissions

(5.12.5) Details of initiative

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, grid-interactive HVAC systems, and all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain.

(5.12.6) Expected benefits

Select all that apply

☑ Reduction of customers' operational emissions (customer scope 1 & 2)

☑ Reduction of downstream value chain emissions (own scope 3)

(5.12.11) Please explain

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, grid-interactive HVAC systems, and all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain.
[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Carrier uses the operational control approach to account for and report its GHG emissions metrics. Carrier acknowledges operational control over any site or asset, where Carrier has the authority and opportunity to introduce and implement its operating policies. Sites or assets where Carrier owns more than 50% of are included within our organizational boundary. Data for acquired sites are included once the site has been operating for at least a year at the beginning of the reporting period. Conversely, sites closed or divested during the reporting period are not included in Carrier's organizational boundary.

Water

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Carrier uses the operational control approach to account for and report its water data. Carrier acknowledges operational control over any site or asset, where Carrier has the authority and opportunity to introduce and implement its operating policies. Sites or assets where Carrier owns more than 50% of are included within our organizational boundary. Data for acquired sites are included once the site has been operating for at least a year at the beginning of the reporting period. Conversely, sites closed or divested during the reporting period are not included in Carrier's organizational boundary.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Other, please specify **:**No reported.

(6.1.2) Provide the rationale for the choice of consolidation approach

Not reported.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Other, please specify **:**Not reported.

(6.1.2) Provide the rationale for the choice of consolidation approach

Not reported.
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

(7.1.1.1) Has there been a structural change?

Select all that apply

☑ Yes, an acquisition

(7.1.1.2) Name of organization(s) acquired, divested from, or merged with

Toshiba Carrier Corp

(7.1.1.3) Details of structural change(s), including completion dates

In July 2022, Carrier acquired Toshiba Carrier Corp., now known as Carrier Japan Corp., a long-standing joint venture between Carrier and Toshiba. Carrier Japan Corp. is a global provider of residential and light commercial HVAC solutions, including variable refrigerant flow and heat pump products. Data from Carrier Japan Corp. has been integrated into Carrier's reporting systems and is included in this response.
[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply

☑ Yes, a change in boundary

☑ Yes, a change in reporting year definition

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

Carrier's emissions were re-baselined due to the acquisition of Toshiba. In previous years Carrier's GHG reporting year went from December (previous year) to November. Since rebaselining we now report for the calendar year (January to December)
[Fixed row]

(7.1.3) Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply

☑ Scope 1

☑ Scope 2, location-based

☑ Scope 2, market-based

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

5% or greater change in GHG emissions data

(7.1.3.4) Past years’ recalculation

Select from:

☑ Yes

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ IEA CO2 Emissions from Fuel Combustion

☑ The Greenhouse Gas Protocol: Scope 2 Guidance

☑ IPCC Guidelines for National Greenhouse Gas Inventories, 2006

☑ US EPA Emissions & Generation Resource Integrated Database (eGRID)

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☑ US EPA Center for Corporate Climate Leadership: Direct Emissions from Mobile Combustion Sources

☑ US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

☑ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

☑ We are reporting a Scope 2, market-based figure

(7.3.3) Comment

Carrier utilizes a third-party data management platform to collect energy use for sites procuring over 100,000 USD in energy per year. This is representative of our manufacturing sites, large headquarters, distribution, and research and development center operations, but is not inclusive of our entire footprint. Sites under 100,000 USD energy procurement are estimated per the U.S. Commercial Building Energy Consumption Survey estimation factors based on square footage and building type. This platform is used to track both our location based and market-based emissions.
[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:
☑ Yes

(7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Row 1

(7.4.1.1) Source of excluded emissions

The use of sold products category excludes the Fire & Security businesses, whose greenhouse gas emissions for this category are de minimis and not included in this analysis. Spare parts and products like thermostats, whose energy consumption is not significant, are also excluded from reporting. Data for 2022 was rebaselined and restated to align Carrier's business portfolio as of 12/31/23. The 2022 and 2023 data reflects changes to our methodology. GHG emissions quantification is subject to inherent measurement uncertainty. Scope 3 GHG emissions were not subject to external third-party attest procedures.

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply
☑ Scope 3: Purchased goods and services

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:
☑ Emissions are not relevant

(7.4.1.9) Estimated percentage of total Scope 3 emissions this excluded source represents

1

(7.4.1.10) Explain why this source is excluded

The use of sold products category excludes the Fire & Security businesses, whose greenhouse gas emissions for this category are de minimis and not included in this analysis. Spare parts and products like thermostats, whose energy consumption is not significant, are also excluded from reporting. Data for 2022 was rebaselined and restated to align Carrier's business portfolio as of 12/31/23. The 2022 and 2023 data reflects changes to our methodology.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

GHG estimates were calculated for relevant product families to understand if their associated product in use GHG emissions were material relative those of our HVAC-R products. They were determined to be de minimis.

Row 2

(7.4.1.1) Source of excluded emissions

Scope 1 emissions exclusions: Fugitive emissions from HVAC equipment installed in buildings at Carrier's sites. Emissions from acetylene usage for welding at certain Carrier sites. Emissions from European fleet vehicles that are owned or leased for less than a year due to limited availability of data.

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 1

(7.4.1.3) Relevance of Scope 1 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.10) Explain why this source is excluded

Emissions are less than 5% of global Scope 1 emissions and not considered to be material.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

Estimation is based on determinations from larger sites and extrapolated across the portfolio.
[Add row]

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

203379

Scope 2 (location-based)

(7.5.1) Base year end

12/13/2021

(7.5.2) Base year emissions (metric tons CO2e)

261757

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

261614

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2021

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2021

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/31/2021

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/31/2021

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/31/2021

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2021

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/31/2021

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/31/2021

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/31/2021

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/31/2021

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/31/2021

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/31/2021

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/31/2021

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/31/2021

Scope 3 category 15: Investments

(7.5.1) Base year end

12/31/2021

Scope 3: Other (upstream)

(7.5.1) Base year end

11/30/2021

Scope 3: Other (downstream)

(7.5.1) Base year end

12/31/2021
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

158189

(7.6.3) Methodological details

In previous years Carrier's GHG reporting year went from December (previous year) to November. Since rebaselining we now report for the calendar year (January to December) Stationary combustion: Natural gas, propane, diesel, and other fuel usage data was collected from utility invoices obtained from third-party providers. Mobile combustion: Propane, diesel, gasoline, and jet fuel usage data was collected from fleet management partners (e.g., fuel cards) and local logs When data collected was in the form of mileage, it was converted to gallons using the miles per gallon values from the GHG Protocol's Emission Factors from Cross-Sector Tools (April 2014). Refrigerant losses: Fugitive emissions from losses occurred in the refrigerant charging during manufacturing and R&D activities with HVAC equipment. Refrigerant leakage data was calculated based on the type of HVAC equipment, type of charging equipment (e.g., hoses, fittings), the number of units produced, and annual refrigerant purchase records. Emission factors: U.S EPA, Emission Factors for Greenhouse Gas Inventories 2023 Emissions from Lpg gas were calculated using the propane emission factor as a proxy. Carrier multiplied the natural gas intensity factor per square foot by type of site from the U.S. Energy Information Administration's (EIA) 2018 Commercial Buildings Energy Consumption Survey (CBECS) by the square footage per internal building records of the site building space to estimate natural gas usage. GWP: 2021 ASHRAE Handbook Fundamentals, I-P Edition (Chapter 29). If data for particular periods was unavailable, sites estimated usage data using historical data (same period of the previous year). For the European fleet, mileage was estimated by multiplying the number of vehicles by typical annual car mileage of 30,000 kilometers from Carrier's internal policy. Fleet vehicle usage reported by the sites was assumed to be gasoline if the vehicle was a passenger car. Fleet vehicle usage reported by the sites was assumed to be diesel if the vehicle was a truck. No other assumptions were made regarding the type of fuel usage for other mobile equipment.

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

193856

(7.6.2) End date

12/31/2022

(7.6.3) Methodological details

Stationary combustion: Natural gas, propane, diesel, and other fuel usage data was collected from utility invoices obtained from third-party providers. Mobile combustion: Propane, diesel, gasoline, and jet fuel usage data was collected from fleet management partners (e.g., fuel cards) and local logs When data collected

was in the form of mileage, it was converted to gallons using the miles per gallon values from the GHG Protocol's Emission Factors from Cross-Sector Tools (April 2014). Refrigerant losses: Fugitive emissions from losses occurred in the refrigerant charging during manufacturing and R&D activities with HVAC equipment. Refrigerant leakage data was calculated based on the type of HVAC equipment, type of charging equipment (e.g., hoses, fittings), the number of units produced, and annual refrigerant purchase records. Emission factors: U.S EPA, Emission Factors for Greenhouse Gas Inventories 2023 Emissions from Lpg gas were calculated using the propane emission factor as a proxy. Carrier multiplied the natural gas intensity factor per square foot by type of site from the U.S. Energy Information Administration's (EIA) 2018 Commercial Buildings Energy Consumption Survey (CBECS) by the square footage per internal building records of the site building space to estimate natural gas usage. GWP: 2021 ASHRAE Handbook Fundamentals, I-P Edition (Chapter 29). If data for particular periods was unavailable, sites estimated usage data using historical data (same period of the previous year). Fleet vehicle usage reported by the sites was assumed to be gasoline if the vehicle was a passenger car. Fleet vehicle usage reported by the sites was assumed to be diesel if the vehicle was a truck. No other assumptions were made regarding the type of fuel usage for other mobile equipment.

Past year 2

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

203379

(7.6.2) End date

12/31/2021

(7.6.3) Methodological details

Stationary combustion: Natural gas, propane, diesel, and other fuel usage data was collected from utility invoices obtained from third-party providers. Mobile combustion: Propane, diesel, gasoline, and jet fuel usage data was collected from fleet management partners (e.g., fuel cards) and local logs When data collected was in the form of mileage, it was converted to gallons using the miles per gallon values from the GHG Protocol's Emission Factors from Cross-Sector Tools (April 2014). Refrigerant losses: Fugitive emissions from losses occurred in the refrigerant charging during manufacturing and R&D activities with HVAC equipment. Refrigerant leakage data was calculated based on the type of HVAC equipment, type of charging equipment (e.g., hoses, fittings), the number of units produced, and annual refrigerant purchase records. Emission factors: U.S EPA, Emission Factors for Greenhouse Gas Inventories 2023 Emissions from Lpg gas were calculated using the propane emission factor as a proxy. Carrier multiplied the natural gas intensity factor per square foot by type of site from the U.S. Energy Information Administration's (EIA) 2018 Commercial Buildings Energy Consumption Survey (CBECS) by the square footage per internal building records of the site building space to estimate natural gas usage. GWP: 2021 ASHRAE Handbook Fundamentals, I-P Edition (Chapter 29). If data for particular periods was unavailable, sites estimated usage data using historical data (same period of the previous year). Fleet vehicle usage reported by the sites was assumed to be gasoline if the vehicle was a passenger car. Fleet vehicle usage reported by the sites was assumed to be diesel if the vehicle was a truck. No other assumptions were made regarding the type of fuel usage for other mobile equipment.
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

249349

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

214123

(7.7.4) Methodological details

Electricity location-based: Electricity usage data was collected from utility invoices obtained from third-party providers. If data for particular periods was unavailable, sites estimated usage data using either historical data (same period of the previous year) or current period data for another site with a similar production process. Electricity of estimated activity sites: Carrier multiplied the electricity intensity factor per square foot by type of site from the U.S. EIA 2018 CBECS by the square footage per internal building records of the site building space to estimate electricity usage Emission factors: All estimated sites regardless of the geography applied the Florida Reliability Coordinating Council (FRCC) emission factor from U.S. EPA (eGRID) with 2021 data (January 2023). Purchased Steam: Steam usage data was collected from utility invoices obtained from third-party providers. If data for particular periods was unavailable, sites estimated usage data using historical data (same period of the previous year). Emission Factors: Sites in the U.S. EPA (eGRID) with 2021 data (January 2023). Sites in all other countries - International Energy Agency (IEA) Emissions Factors, 1990 to 2022 (September 2022) which uses the IPCC’s Fourth Assessment Report (AR4 – 100 year) Emission factors: U.S. EPA Emission Factors for Greenhouse Gas Inventories 2023 (September 2023).

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

243370

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

206465

(7.7.3) End date

12/31/2022

(7.7.4) Methodological details

Electricity location-based: Electricity usage data was collected from utility invoices obtained from third-party providers. If data for particular periods was unavailable, sites estimated usage data using either historical data (same period of the previous year) or current period data for another site with a similar production process. Electricity of estimated activity sites: Carrier multiplied the electricity intensity factor per square foot by type of site from the U.S. EIA 2018 CBECS by the square footage per internal building records of the site building space to estimate electricity usage Emission factors: All estimated sites regardless of the geography applied the Florida Reliability Coordinating Council (FRCC) emission factor from U.S. EPA (eGRID) with 2020 data (April 2022). Purchased Steam: Steam usage data was collected from utility invoices obtained from third-party providers. If data for particular periods was unavailable, sites estimated usage data using historical data (same period of the previous year). Emission Factors: Sites in the U.S.U.S. EPA (eGRID) with 2020 data (April 2022). Sites in all other countries - International Energy Agency (IEA) Emissions Factors, 1990 to 2021 (September 2021) which uses the IPCC's Fourth Assessment Report (AR4 – 100 year) Emission factors: U.S. EPA Emission Factors for Greenhouse Gas Inventories 2022 (April 2022).

Past year 2

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

261757

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

261614

(7.7.3) End date

12/31/2021

(7.7.4) Methodological details

Electricity location-based: Electricity usage data was collected from utility invoices obtained from third-party providers. If data for particular periods was unavailable, sites estimated usage data using either historical data (same period of the previous year) or current period data for another site with a similar production process. Electricity of estimated activity sites: Carrier multiplied the electricity intensity factor per square foot by type of site from the U.S. EIA 2018 CBECS by the square footage per internal building records of the site building space to estimate electricity usage Emission factors: All estimated sites regardless of the geography applied the Florida Reliability Coordinating Council (FRCC) emission factor from U.S. EPA (eGRID) with 2019 data (September 2021). Purchased Steam: Steam usage data was collected from utility invoices obtained from third-party providers. If data for particular periods was unavailable, sites estimated usage data using historical data (same period of the previous year). Emission Factors: Sites in the U.S. U.S. EPA (eGRID) with 2019 data (September 2021). Sites in all other countries - International

Energy Agency (IEA) Emissions Factors, 1990 to 2021 (September 2021) which uses the IPCC's Fourth Assessment Report (AR4 – 100 year) Emission factors: U.S. EPA Emission Factors for Greenhouse Gas Inventories 2021 (September 2021).
[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Purchased goods and services makes up less than 1% of our total scope 3 emissions.

Capital goods

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Capital goods and services makes up less than 1% of our total scope 3 emissions.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Fuel-and-energy-related activities makes up less than 1% of our total scope 3 emissions.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Upstream transportation and distribution makes up less than 1% of our total scope 3 emissions.

Waste generated in operations

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Waste generation in operations makes up less than 1% of our total scope 3 emissions.

Business travel

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Business travel makes up less than 1% of our total scope 3 emissions.

Employee commuting

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Employee travel makes up less than 1% of our total scope 3 emissions.

Upstream leased assets

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Upstream leased assets makes up less than 1% of our total scope 3 emissions.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Downstream transportation and distribution makes up less than 1% of our total scope 3 emissions.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Processing of sold products makes up less than 1% of our total scope 3 emissions.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

458248000

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average product method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Source of Scope 3 GHG emission factors: U.S. Environmental Protection Agency Emission Factors for GHG Inventories, 2023; U.S. Environmentally Extended Input-Output Emission Factors v1.2 database, 2023; DEFRA GHG Conversion Factors, 2023; Source of GWP values: IPCC Fifth Assessment Report, 2014. GHG emissions quantification is subject to inherent measurement uncertainty. Scope 3 GHG emissions were not subject to external third-party attest procedures.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

Carrier is currently in the process of recalculating this figure to account for M&A activity.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Downstream leased assets makes up less than 1% of our total scope 3 emissions.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Franchises makes up less than 1% of our total scope 3 emissions.

Investments

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Investments makes up less than 1% of our total scope 3 emissions.

Other (upstream)

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

Other (downstream)

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

12/31/2022

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

537118000

(7.8.1.19) Comment

Data for 2022 has been restated due to newly available information and changes in our methodology. Source of Scope 3 GHG emission factors: U.S. Environmental Protection Agency Emission Factors for GHG Inventories, 2023; U.S. Environmentally Extended Input-Output Emission Factors v1.2 database, 2023; DEFRA GHG Conversion Factors, 2023; Source of GWP values: IPCC Fifth Assessment Report, 2014. GHG emissions quantification is subject to inherent measurement uncertainty. Scope 3 GHG emissions were not subject to external third-party attest procedures.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ No third-party verification or assurance

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

Carrier 2023 Scope 1 and 2 GHG - Signed Report.pdf

(7.9.1.5) Page/section reference

1-8

(7.9.1.6) Relevant standard

Select from:
☑ Attestation standards established by AICPA (AT105)

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.2.5) Attach the statement

Carrier 2023 Scope 1 and 2 GHG - Signed Report.pdf

(7.9.2.6) Page/ section reference

1-8

(7.9.2.7) Relevant standard

Select from:

☑ Attestation standards established by AICPA (AT105)

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

7385

(7.10.1.2) Direction of change in emissions

Select from:
☑ Increased

(7.10.1.3) Emissions value (percentage)

2

(7.10.1.4) Please explain calculation

Carrier change contractual agreements reducing the amount of electricity purchased through Guarantees of Origin in Europe. This year, market-based emissions for purchased electricity increased by 7,385 tCO2e. Our total Scope 1 and Scope 2 emissions in the previous year were 401,475 tCO2e. Therefore, we obtain a 2% increase through the calculation (7,385 tCO2e / 401,475 tCO2e).

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

36906

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

9

(7.10.1.4) Please explain calculation

Emission reduction projects related to refrigerant recovery systems during the manufacturing process, as well as reductions in natural gas and propane usage, have been implemented. This year, Scope 1 emissions for fugitive emissions of R-410A refrigerant, natural gas, and propane decreased by 36,906 tCO2e. Our total Scope 1 and Scope 2 emissions in the previous year were 401,475 tCO2e. Therefore, we achieved a 9% reduction through the calculation (36,906 tCO2e / 401,475 tCO2e).

Divestment

(7.10.1.4) Please explain calculation

Not applicable

Acquisitions

(7.10.1.4) Please explain calculation

Not applicable

Mergers

(7.10.1.4) Please explain calculation

Not applicable

Change in output

(7.10.1.4) Please explain calculation

Not applicable

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

584

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.1

(7.10.1.4) Please explain calculation

This figure represents a change in the methodology used for the calculation of jet fuel and fleet emissions in Europe. This year, Scope 1 emissions for jet fuel decreased by 9,002 tCO2e (only 2023 data was updated), while emissions from fleet vehicles increased by 8,418 tCO2e. Our total Scope 1 and Scope 2 emissions in the previous year were 401,475 tCO2e. Therefore, we achieved a 0.1% reduction through the calculation ([9,002 - 8,418] / 401,475 tCO2e).

Change in boundary

(7.10.1.4) Please explain calculation

Not applicable

Change in physical operating conditions

(7.10.1.4) Please explain calculation

Not applicable

Unidentified

(7.10.1.4) Please explain calculation

Not applicable

Other

(7.10.1.4) Please explain calculation

Not applicable
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Market-based

(7.11) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.11.1) For each Scope 3 category calculated in 7.8, specify how your emissions compare to the previous year and identify the reason for any change.

Use of sold products

(7.11.1.1) Direction of change

Select from:

☑ Decreased

(7.11.1.2) Primary reason for change

Select from:

☑ Change in product efficiency

(7.11.1.3) Change in emissions in this category (metric tons CO2e)

78870000

(7.11.1.4) % change in emissions in this category

14.7

(7.11.1.5) Please explain

Our HVAC businesses continue to develop energy-efficient connected solutions that help customers meet their sustainability goals, while improving comfort and productivity in homes and buildings around the world. As an example, in 2023, Carrier introduced the Toshiba Daiseikai 10 air conditioner in Nordic countries, bringing sustainability, sleek design and performance to homes across the region. In addition to a best-in-class energy rating in cooling and heating, the ductless system offers motion tracking and connectivity through a remote control, app and smart speakers. Carrier protects and extends the supply of food, medicine and other perishable goods around the world through our Connected Cold Chain Program. Our electric and digital solutions improve cold chain connectivity, sustainability and effectiveness. As an example, in North America, Carrier introduced two all electric truck refrigeration models to increase the efficiency, reliability and sustainability of midsize and large trucks. In addition to using a refrigerant with lower global warming potential, the units have improved electric standby operation capacities to help customers reduce their carbon footprint.
[Fixed row]

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:

☑ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:

☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

117070

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:
☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

61

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:
☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

172

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:
☑ HFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

40886

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 5

(7.15.1.1) Greenhouse gas

Select from:
☑ PFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 6

(7.15.1.1) Greenhouse gas

Select from:
☑ SF6

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 7

(7.15.1.1) Greenhouse gas

Select from:

☑ NF3

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)
[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

Australia

(7.16.1) Scope 1 emissions (metric tons CO2e)

1323

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Austria

(7.16.1) Scope 1 emissions (metric tons CO2e)

1017

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Belgium

(7.16.1) Scope 1 emissions (metric tons CO2e)

293

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Brazil

(7.16.1) Scope 1 emissions (metric tons CO2e)

154

(7.16.2) Scope 2, location-based (metric tons CO2e)

93

(7.16.3) Scope 2, market-based (metric tons CO2e)

89

Brunei Darussalam

(7.16.1) Scope 1 emissions (metric tons CO2e)

20

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Bulgaria

(7.16.1) Scope 1 emissions (metric tons CO2e)

68

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

China

(7.16.1) Scope 1 emissions (metric tons CO2e)

25236

(7.16.2) Scope 2, location-based (metric tons CO2e)

52921

(7.16.3) Scope 2, market-based (metric tons CO2e)

53914

Croatia

(7.16.1) Scope 1 emissions (metric tons CO2e)

392

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Czechia

(7.16.1) Scope 1 emissions (metric tons CO2e)

3052

(7.16.2) Scope 2, location-based (metric tons CO2e)

2512

(7.16.3) Scope 2, market-based (metric tons CO2e)

4092

Denmark

(7.16.1) Scope 1 emissions (metric tons CO2e)

475

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Finland

(7.16.1) Scope 1 emissions (metric tons CO2e)

221

(7.16.2) Scope 2, location-based (metric tons CO2e)

247

(7.16.3) Scope 2, market-based (metric tons CO2e)

874

France

(7.16.1) Scope 1 emissions (metric tons CO2e)

8852

(7.16.2) Scope 2, location-based (metric tons CO2e)

1576

(7.16.3) Scope 2, market-based (metric tons CO2e)

2990

Germany

(7.16.1) Scope 1 emissions (metric tons CO2e)

4674

(7.16.2) Scope 2, location-based (metric tons CO2e)

751

(7.16.3) Scope 2, market-based (metric tons CO2e)

1439

Greece

(7.16.1) Scope 1 emissions (metric tons CO2e)

442

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Hong Kong SAR, China

(7.16.1) Scope 1 emissions (metric tons CO2e)

42

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Hungary

(7.16.1) Scope 1 emissions (metric tons CO2e)

1154

(7.16.2) Scope 2, location-based (metric tons CO2e)

450

(7.16.3) Scope 2, market-based (metric tons CO2e)

739

India

(7.16.1) Scope 1 emissions (metric tons CO2e)

928

(7.16.2) Scope 2, location-based (metric tons CO2e)

3720

(7.16.3) Scope 2, market-based (metric tons CO2e)

4124

Italy

(7.16.1) Scope 1 emissions (metric tons CO2e)

3667

(7.16.2) Scope 2, location-based (metric tons CO2e)

2757

(7.16.3) Scope 2, market-based (metric tons CO2e)

4678

Japan

(7.16.1) Scope 1 emissions (metric tons CO2e)

4038

(7.16.2) Scope 2, location-based (metric tons CO2e)

19461

(7.16.3) Scope 2, market-based (metric tons CO2e)

19467

Kuwait

(7.16.1) Scope 1 emissions (metric tons CO2e)

328

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Malaysia

(7.16.1) Scope 1 emissions (metric tons CO2e)

414

(7.16.2) Scope 2, location-based (metric tons CO2e)

1631

(7.16.3) Scope 2, market-based (metric tons CO2e)

1631

Mexico

(7.16.1) Scope 1 emissions (metric tons CO2e)

19651

(7.16.2) Scope 2, location-based (metric tons CO2e)

45571

(7.16.3) Scope 2, market-based (metric tons CO2e)

45571

Netherlands

(7.16.1) Scope 1 emissions (metric tons CO2e)

3108

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Norway

(7.16.1) Scope 1 emissions (metric tons CO2e)

1220

(7.16.2) Scope 2, location-based (metric tons CO2e)

88

(7.16.3) Scope 2, market-based (metric tons CO2e)

673

Poland

(7.16.1) Scope 1 emissions (metric tons CO2e)

2782

(7.16.2) Scope 2, location-based (metric tons CO2e)

6411

(7.16.3) Scope 2, market-based (metric tons CO2e)

8418

Portugal

(7.16.1) Scope 1 emissions (metric tons CO2e)

319

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Romania

(7.16.1) Scope 1 emissions (metric tons CO2e)

224

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Saudi Arabia

(7.16.1) Scope 1 emissions (metric tons CO2e)

858

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Singapore

(7.16.1) Scope 1 emissions (metric tons CO2e)

175

(7.16.2) Scope 2, location-based (metric tons CO2e)

1044

(7.16.3) Scope 2, market-based (metric tons CO2e)

1044

Spain

(7.16.1) Scope 1 emissions (metric tons CO2e)

4412

(7.16.2) Scope 2, location-based (metric tons CO2e)

715

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Sweden

(7.16.1) Scope 1 emissions (metric tons CO2e)

647

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Switzerland

(7.16.1) Scope 1 emissions (metric tons CO2e)

744

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Taiwan, China

(7.16.1) Scope 1 emissions (metric tons CO2e)

78

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Thailand

(7.16.1) Scope 1 emissions (metric tons CO2e)

1964

(7.16.2) Scope 2, location-based (metric tons CO2e)

13237

(7.16.3) Scope 2, market-based (metric tons CO2e)

13509

United Arab Emirates

(7.16.1) Scope 1 emissions (metric tons CO2e)

1055

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

United Kingdom of Great Britain and Northern Ireland

(7.16.1) Scope 1 emissions (metric tons CO2e)

2945

(7.16.2) Scope 2, location-based (metric tons CO2e)

86

(7.16.3) Scope 2, market-based (metric tons CO2e)

143

United States of America

(7.16.1) Scope 1 emissions (metric tons CO2e)

60873

(7.16.2) Scope 2, location-based (metric tons CO2e)

96078

(7.16.3) Scope 2, market-based (metric tons CO2e)

50727

Viet Nam

(7.16.1) Scope 1 emissions (metric tons CO2e)

49

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0
[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply
☑ By business division

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	*HVAC*	*119759*
Row 3	*Refrigeration*	*20016*
Row 4	*Fire & Security*	*6827*
Row 5	*Carrier WHQ*	*11587*

[Add row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply
☑ By business division

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*HVAC*	*156747*	*121520*
Row 3	*Refrigeration*	*10514*	*10594*
Row 4	*Fire & Security*	*31830*	*32883*
Row 5	*Carrier WHQ*	*50257*	*49126*

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

158189

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

249349

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

214123

(7.22.4) Please explain

Our response does not include any other entities.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

Our response does not include any other entities.
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ No

(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Row 1

(7.27.1) Allocation challenges

Select from:
☑ Customer base is too large and diverse to accurately track emissions to the customer level

(7.27.2) Please explain what would help you overcome these challenges

Carrier can support individual customer requests with direct collaboration to confirm the scope of Carrier products procured.
[Add row]

(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

(7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Select from:

☑ Yes

(7.28.2) Describe how you plan to develop your capabilities

We currently have the capabilities and directly engage with customers to provide the most accurate data, understanding the scope of products and services provided. Product declarations provide customers with comprehensive information to enable informed sustainable product choices. In response to growing customer and regulatory expectations for transparency, Carrier discloses the environmental impact of select products by publishing robust Lifecycle Assessments. In addition, our Environmental Product Declarations empower customers to further align their purchasing decisions to their sustainability objectives. The declarations disclose critical metrics such as, but not limited to, greenhouse gas emissions, energy consumption, ozone depletion, acidification, eutrophication potential, water usage, and virgin and recycled material composition.
[Fixed row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☑ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ Yes
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

552433

(7.30.1.4) Total (renewable and non-renewable) MWh

552433

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

141314

(7.30.1.3) MWh from non-renewable sources

468234

(7.30.1.4) Total (renewable and non-renewable) MWh

609548

Consumption of purchased or acquired steam

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

14093

(7.30.1.4) Total (renewable and non-renewable) MWh

14093

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

378

(7.30.1.4) Total (renewable and non-renewable) MWh

378

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

141691

(7.30.1.3) MWh from non-renewable sources

1034760

(7.30.1.4) Total (renewable and non-renewable) MWh

1176451
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ No
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Sustainable Biomass was not used in Carrier

Other biomass

(7.30.7.1) Heating value

Select from:

☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Biomass was not used in Carrier

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Other renewable fuel were not used in Carrier

Coal

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

898

(7.30.7.8) Comment

Coal was used in Carrier because of Virtus acquisition

Oil

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

260752

(7.30.7.8) Comment

Includes Fleet Vehicles fuel, Diesel, Gasoline, Jet fuel, Distillate Oil, Oil#4, Kerosene

Gas

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

290783

(7.30.7.8) Comment

Includes Natural Gas, Propane, Butane and Acetylene

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Other non-renewable fuels were not used in Carrier

Total fuel

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

552433

(7.30.7.8) Comment

.
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

378

(7.30.9.2) Generation that is consumed by the organization (MWh)

378

(7.30.9.3) Gross generation from renewable sources (MWh)

378

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

378

Heat

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:
☑ United States of America

(7.30.14.2) Sourcing method

Select from:
☑ Unbundled procurement of energy attribute certificates (EACs)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Wind

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

13962

(7.30.14.6) Tracking instrument used

Select from:

☑ US-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ United States of America

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2012

(7.30.14.10) Comment

Facility name: Ensign Wind, LLC - Ensign Wind

Row 2

(7.30.14.1) Country/area

Select from:

☑ United States of America

(7.30.14.2) Sourcing method

Select from:

☑ Unbundled procurement of energy attribute certificates (EACs)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Wind

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

116197

(7.30.14.6) Tracking instrument used

Select from:

☑ US-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ United States of America

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2010

(7.30.14.10) Comment

Facility name: Day County Wind LLC

Row 3

(7.30.14.1) Country/area

Select from:

☑ United States of America

(7.30.14.2) Sourcing method

Select from:

☑ Unbundled procurement of energy attribute certificates (EACs)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Wind

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

3881

(7.30.14.6) Tracking instrument used

Select from:

☑ US-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ United States of America

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2016

(7.30.14.10) Comment

Facility name: Chisholm View Wind Project II

Row 4

(7.30.14.1) Country/area

Select from:

☑ Spain

(7.30.14.2) Sourcing method

Select from:

☑ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Renewable energy mix, please specify **:**Wind and Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

4733

(7.30.14.6) Tracking instrument used

Select from:

☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Spain

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

Renewable energy supply contract with ACCIONA GREEN ENERGY DEVELOPMENTS, S.L.U

Row 5

(7.30.14.1) Country/area

Select from:

☑ China

(7.30.14.2) Sourcing method

Select from:

☑ Unbundled procurement of energy attribute certificates (EACs)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Wind

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

4403

(7.30.14.6) Tracking instrument used

Select from:

☑ GEC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ China

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

Energy generation facility: Northem Shangduzheng Blue Flag New Energy Co., Ltd.
[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Australia

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Austria

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Belgium

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Brazil

(7.30.16.1) Consumption of purchased electricity (MWh)

698

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

698.00

Brunei Darussalam

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Bulgaria

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Canada

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Chile

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

China

(7.30.16.1) Consumption of purchased electricity (MWh)

81746

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

8799

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

90545.00

Croatia

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Czechia

(7.30.16.1) Consumption of purchased electricity (MWh)

5855

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

5855.00

Denmark

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Eygpt

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Finland

(7.30.16.1) Consumption of purchased electricity (MWh)

1400

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

639

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

2039.00

France

(7.30.16.1) Consumption of purchased electricity (MWh)

19958

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

2166

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

22124.00

Germany

(7.30.16.1) Consumption of purchased electricity (MWh)

2098

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

2098.00

Greece

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Guam

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Hong Kong SAR, China

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Hungary

(7.30.16.1) Consumption of purchased electricity (MWh)

2300

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

2300.00

India

(7.30.16.1) Consumption of purchased electricity (MWh)

5351

(7.30.16.2) Consumption of self-generated electricity (MWh)

378

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

5729.00

Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Italy

(7.30.16.1) Consumption of purchased electricity (MWh)

10211

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

10211.00

Japan

(7.30.16.1) Consumption of purchased electricity (MWh)

41996

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

41996.00

Kuwait

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Latvia

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Lithuania

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

1

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1.00

Luxembourg

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Malaysia

(7.30.16.1) Consumption of purchased electricity (MWh)

2495

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

2495.00

Mexico

(7.30.16.1) Consumption of purchased electricity (MWh)

122470

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

122470.00

Netherlands

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Norway

(7.30.16.1) Consumption of purchased electricity (MWh)

1173

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

367

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1540.00

Poland

(7.30.16.1) Consumption of purchased electricity (MWh)

9217

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

2122

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

11339.00

Portugal

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Romania

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Saudi Arabi

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Serbia

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

1

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1.00

Singapore

(7.30.16.1) Consumption of purchased electricity (MWh)

2673

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

2673.00

Slovakia

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Slovenia

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

South Africa

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Spain

(7.30.16.1) Consumption of purchased electricity (MWh)

4733

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

4733.00

Sri Lanka

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Sweden

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Switzerland

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Taiwan, China

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Thailand

(7.30.16.1) Consumption of purchased electricity (MWh)

28609

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

28609.00

Turkey

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Ukraine

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

United Arab Emirates

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

United Kingdom of Great Britain and Northern Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

388

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

388.00

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

266177

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

266177.00

Uzbekistan

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Viet Nam

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00
[Fixed row]

(7.34) Does your organization measure the efficiency of any of its products or services?

(7.34.1) Measurement of product/service efficiency

Select from:
☑ Yes

(7.34.2) Comment

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain. Through acquisitions and rigorous innovation, we are advancing our portfolio of solutions focused on efficiency and electrification, in support of the shift from fossil fuels to electric heating. We incorporate a sustainable design approach during the Product Development Process. We design products that meet or exceed energy-efficiency standards set by external standard-setting bodies such as the American Society of Heating, Refrigerating and Air-Conditioning Engineers; the U.S. Environmental Protection Agency's

ENERGY STAR program; and other standards set at the country, state and local level. EcoEnergy Insights, part of the Carrier portfolio and a leading provider of AI- and IoT-enabled solutions and services, surpassed 5.8 billion kilowatt-hours of cumulative energy savings for clients worldwide in 2024. This is equivalent to the amount of GHG emissions from more than 960,0001 gasoline-powered passenger vehicles driven for one year. EcoEnergy Insights was recognized as a Top Project of the Year recipient at the 2023 Environment Energy Leader Awards for improving energy efficiency while enhancing occupant comfort and optimizing maintenance costs for JoAnn Inc., across 700 stores. The customer achieved over 50 million kilowatt-hours of cumulative energy savings by leveraging the CORTIX platform along with BluEdge Command Centers, composed of domain experts and data scientists.
[Fixed row]

(7.34.1) Provide details of the metrics used to measure the efficiency of your organization's products or services.

Row 1

(7.34.1.1) Category of product or service

Select from:
☑ Heating & cooling systems

(7.34.1.2) Product or service (optional)

Residential air conditioner, heat pump, furnace and small package products

(7.34.1.5) Metric numerator

Select from:
☑ Btu

(7.34.1.6) Metric denominator

Select from:
☑ watt-hour

(7.34.1.7) Comment

In 2023, 28% of sales generated by Carrier's U.S Residential HVAC business was from furnaces, air conditioners and heat pumps that met the energy-efficiency metrics specified by ENERGY STAR. In 2023, approximately 45% of our HVAC and Transport Refrigeration revenue was clean technology. Carrier defines clean

technology revenue as products and services sold that facilitate decarbonization through lower energy consumption, electrification and/or the transition to lower global warming potential refrigerants in built environments and refrigerated transport.
[Add row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

16.85

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

372312

(7.45.3) Metric denominator

Select from:
☑ Other, please specify **:**Million USD revenue

(7.45.4) Metric denominator: Unit total

22100

(7.45.5) Scope 2 figure used

Select from:
☑ Market-based

(7.45.6) % change from previous year

17

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Other emissions reduction activities

(7.45.9) Please explain

Our Scope 1 emissions decreased by 35,667 tCO2 e (18%), with 27,574 tCO2e directly attributed to emission-reduction projects such as refrigerant recovery system during the HVAC manufacturing process and reduction on natural gas usage.
[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:

☑ Energy usage

(7.52.2) Metric value

192

(7.52.3) Metric numerator

4235224

(7.52.4) Metric denominator (intensity metric only)

22100

(7.52.5) % change from previous year

10

(7.52.6) Direction of change

Select from:

☑ Decreased

(7.52.7) Please explain

Energy intensity ratio for the organization measured in GJ of energy/million USD in sales. The change on energy consumption results from natural gas reduction project in our operations and changes in methodology used for the calculation of jet fuel. The Jet Fuel figure was updated for our 2023 disclosure but was not updated for previous years.
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Carrier Global_Near-Term Approval Letter.pdf

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

06/13/2024

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.11) End date of base year

12/31/2011

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

203379

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

261614

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

464993.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/31/2030

(7.53.1.55) Targeted reduction from base year (%)

42

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

269695.940

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

100

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

100

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

200.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

237.99

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Scope 1 emissions exclusions: Fugitive emissions from HVAC equipment installed in buildings at Carrier's sites. Emissions from acetylene usage for welding at certain Carrier sites. Emissions from European fleet vehicles that are owned or leased for less than a year due to limited availability of data.

(7.53.1.83) Target objective

Absolute emissions reduction

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Carrier committed to reducing energy intensity by 10% across our operations by 2030, supporting our operational carbon neutrality goal. Energy-efficient facilities and processes are key to reducing our operational greenhouse gas emissions. We reduce energy consumption through conservation and efficiency initiatives tailored to specific facility conditions and energy use patterns. Informed by regular energy audits, our sites are required to review, select and implement best management practices to achieve energy and GHG emission reductions. In 2023, we reduced our emissions from natural gas consumption by 15% relative to 2022 due to a range of capital investment projects across key facilities. Regular equipment maintenance and optimization increases efficiency and reduces energy consumption and associated GHG emissions. Carrier's Energy and Greenhouse Gas Reduction standard requires that all critical energy-intensive equipment, including HVAC, compressors, boilers, pumps, lighting systems, production equipment and associated controls, be maintained according to equipment manufacturer recommendations for optimum performance.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 2

(7.53.1.1) Target reference number

Select from:

☑ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Carrier Global_Net-Zero Approval Letter.pdf

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

03/13/2024

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

☑ Scope 3, Category 11 – Use of sold products

(7.53.1.11) End date of base year

12/31/2011

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

0.000

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

99

(7.53.1.54) End date of target

12/31/2030

(7.53.1.55) Targeted reduction from base year (%)

25

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

0.000

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

458620312

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

458620312.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

458620312.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

The use of sold products category excludes the Fire & Security businesses, whose greenhouse gas emissions for this category are de minimis and not included in this analysis. Spare parts and products like thermostats, whose energy consumption is not significant, are also excluded from reporting. Data for 2022 was rebaselined and restated to align Carrier's business portfolio as of 12/31/23. The 2022 and 2023 data reflects changes to our methodology. GHG emissions quantification is subject to inherent measurement uncertainty. Scope 3 GHG emissions were not subject to external third-party attest procedures.

(7.53.1.83) Target objective

Absolute emissions reduction

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Our products, services and digital capabilities help customers meet their energy, carbon and food-waste reduction goals, while reducing dependency on fossil fuels through electrification and use of refrigerants with lower global warming potential. Energy-efficient heat pumps, all-electric refrigeration solutions and connected technologies are some of the ways we are improving efficiencies in buildings, in homes and across the cold chain. Through acquisitions and rigorous innovation, we are advancing our portfolio of solutions focused on efficiency and electrification, in support of the shift from fossil fuels to electric heating.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Other climate-related targets

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:

☑ Oth 2

(7.54.2.2) Date target was set

11/30/2020

(7.54.2.3) Target coverage

Select from:

☑ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Intensity

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Energy productivity

☑ units of revenue

(7.54.2.6) Target denominator (intensity targets only)

Select from:

☑ GJ

(7.54.2.7) End date of base year

12/31/2020

(7.54.2.8) Figure or percentage in base year

231

(7.54.2.9) End date of target

01/01/2030

(7.54.2.10) Figure or percentage at end of date of target

207.9

(7.54.2.11) Figure or percentage in reporting year

192

(7.54.2.12) % of target achieved relative to base year

168.8311688312

(7.54.2.13) Target status in reporting year

Select from:

☑ Achieved and maintained

(7.54.2.15) Is this target part of an emissions target?

Yes, Carrier's 2030 ESG goals include carbon neutral operations by 2030 and, aligned with that goal, we also committed to reducing energy intensity by 10% across our operations. Energy-efficiency measures support the attainment of this goal by focusing efforts on reducing energy consumption within our manufacturing facilities. The reduction in energy consumption will have a direct impact on both our scope 1 and 2 GHG emissions.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

Energy-efficiency measures support the attainment of this goal by focusing efforts on reducing energy consumption within our manufacturing facilities. The reduction in energy consumption will have a direct impact on both our scope 1 and 2 GHG emissions.

(7.54.2.19) Target objective

To support energy efficiency measures within our operations

(7.54.2.21) List the actions which contributed most to achieving this target

Carrier committed to reducing energy intensity by 10% across our operations by 2030, supporting our operational carbon neutrality goal. Energy-efficient facilities and processes are key to reducing our operational greenhouse gas emissions. We reduce energy consumption through conservation and efficiency initiatives tailored to specific facility conditions and energy use patterns. Informed by regular energy audits, our sites are required to review, select and implement best management practices to achieve energy and GHG emission reductions. Regular equipment maintenance and optimization increases efficiency and reduces energy consumption and associated GHG emissions. Carrier's Energy and Greenhouse Gas Reduction standard requires that all critical energy-intensive equipment, including HVAC, compressors, boilers, pumps, lighting systems, production equipment and associated controls, be maintained according to equipment manufacturer recommendations for optimum performance. After successful pilots to address compressed air leakage points across our Monterrey, Mexico, campus, Carrier continued to work with an independent partner to find and address compressed air leakage points across our facilities. In 2023, we implemented the program at our Collierville, Tennessee, facility, resulting in a reduction of approximately 156 tCO2 e annually. Additionally, we installed a compressed air controller to optimize usage, resulting in an additional 525 tCO2 e reduction annually. We also rolled out the program in Indianapolis, reducing approximately 80%-90% of compressed air leaks across the facility. • Thermal degreasing in the brazing process contributes to GHG emissions due to the energy required to heat parts and solvents. We began upgrading processes at one of our facilities in Monterrey, Mexico, in 2023 to operate at lower temperatures. The process improvements are expected to significantly reduce

natural gas consumption and associated GHG emissions, and save space on the shop floor. In 2023, the project helped the facility reduce natural gas consumption by 26,170 gigajoules (GJ) (61%), the equivalent of 1,317 tCO2e. In 2023, as part of an internal initiative, we added Carrier's Abound Net Zero Management to Carrier office buildings and manufacturing facilities across the United States to support the measurement, tracking and reporting of energy and GHG performance.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:
☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*0*	*`Numeric input*
To be implemented	*0*	*0*
Implementation commenced	*5*	*26747*
Implemented	*6*	*824*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Heating, Ventilation and Air Conditioning (HVAC)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

260

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

180000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

740000

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

Dock door upgrades

Row 6

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes
☑ Compressed air

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

32

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

70000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

216000

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

Air compressor

Row 7

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Lighting

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

55

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

20000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

91000

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 11-15 years

(7.55.2.9) Comment

Light energy savings

Row 9

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Heating, Ventilation and Air Conditioning (HVAC)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

235

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

150000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

600000

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 21-30 years

(7.55.2.9) Comment

Heat pump

Row 10

(7.55.2.1) Initiative category & Initiative type

Transportation

☑ Other, please specify **:**Phase out of R-410

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

25430

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.9) Comment

Phase out of R-410 Carrier HVAC

Row 11

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Maintenance program

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

245

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.9) Comment

Cogeneration

Row 12

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings
☑ Maintenance program

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

1317

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.9) Comment

Thermal degreaser
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Dedicated budget for low-carbon product R&D

(7.55.3.2) Comment

Our key strategic innovation and technology focus supports Carrier's transformation toward becoming the global leader in intelligent climate and energy solutions. By 2030, we have committed to invest over 4 billion to develop intelligent climate and energy solutions that reduce environmental impacts, up from our original commitment of 2 billion. We are strategically transforming our portfolio through electrification, integration and resilience. We align our product development strategy based on evolving demands of the market and the rapidly evolving regulatory environment. Sustainability considerations are woven into every stage of our product development process, from design and supplier sourcing strategy to manufacturing and product release. Our emphasis is on product safety, security, quality, environmental performance and resource efficiency.

Row 2

(7.55.3.1) Method

Select from:

☑ Dedicated budget for energy efficiency

(7.55.3.2) Comment

We implemented an operational GHG emissions-reduction strategy focused on addressing high-emissions activities across our global footprint. To support this, each reporting site is required to develop, implement and annually update an Energy and Greenhouse Gas Reduction Plan. The plan: 1) Documents energy consumption data and resulting GHG emissions for the site. 2) Identifies significant energy users. 3) Lists projects with an estimated investment, cost savings, energy savings and payback, and associated GHG reduction details. We also established an internal capital expenditure fund targeted at reducing GHG emissions and overall energy consumption. The fund prioritizes capital-intensive programs that demonstrate strong projected GHG reduction returns and potential cost savings, identified through emissions modeling and financial analysis. We routinely monitor the performance of these programs through a process involving key internal and external stakeholders in addition to third-party advisors and partners.
[Add row]

(7.71) Does your organization assess the life cycle emissions of any of its products or services?

(7.71.1) Assessment of life cycle emissions

Select from:

☑ Yes

(7.71.2) Comment

At Carrier, Design for Sustainability is a holistic design approach that emphasizes human well-being and environmental stewardship. It focuses on resource efficiency and the use of more environmentally responsible materials to develop products and processes. The approach is incorporated into our Product Development Process as our Engineering and Operations teams collaborate to develop and implement viable and sustainable solutions. We use model-based systems to optimize our product designs, material use and packaging while maintaining safety and performance. Our design tools allow us to determine and compare system and material changes in an agile manner, leading to more innovative and sustainable products and more cost-effective solutions for our customers. Carrier's Lifecycle Assessments evaluate factors like resource use, energy consumption and emissions from extraction to disposal. The process identifies opportunities to reduce materials or select more sustainable alternatives. This approach helps minimize waste and encourages the adoption of more sustainable materials. A thorough examination of the environmental impact of our products is crucial to improving sustainability at Carrier. We are standardizing and streamlining our global approach to Lifecycle Assessments. We conduct comprehensive assessments, which scrutinize the product lifecycle, encompassing raw materials and processing, manufacturing, distribution, usage and end-of-life considerations. Carrier adheres to ISO standards 14040 and 14044 in Europe, and ISO standards 14040, 14044 and 21930 in North America, ensuring the integrity and consistency of our Lifecycle Assessments methodologies. Information collected during Lifecycle Assessments inform our Environmental Product Declarations, including Product Environmental Profiles. Upon gaining insights into the footprint of our products, we establish a baseline and look at ways to design our products to optimize sustainability. By the end of 2023 Carrier produced an additional 20 PEP's from our HVAC facility in Montluel France, 14 PEPs published through CIAT and 13 LCAs conducted by our Sensitech business.
[Fixed row]

(7.71.1) Provide details of how your organization assesses the life cycle emissions of its products or services.

(7.71.1.1) Products/services assessed

Select from:

☑ Representative selection of products/services

(7.71.1.2) Life cycle stage(s) most commonly covered

Select from:

☑ Cradle-to-grave

(7.71.1.3) Methodologies/standards/tools applied

Select all that apply

☑ ISO 14040 & 14044

(7.71.1.4) Comment

A thorough examination of the environmental impact of our products is crucial to improving sustainability at Carrier. We are standardizing and streamlining our global approach to Lifecycle Assessments. We conduct comprehensive assessments, which scrutinize the product lifecycle, encompassing raw materials and processing, manufacturing, distribution, usage and end-of-life considerations. Carrier adheres to ISO standards 14040 and 14044 in Europe, and ISO standards 14040, 14044 and 21930 in North America, ensuring the integrity and consistency of our Lifecycle Assessments methodologies. Information collected during Lifecycle Assessments inform our Environmental Product Declarations, including Product Environmental Profiles. Upon gaining insights into the footprint of our products, we establish a baseline and look at ways to design our products to optimize sustainability. By the end of 2023 Carrier produced an additional 20 PEP's from our HVAC facility in Montluel France, 14 PEPs published through CIAT and 13 LCAs conducted by our Sensitech business.
[Fixed row]

(7.73) Are you providing product level data for your organization’s goods or services?

Select from:

☑ No, I am not providing data

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☑ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ No taxonomy used to classify product(s) or service(s) as low carbon

(7.74.1.3) Type of product(s) or service(s)

Other

☑ Other, please specify **:**Carrier estimates the avoided GHG emissions from the adoption of high-efficiency and lower GWP refrigerant HVAC-R and from Carrier's energy services businesses as well as avoided food waste beginning in 2020 through 2030.

(7.74.1.4) Description of product(s) or service(s)

Progress against Carrier's Gigaton Goal estimates avoided GHG emissions from the adoption of high-efficiency and lower GWP refrigerant HVAC-R and from Carrier's energy services businesses as well as avoided food waste beginning in 2020 through 2030.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ Other, please specify **:**Proprietary methodology - see comments

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☑ Use stage

(7.74.1.8) Functional unit used

TCO2e

(7.74.1.9) Reference product/service or baseline scenario used

2020

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:
☑ Use stage

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

367000000

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

The Carrier Gigaton Goal tracks progress based on a 2020 baseline year and representative products, which remain constant despite portfolio or industry changes (e.g., regulatory shifts like refrigeration transitions) as well as the greenhouse gas emission savings from avoidance of food wastage. To measure progress, lifetime estimated greenhouse gas emissions from use of Carrier products sold during reporting year are compared to the 2020 baseline, with the difference representing avoided emissions. The model also incorporates energy savings as measured from energy service contracts. We intend to include additional Carrier products, services and businesses in these calculations as data becomes available. Avoided GHG emissions from high-efficiency and lower GWP refrigerant technologies are calculated by estimating the lifetime expected avoided emissions from products sold in the year of sale for each year reported. The model also includes avoided net GHG emissions from food waste across the same time period. As global markets and infrastructure strengthen, so too does the ability to sustainably refrigerate food in these emerging markets, reducing the amount of food lost or wasted along the food supply chain. Referencing third-party research, Carrier estimates the amount of avoided food waste and its associated GHG emissions through the adoption of cold chain technologies. We account for the avoided GHG emissions within the year of sale only. This proprietary methodology differs from SBTi GHG inventory accounting and serves as a separate metric to assess the long-term greenhouse gas emissions impact of Carrier products. In 2023, approximately 45% of our HVAC and Transport Refrigeration revenue was clean technology. Carrier defines clean technology revenue as products and services sold that facilitate decarbonization through lower energy consumption, electrification and/or the transition to lower global warming potential refrigerants in built environments and refrigerated transport. This figure excludes our Fire & Security and Commercial Refrigeration businesses. [Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

☑ No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:

☑ Yes

(9.1.1) Provide details on these exclusions.

Row 1

(9.1.1.1) Exclusion

Select from:

☑ Facilities

(9.1.1.2) Description of exclusion

Carriers water inventory is tracked for sites procuring over 100,000 USD in combined energy and water spend per year. This is representative of our manufacturing sites large headquarters distribution and research and development center operations but is not inclusive of our entire footprint.

(9.1.1.3) Reason for exclusion

Select from:

☑ Data is not available

(9.1.1.4) Primary reason why data is not available

Select from:

☑ Data collection is in progress

(9.1.1.7) Percentage of water volume the exclusion represents

Select from:

☑ Unknown

(9.1.1.8) Please explain

Carriers water inventory is tracked for sites procuring over 100,000 USD in combined energy and water per year. This is representative of our manufacturing sites large headquarters distribution and research and development center operations but is not inclusive of our entire footprint.
[Add row]

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 51-75

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Water withdrawal volume data is obtained predominately from water utility bills and measured and tracked within our third party EHS data management platform.

(9.2.4) Please explain

Water withdrawal is classified as "Total water in" and is tracked as an environmental indicator for the organization. Carrier reports this data internally on a monthly basis and reports this data externally on an annual basis. Carrier is not currently tracking water withdrawal of small offices and R&D locations in multi-tenant buildings.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:

☑ 51-75

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Water withdrawal sources are predominately provided by third-party city/municipal water services, where the data is collected through utility bills. Data from surface water and groundwater sources are collected through flow water meters. The volumes are then measured and tracked using our third party EHS data management platform.

(9.2.4) Please explain

Water withdrawal is classified as "Total water in" and is tracked as an environmental indicator. Carrier reports this data internally on a monthly basis and reports this data externally on an annual basis. Carrier tracks the overall indicator using the subcategories "Municipal water in" which gather data from third-party sources and "other water in" which gather data from groundwater extraction. Surface water data is gathered through the indicator "Once-Thru non-contact water" indicator.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

Carrier complies with all applicable water quality regulations and permits/licenses pertaining to water withdrawals and effluent discharges. Carrier sources water predominately from local third-party suppliers who manage and treat community water in accordance with local standards and regulations. In some cases, manufacturing facilities may use groundwater and surface water sources. Where required by local authorities, the quality of these sources are monitored using samplers and lab testing. While monitoring is occurring at the site level, Carrier is not yet collecting this water aspect at the corporate level.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 51-75

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Carrier's standard procedure on Water Pollution, Prevention, and Control requires manufacturing sites to document a water balance. The water balance is used to quantify the volume of water discharge and tracked within our third party EHS data management platform.

(9.2.4) Please explain

Water discharge is classified as "Total water out" and is tracked as an environmental indicator for the organization. Carrier reports this data internally on a monthly basis. Carrier is not currently tracking water withdrawal of small offices and R&D locations in multi-tenant buildings. Carrier's internal standard requires sites to perform a water balance to determine the amount of water discharged.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

Water discharge is classified as "Total water out" and is tracked as an environmental indicator for the organization. Carrier reports this data internally on a monthly basis and reports this data externally on an annual basis. Carrier tracks the overall indicator using the subcategories "Discharged to Municipal or Private Water Treatment Systems" which gathers data for water released in third-party destinations, and "Discharged to Environment" which gathers data for water released in rivers or ground. Surface water discharge data is gathered through the indicator "Once-through non-contact water" indicator.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

Carrier's manufacturing facilities which consume water for the purpose of manufacturing are equipped with wastewater treatment plants to ensure that the quality of discharged water conforms to local regulations and water permits. Carrier's internal standard on Water Pollution, Prevention, and Control requires its operations to maintain comprehensive records of the discharge treatment level and methodologies at the site level. However, Carrier is not yet monitoring this water aspect at the corporate level.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

Carrier's water-consuming manufacturing facilities are equipped with wastewater treatment plants to ensure that the quality of discharged water conforms to local regulations and water permits. Carrier's internal standard on Water Pollution, Prevention, and Control requires its operations to maintain comprehensive records of the discharge treatment level and methodologies at the site level. However, Carrier is not yet monitoring this water aspect at the corporate level.

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

Carrier's water-consuming manufacturing facilities are equipped with wastewater treatment plants to ensure that the quality of discharged water conforms to local regulations and water permits. Carrier's internal standard on Water Pollution, Prevention, and Control requires its operations to maintain comprehensive records of the discharge treatment level and methodologies at the site level. However, Carrier is not yet monitoring this water aspect at the corporate level.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

Carrier's water-consuming manufacturing facilities are equipped with wastewater treatment plants to ensure that the quality of discharged water conforms to local regulations and water permits. Carrier's internal standard on Water Pollution, Prevention, and Control requires its operations to maintain comprehensive records of the discharge treatment level and methodologies at the site level. However, Carrier is not yet monitoring this water aspect at the corporate level.

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:

☑ 51-75

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Carrier's standard procedure on Water Pollution, Prevention, and Control requires all manufacturing sites to document a water balance. The water balance is used to quantify water consumption using a water balance. Withdrawal volumes are obtained primarily from the utility company that issues water invoices and the water balance is used to quantify the volume of water discharge. Consumption is based on these two figures and tracked within our third party EHS data management platform

(9.2.4) Please explain

The total water consumption of Carrier is calculated monthly within our third party EHS data management platform by subtracting discharge volumes from withdrawal volumes; this data is reported monthly through our global system of records and is communicated internally. Carrier's internal standard requires sites to perform a water balance to determine the amount of water discharged and therefore consumed.

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

Carrier is not yet monitoring this water aspect at the corporate level.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

Across all Carrier sites, we provide clean restrooms, potable water, and sanitary food preparation and storage facilities. Carrier monitors this at the facility level and is not currently monitoring this water aspect at a corporate level.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

3599

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Much higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Mergers and acquisitions

(9.2.2.4) Five-year forecast

Select from:

☑ Higher

(9.2.2.5) Primary reason for forecast

Select from:

☑ Mergers and acquisitions

(9.2.2.6) Please explain

In 2023, Carrier's total water withdrawal increased by 576 ML, an increase of 19% compared with 2022. Our data analysis suggests that the increase in water withdrawals occurred predominately due to the 2022 acquisition of Toshiba Carrier Corp., now known as Carrier Japan Corp. We expect with the acquisition of Viessmann, our water withdrawals, discharges and consumption are likely to increase.

Total discharges

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Unknown

(9.2.2.4) Five-year forecast

Select from:

☑ Higher

(9.2.2.5) Primary reason for forecast

Select from:

☑ Mergers and acquisitions

(9.2.2.6) Please explain

Carrier is reviewing its accounting methodology for water discharges - taking into consideration our portfolio changes. We expect with the acquisition of Viessmann, our water withdrawals, discharges and consumption are likely to increase.

Total consumption

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Unknown

(9.2.2.4) Five-year forecast

Select from:

☑ Higher

(9.2.2.5) Primary reason for forecast

Select from:

☑ Mergers and acquisitions

(9.2.2.6) Please explain

Carrier is reviewing its accounting methodology for water discharges - taking into consideration our portfolio changes. We expect with the acquisition of Viessmann, our water withdrawals, discharges and consumption are likely to increase.
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:

☑ Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

286.2

(9.2.4.3) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.4.4) Primary reason for comparison with previous reporting year

Select from:

☑ Change in accounting methodology

(9.2.4.5) Five-year forecast

Select from:

☑ Higher

(9.2.4.6) Primary reason for forecast

Select from:

☑ Mergers and acquisitions

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

7.95

(9.2.4.8) Identification tool

Select all that apply

☑ WRI Aqueduct

(9.2.4.9) Please explain

Our updated water risk assessment identified 13 locations that are classified as high-risk for water stress. These sites collectively withdrew nearly 286 ML of water, representing 8% of our total withdrawal. This marks a roughly 6% increase from the previous year, attributed to changes in the World Resources Institute's assessment of water-stressed sites for 2023 compared with 2022, as well as changes to our portfolio. We expect with the acquisition of Viessmann, our water withdrawals, discharges and consumption are likely to increase.
[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

1627

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

Carrier is considering the following threshold to determine the comparison with previous reporting year and five-year forecast: Deviation /- 5% about the same; Between /- 5-15% higher /lower; Deviation /- 15% much higher / lower Carrier mainly withdraws fresh surface water from rivers and is used for cooling purposes in some manufacturing sites. It comprises about 52% of total water withdrawals, thus it is a relevant water source for Carrier. The fresh surface water is discharged back to its sources with negligible losses and quality variation.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

Carrier does not utilize brackish surface water or seawater within our sites; thus, this water source is not relevant.

Groundwater – renewable

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

739

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Much higher

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

Carrier uses “Other water in” as one of our environmental indicators, which gathers data from groundwater. The groundwater source calculation as renewable or non-renewable per the CDP Technical Note on Water Accounting definitions cannot be determined at this time. Carrier intends to ascertain the proper classification of groundwater sources, as this is a relevant water source.

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:

☑ Relevant but volume unknown

(9.2.7.5) Please explain

The groundwater source calculation as renewable or non-renewable per the CDP Technical Note on Water Accounting definitions cannot be determined at this time. Carrier intends to ascertain the proper classification of groundwater sources, as this is a relevant water source.

Produced/Entrained water

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

Carrier does not utilize produced/entrained water within our sites; thus, this water source is not relevant.

Third party sources

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

1233

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

Carrier is considering the following threshold to determine the comparison with previous reporting year and five-year forecast: Deviation /- 5% about the same; Between /- 5-15% higher /lower; Deviation /- 15% much higher / lower Carrier sites predominately source water from local third-party suppliers who manage and treat community water and provide potable water standards per local regulations. This comprises about 34% of total water withdrawals, thus it is a relevant water source for Carrier. Carrier compiles volumetric data primarily through direct metered measurements and water bill data; this year's values are comparable to last year's withdrawal.
[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:
☑ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, but we are planning to do so in the next 2 years

(9.3.4) Please explain

On January 2, 2024, we completed the acquisition of the climate solutions business of Viessmann Group. Carrier will be updating its TCFD assessment which will take into consideration water related risks across the business.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:
☑ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, but we are planning to do so in the next 2 years

(9.3.4) Please explain

On January 2, 2024, we completed the acquisition of the climate solutions business of Viessmann Group. Carrier will be updating its TCFD assessment which will take into consideration water related risks across the business.

[Fixed row]

(9.4) Could any of your facilities reported in 9.3.1 have an impact on a requesting CDP supply chain member?

Select from:

☑ No facilities were reported in 9.3.1

(9.5) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue (currency)	Total water withdrawal efficiency	Anticipated forward trend
	22100000000	*6140594.61*	*Water withdrawal efficiency expected to change with the recent acquisition of Viessmann Climate Solutions.*

[Fixed row]

(9.12) Provide any available water intensity values for your organization's products or services.

Row 1

(9.12.1) Product name

19DV (US)

(9.12.2) Water intensity value

2999.67

(9.12.3) Numerator: Water aspect

Select from:

☑ Water consumed

(9.12.4) Denominator

One ton of Chilling Capacity

(9.12.5) Comment

A thorough examination of the environmental impact of our products is crucial to improving sustainability at Carrier. We are standardizing and streamlining our global approach to Lifecycle Assessments. We conduct comprehensive assessments, which scrutinize the product lifecycle, encompassing raw materials and processing, manufacturing, distribution, usage and end-of-life considerations. Carrier adheres to ISO standards 14040 and 14044 in Europe, and ISO standards 14040, 14044 and 21930 in North America, ensuring the integrity and consistency of our Lifecycle Assessments methodologies. Information collected during Lifecycle Assessments inform our Environmental Product Declarations, including Product Environmental Profiles. Upon gaining insights into the footprint of our products, we establish a baseline and look at ways to design our products to optimize sustainability.

Row 2

(9.12.1) Product name

FJ4 / 38MURA

(9.12.2) Water intensity value

20190.238

(9.12.3) Numerator: Water aspect

Select from:

☑ Water consumed

(9.12.4) Denominator

1 finished product of indoor and outdoor unit

(9.12.5) Comment

A thorough examination of the environmental impact of our products is crucial to improving sustainability at Carrier. We are standardizing and streamlining our global approach to Lifecycle Assessments. We conduct comprehensive assessments, which scrutinize the product lifecycle, encompassing raw materials and processing, manufacturing, distribution, usage and end-of-life considerations. Carrier adheres to ISO standards 14040 and 14044 in Europe, and ISO standards 14040, 14044 and 21930 in North America, ensuring the integrity and consistency of our Lifecycle Assessments methodologies. Information collected during Lifecycle Assessments inform our Environmental Product Declarations, including Product Environmental Profiles. Upon gaining insights into the footprint of our products, we establish a baseline and look at ways to design our products to optimize sustainability.
[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances
	Select from: ☑ Yes

[Fixed row]

(9.13.1) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

Row 1

(9.13.1.1) Regulatory classification of hazardous substances

Select from:

☑ Other, please specify **:**Data analysis is underway and not available for disclosure at this time.

(9.13.1.3) Please explain

Data analysis is underway and not available for disclosure at this time.
[Add row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select from:

☑ Yes

(9.14.2) Definition used to classify low water impact

Carrier offers sustainability services through our NORESCO and EMSI businesses. They specialize in the development, design, construction and operation of energy and environmental efficiency projects, including water efficiency and wastewater treatment projects.

(9.14.4) Please explain

NORESCO can reduce wastewater treatment energy use and non-revenue water through an energy savings performance contract that addresses challenges on a stand-alone basis or in combination with other energy and water use efficiency and infrastructure improvements. EMSI provides a series of sustainable technical consulting services for more sustainable, healthier buildings for real estate developers, organizations and manufacturers in Greater China, Northeast Asia and Southeast Asia. EMSI offers stormwater risk management and water efficiency management, finding innovative ways to use rainwater as a resource and drive water-system efficiencies.
[Fixed row]

(9.15) Do you have any water-related targets?

Select from:

☑ Yes

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

Water pollution

(9.15.1.1) Target set in this category

Select from:

☑ No, and we do not plan to within the next two years

(9.15.1.2) Please explain

We do not have a target directly addressing water pollution. Our current 2030 Sustainability and Impact goals include deploying water stewardship programs across our global operations, prioritizing water-scarce locations.

Water withdrawals

(9.15.1.1) Target set in this category

Select from:

☑ No, and we do not plan to within the next two years

(9.15.1.2) Please explain

We do not have a target directly addressing water withdrawals. Our current 2030 Sustainability and Impact goals include deploying water stewardship programs across our global operations, prioritizing water-scarce locations.

Water, Sanitation, and Hygiene (WASH) services

(9.15.1.1) Target set in this category

Select from:

☑ No, and we do not plan to within the next two years

(9.15.1.2) Please explain

We do not have a target directly addressing water withdrawals. Our current 2030 Sustainability and Impact goals include deploying water stewardship programs across our global operations, prioritizing water-scarce locations.

Other

(9.15.1.1) Target set in this category

Select from:

☑ Yes

[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:

☑ Target 1

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Other

☑ Other, please specify

(9.15.2.4) Date target was set

04/17/2024

(9.15.2.5) End date of base year

12/31/2023

(9.15.2.6) Base year figure

3391

(9.15.2.7) End date of target year

12/30/2029

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ None, alignment not assessed

(9.15.2.13) Explain target coverage and identify any exclusions

Deploy water stewardship programs across our global operations, prioritizing water-scarce locations.

(9.15.2.16) Further details of target

Deploy water stewardship programs across our global operations, prioritizing water-scarce locations.
[Add row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Actions taken in the reporting period to progress your biodiversity-related commitments
	Select from: ☑ No, and we do not plan to undertake any biodiversity-related actions

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☑ No

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

	Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity	Comment
Legally protected areas	*Select from:* ☑ Not assessed	*Not assessed.*
UNESCO World Heritage sites	*Select from:* ☑ Not assessed	*Not assessed.*
UNESCO Man and the Biosphere Reserves	*Select from:* ☑ Not assessed	*Not assessed.*
Ramsar sites	*Select from:* ☑ Not assessed	*Not assessed.*
Key Biodiversity Areas	*Select from:* ☑ Not assessed	*Not assessed.*
Other areas important for biodiversity	*Select from:* ☑ Not assessed	*Not assessed.*

[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

(13.1.1) Other environmental information included in your CDP response is verified and/or assured by a third party

Select from:

☑ No, but we plan to obtain third-party verification/assurance of other environmental information in our CDP response within the next two years

(13.1.2) Primary reason why other environmental information included in your CDP response is not verified and/or assured by a third party

Select from:

☑ Other, please specify **:**We have prioritized the third-party validation of our greenhouse gas emissions.

(13.1.3) Explain why other environmental information included in your CDP response is not verified and/or assured by a third party

We have prioritized the third-party validation of our greenhouse gas emissions. As part of regulatory readiness, Carrier is in the process of securing third-party verification of the balance of our material sustainability metrics.
[Fixed row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

(13.2.1) Additional information

Cautionary Statement: This response contains forward-looking statements (including statements that constitute forward-looking statements under the securities laws). These forward-looking statements are intended to provide management's current expectations or plans for our future operating and financial performance, based on assumptions currently believed to be valid. Forward-looking statements may include, among other things, statements relating to future sales, earnings, cash flow, results of operations, uses of cash, share repurchases, tax rates and other measures of financial performance or potential future plans, strategies or transactions of

Carrier, statements with respect to current and future potential implications of corporate social responsibility and sustainability topics, Carrier's Sustainability and Impact initiatives (including its climate-related matters and goals) and other statements that are not historical facts. Many of these forward-looking statements are based upon certain assumptions, estimates, developing standards and assessments made by our management in light of their experience and perception of historical trends, current economic and industry conditions, expected future developments and other factors they believe to be appropriate. Furthermore, all forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. These risks include macroeconomic factors and megatrends, limitations and uncertainties inherent in climate and sustainability science (for example, estimation limitations in metrics related to Carrier's estimated emissions, including Scope 3 emissions, and other risks and uncertainties discussed in Item 1A of Carrier's Annual Report on Form 10-K for the fiscal year ended December 31, 2023). For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995. The forward-looking statements speak only as of the date of this response. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. Additional information as to factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements is disclosed from time to time in our other filings with the Securities and Exchange Commission (SEC). Inclusion of information in this response is not an indication that the subject or information is material to our business or operating results. "Material" for the purposes of this response should not be read as equating to any use of the word in our other reporting or filings with the U.S. Securities and Exchange Commission (SEC). Case studies presented within the response are for illustrative purposes only and have been selected in order to provide examples illustrating Carrier's application of its Sustainability and Impact policies and procedures and do not purport to be a complete list thereto.
[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Senior Vice President & Chief Legal Officer

(13.3.2) Corresponding job category

Select from:
☑ General Counsel
[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:

☑ No