Carrier

INVESTOR MEETINGS

March 2020

Cautionary Statement

Note: All results and expectations in this presentation reflect continuing operations unless otherwise noted.

This communication contains statements which, to the extent they are not statements of historical or present fact, constitute “forward-looking statements” under the securities laws. From time to time, oral or written forward-looking statements may also be included in other information released to the public. 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 can be identified by the use of words such as “believe,” “expect,” “expectations,” “plans,” “strategy,” “prospects,” “estimate,” “project,” “target,” “anticipate,” “will,” “should,” “see,” “guidance,” “outlook,” “confident” and other words of similar meaning in connection with a discussion of future operating or financial performance or the separation. 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, Otis or UTC following UTC’s separation into three independent public companies and/or following completion of the Raytheon merger, the separation, including the expected timing of completion of the separation and estimated costs associated with the separation, the Raytheon merger, including synergies or customer cost savings and the expected timing of the completion of the Raytheon merger, and other statements that are not historical facts. 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. Such risks, uncertainties and other factors include, without limitation: (1) the effect of economic conditions in the industries and markets in which Carrier and UTC and their respective businesses operate in the U.S. and globally and any changes therein, including financial market conditions, fluctuations in commodity prices, interest rates and foreign currency exchange rates, levels of end market demand in construction, the impact of weather conditions, pandemic health issues (including coronavirus and its effects, among other things, on global supply, demand, and distribution disruptions as the coronavirus outbreak continues and results in an increasingly prolonged period of travel, commercial and/or other similar restrictions and limitations) and natural disasters and the financial condition of our customers and suppliers; (2) challenges in the development, production, delivery, support, performance and realization of the anticipated benefits of advanced technologies and new products and services; (3) future levels of indebtedness, including indebtedness that may be incurred in connection with the separation, and capital spending and research and development spending; (4) future availability of credit and factors that may affect such availability, including credit market conditions and our capital structure; (5) the timing and scope of future repurchases of our common stock, which may be suspended at any time due to various factors, including market conditions and the level of other investing activities and uses of cash; (6) delays and disruption in delivery of materials and services from suppliers; (7) cost reduction efforts and restructuring costs and savings and other consequences thereof; (8) new business and investment opportunities; (9) the anticipated benefits of moving away from diversification and balance of operations across product lines, regions and industries; (10) the outcome of legal proceedings, investigations and other contingencies; (11) pension plan assumptions and future contributions; (12) the impact of the negotiation of collective bargaining agreements and labor disputes; (13) the effect of changes in political conditions in the U.S. and other countries in which Carrier and UTC and their respective businesses operate, including the effect of changes in U.S. trade policies or the U.K.’s withdrawal from the EU, on general market conditions, global trade policies and currency exchange rates in the near term and beyond; (14) the effect of changes in tax, environmental, regulatory (including among other things import/export) and other laws and regulations in the U.S. and other countries in which Carrier and UTC and their respective businesses operate; (15) the ability of Carrier and UTC to retain and hire key personnel; (16) the scope, nature, impact or timing of the separation and other acquisition and divestiture activity, including among other things integration of acquired businesses into existing businesses and realization of synergies and opportunities for growth and innovation and incurrence of related costs; (17) the expected benefits and timing of the separation, and the risk that conditions to the separation will not be satisfied and/or that the separation will not be completed within the expected time frame, on the expected terms or at all; (18) a determination by the IRS and other tax authorities that the distribution or certain related transactions should be treated as taxable transactions; (19) the possibility that any consents or approvals required in connection with the separation will not be received or obtained within the expected time frame, on the expected terms or at all; (20) financing transactions undertaken or expected to be undertaken in connection with the separation and risks associated with the additional indebtedness; (21) the risk that dis-synergy costs, costs of restructuring transactions and other costs incurred in connection with the separation will exceed Carrier’s estimates; (22) risks associated with the transactions contemplated by the Raytheon merger agreement or the announcement or pendency of such transactions, including disruptions to UTC’s or Carrier’s operations and the potential distraction of UTC or Carrier management or employees; (23) UTC’s obligations pursuant to the Raytheon merger agreement to consummate the Carrier distribution and the Otis distribution in accordance with the terms and conditions of the Raytheon merger agreement, including with respect to the timing of the distributions and the requirement that UTC obtain Raytheon’s prior written consent to effect certain changes to the terms of the separation or distributions, and the resulting limitations on UTC’s ability to determine or alter the structure or timing of the internal restructuring, the separation and the distributions or the terms and conditions of the separation agreement or ancillary agreements; and (24) the impact of the separation on Carrier’s business and the risk that the separation may be more difficult, time-consuming or costly than expected, including the impact on Carrier’s resources, systems, procedures and controls, diversion of management’s attention and the impact on relationships with customers, suppliers, employees and other business counterparties. There can be no assurance that the separation, distribution or any other transaction described above will in fact be consummated in the manner described or at all. The above list of factors is not exhaustive or necessarily in order of importance. . For additional information on identifying factors that may cause actual results to vary materially from those stated in forward-looking statements, see Carrier’s registration statement on Form 10, the reports of UTC on Forms 10-K, 10-Q and 8-K filed with or furnished to the SEC from time to time. Any forward-looking statement speaks only as of the date on which it is made, and Carrier assumes no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

We’ve forged entire industries. We’ve built iconic brands. We’ve pioneered more than 100 years of firsts. And now, as an independent, focused company, our best days are ahead of us.

This is the new Carrier – and Change is in the Air.

CHANGE IS IN THE AIR™

Why Carrier

Megatrends drive sustained industry growth

Strong foundation with leading positions

Runway to drive accelerated top and bottom line growth

Portfolio optionality enables further value creation

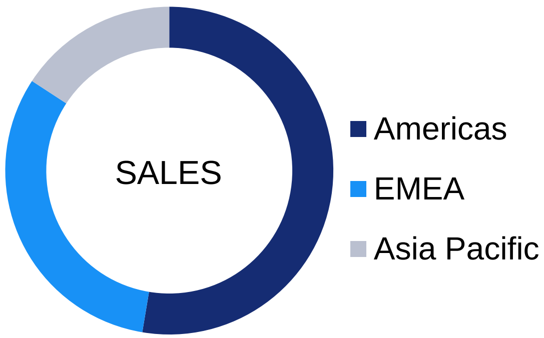
Carrier Overview

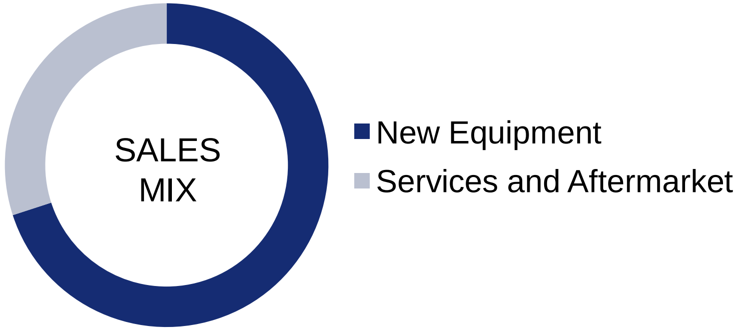
Sales*	$18.6B
Adj. Op Profit**	$2.6B
Adj. Op Profit %**	14.2%

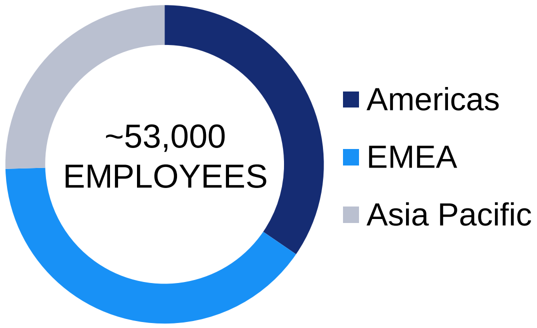
HVAC	
Sales	$9.7B
Adj. Op**	$1.6B
Adj. Op %**	16.9%

Fire & Security	
Sales	$5.5B
Adj. Op**	$0.7B
Adj. Op %**	13.5%

Refrigeration	
Sales	$3.8B
Adj. Op**	$0.5B
Adj. Op %**	13.5%





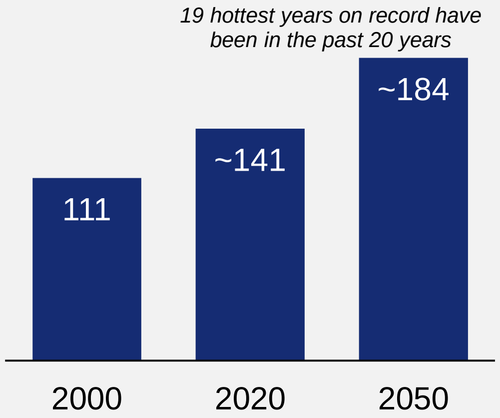


*Total Carrier sales net of ($0.4B) of eliminations
**2019 Standalone proforma adjusted operating profit. See appendix for additional information regarding these non-GAAP measures

Megatrends Drive Sustained Industry Growth

Climate and Regulation

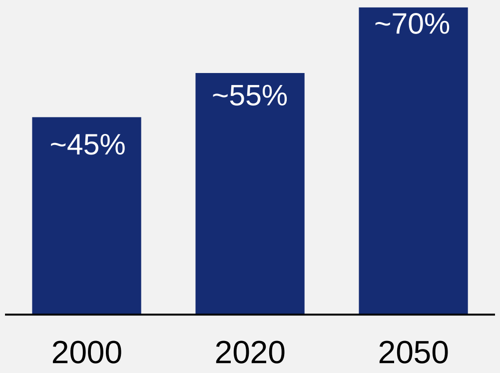
Average number of days per year above 70ºF - New York City



Source: NOAA, Crowther Lab.

Urbanization

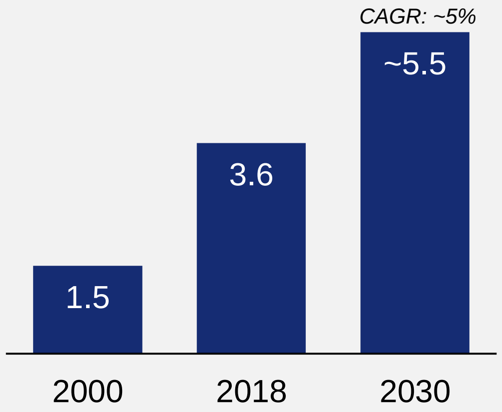
Global urban population (%)



Source: United Nations.

Growing Middle Class

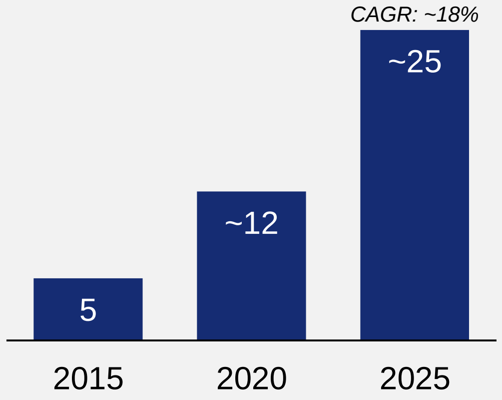
Middle class population - billions



Source: Brookings Institute.

Digitalization

Connected IoT devices - billions



Source: GSMA Intelligence.

Drives demand for Carrier offerings

Climate and Regulation	Urbanization	Growing Middle Class	Digitalization
Energy-efficient HVAC and refrigeration systems	Cold chain solutions	HVAC and fire and security systems	Building controls and automation
Next-generation low-GWP refrigerants	Driving technology for life safety solutions	Cold chain solutions	Predictive maintenance
Battery-powered transport solutions	Rapid adoption of HVAC		Monitoring connected service solutions
Fire detection systems compliance			

Strong Foundation with Leading Positions

	Position		Brands
HVAC	U.S. Residential	#1	Carrier, Bryant, Heil, Automated Logic
	U.S. Light Commercial	#1	
	Global Applied	#3	
Refrigeration	Global Transport Refrigeration	#1	Carrier, Carrier Transicold, Sensitech
	Europe Commercial Refrigeration	#1	
Fire & Security*	Global Residential Fire Detection and Alarm	#1	Kidde, Marioff, Supra, Onity, Edwards, Det-Tronics, Lenel:S2, Autronica, Chubb, GST
	Global Access Control	#1	
	Global Commercial Fire Detection and Alarm	#2	
	Global Fire and Security Field	#2	

* Fire excludes sprinklers. Field business excludes China.
Source: Public data, industry reports, IHS 2018, internal estimates.

Scale and Customer-Centric Approach

Best product and channel

7,000
patents awarded or pending

15% ↑
Net Promoter Score than competitive dealers

Win new business

Low cost

75%
low-cost manufacturing

>50%
low-cost sourced

Win long-term support agreements

Lifecycle support

100%
renewal rates when Singapore Service Center performs monitoring

29M
Carrier U.S. HVAC-Resi systems

Reinvest, innovate

The New Carrier

New Leadership Team

New Operating System

Carrier Operating System

Customized

ACE
Achieving Competitive Excellence
The United Technologies Operating System

New Culture: The Carrier Way

Leading ESG Practices

Environmental

Carbon footprint: ↓ 44% since 2006

Water consumption: ↓ 43% since 2006

Hazardous waste: ↓ 2M lbs since 2015

High-efficiency products: ~300M metric tons CO2e saved since 2010

Sustainability: Core to our mission

Social

EMPLOYEE DEVELOPMENT

$150M
Employee Scholar Program investment*

75%
increase in women in senior leadership roles**

SAFETY PERFORMANCE

75%
improvement in recordable rate***

Investment in talent and commitment to safety

Governance

- Shareowner value
- Expertise and judgment
- Diversity of perspectives
- Integrity and independence
- Accountability and oversight
- Ethical foundation

BOARD OF DIRECTORS

John V. Faraci Executive Chairman Former Chairman and CEO International Paper	Jean-Pierre Gamier Lead Director Former CEO GlaxoSmithKline
David Gitlin President & CEO Carrier	John Greisch Former President and CEO Hill-Rom Holdings
Charles M. Holley, Jr. Former EVP and CFO Walmart Stores	Mike McNamara Former CEO Flex
Michael A. Todman Former Vice Chairman Whirlpool Corp.	Virginia Wilson Former Sr. EVP and CFO TIAA

Management incentives aligned with shareholders

* Since inception in 1996
** Since 2012
*** Since 2006

Strategic Focus to Drive Top and Bottom Line Growth

Strengthen and Grow Core

Increasing sales force: ~500 employees

Increasing R&D spending: ~$50M

Increase share

Increase Product Extensions and Geographic Coverage

Targeted initiatives

Examples: VRF, China expansion, cold chain

Grow the pie: Additional equipment sales

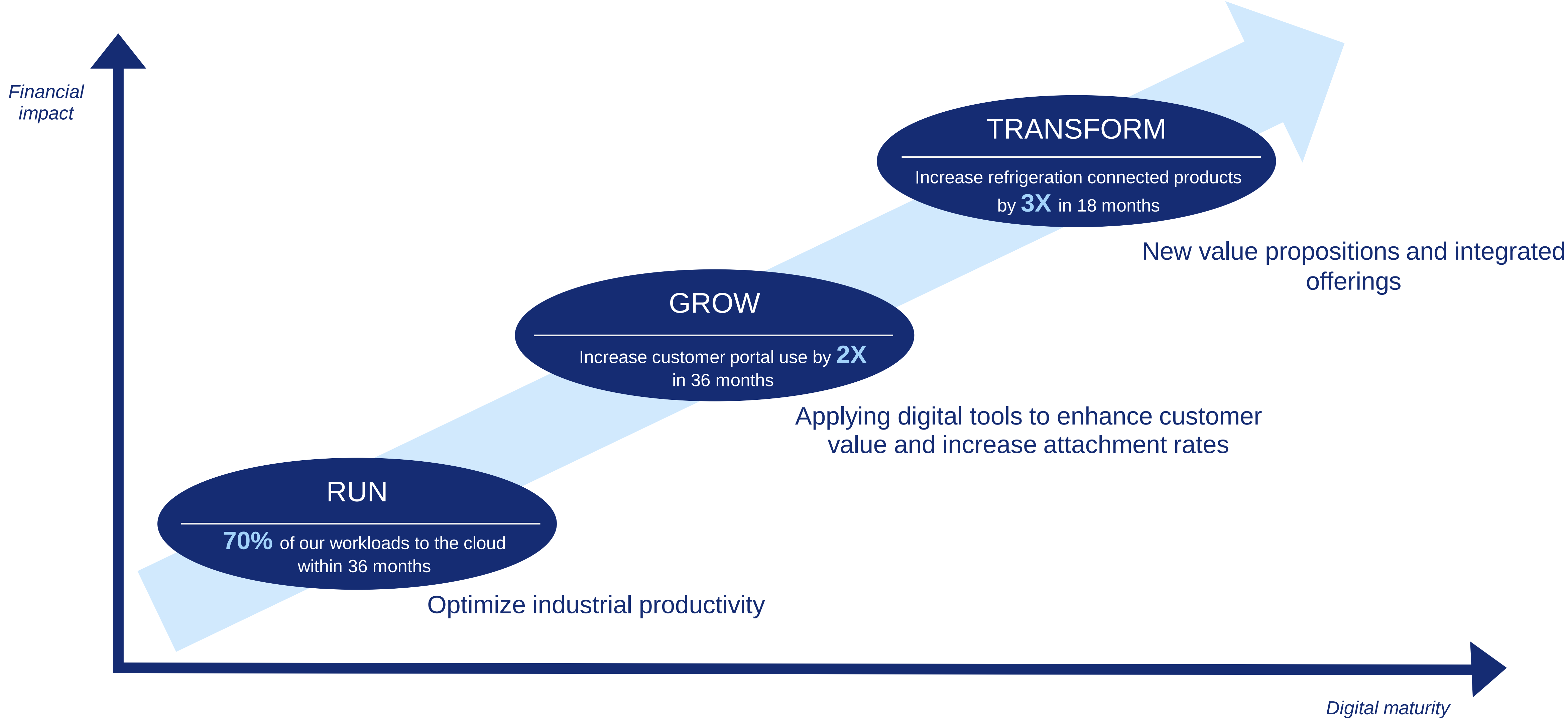
Grow Services and Digital

Increasing attachment rates

Tiered service offerings

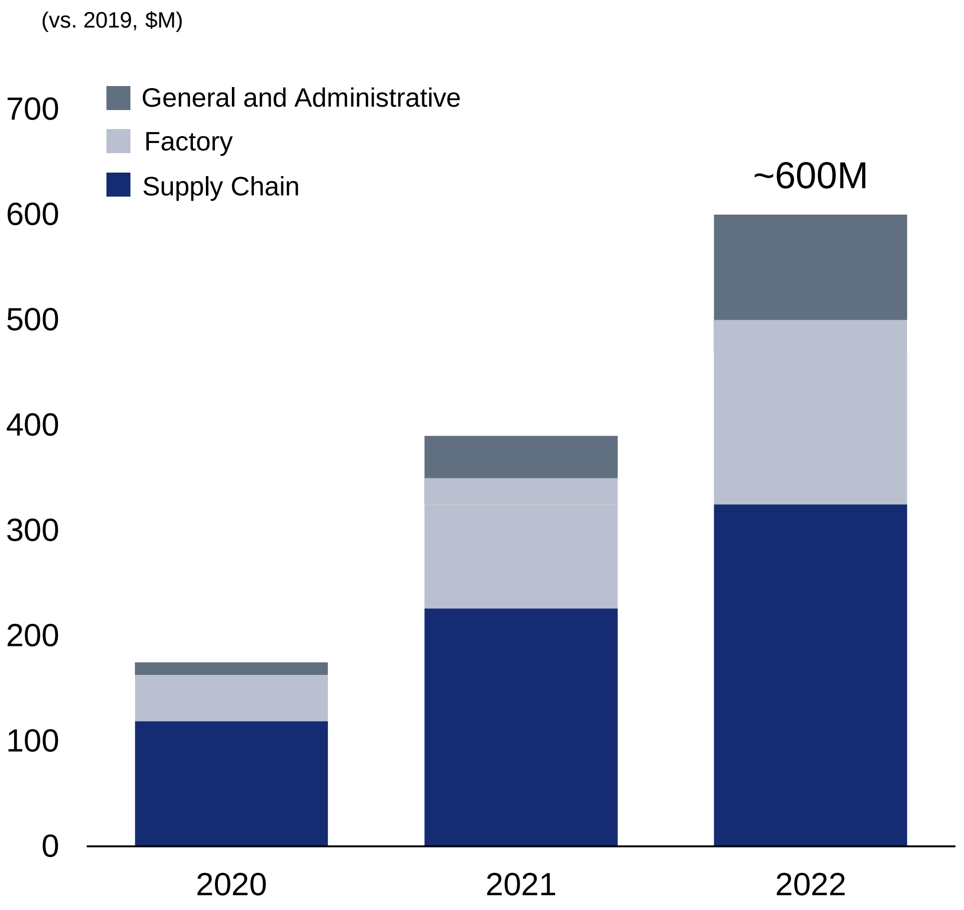
Grow the pie: Recurring revenue streams

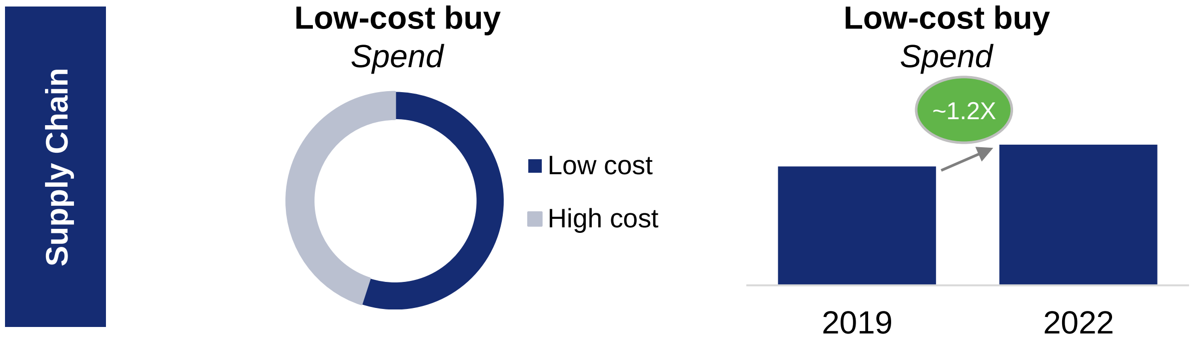
Digital to Drive Top and Bottom Line Growth

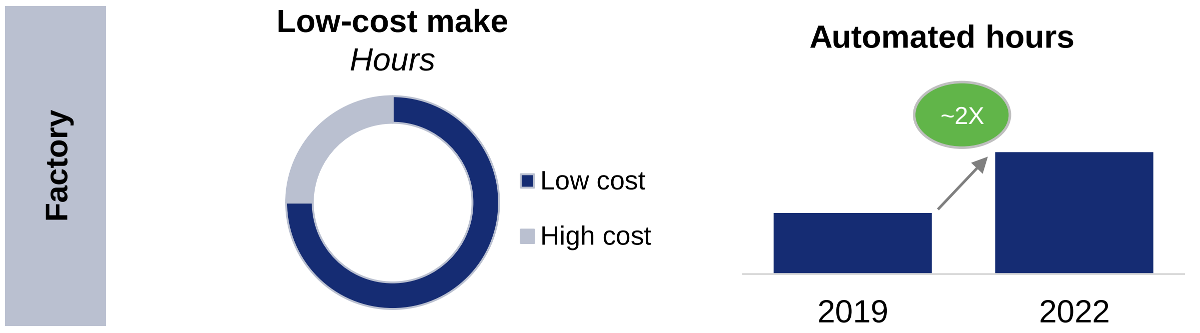


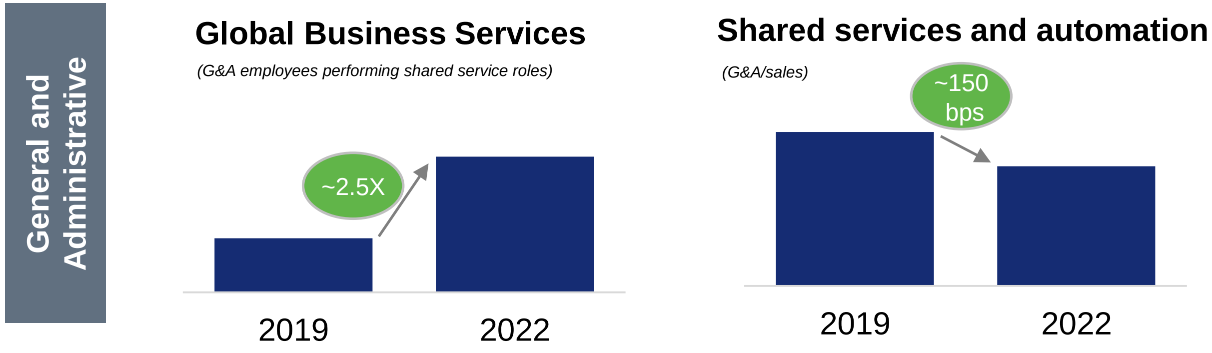
Carrier 600 to Drive Top and Bottom Line Growth

Cumulative Cost Reduction Target









Portfolio Optionality Enables Further Value Creation

Disciplined portfolio review process

Strategic fit
- Aligns with portfolio
- Revenue and cost synergies

Financial profile
- Accelerates growth and margin expansion
- Meets M&A and JV financial criteria

Best Owner
- Best results as part of Carrier
- Best use of capital

Future state

Focused

Differentiated

Synergistic

Growth / margin

Medium-term Expectations

Sales	Up mid-single digits
Adjusted EPS[1]	Up high-single digits
Free Cash Flow[1]	90 - 100% cash conversion

[1] See appendix for additional information regarding these non-GAAP measures

Carrier Future Profile

Growth Model

- ✓ Grow sales faster than the industry
- ✓ Grow adjusted operating profit[1] faster than sales
- ✓ Grow adjusted EPS[1] faster than adj. OP[1]
- ✓ Grow free cash flow[1] faster than earnings

Medium-term Expectations

Mid single-digits sales growth

High single-digits
Adjusted EPS[1] growth

90 – 100%
free cash flow[1] conversion

[1] See appendix for additional information regarding non-GAAP measures

Balanced Capital Allocation

Investment grade credit rating

Healthy and competitive dividend

Share repurchase program as appropriate

Disciplined approach to M&A

Carrier Future Growth Model

Grow sales faster than the industry

- ✓ Sales and R&D investment
- ✓ New products
- ✓ New geographies

Grow adjusted operating profit[1] faster than sales

- ✓ Leverage sales
- ✓ Higher margin new products
- ✓ Carrier 600 and price

Grow adjusted EPS[1] faster than adj. OP[1]

- ✓ Debt repayment
- ✓ Adjusted effective tax rate[1]

Grow free cash flow[1] faster than earnings

- ✓ Capital expenditures
- ✓ Working capital
- ✓ Joint ventures

[1] See appendix for additional information regarding non-GAAP measures

APPENDIX

Use and Definitions of Non-GAAP Financial Measures

Carrier Global Corporation ("Carrier") reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP").

We supplement the reporting of our financial information determined under GAAP with certain non-GAAP financial information. The non-GAAP information presented provides investors with additional useful information, but should not be considered in isolation or as substitutes for the related GAAP measures. Moreover, other companies may define non-GAAP measures differently, which limits the usefulness of these measures for comparisons with such other companies. We encourage investors to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure.

Adjusted net sales, organic sales, adjusted operating profit, adjusted net income, adjusted earnings per share ("EPS"), and the adjusted effective tax rate are non-GAAP financial measures. Adjusted net sales represents consolidated net sales from continuing operations (a GAAP measure), excluding significant items of a nonoperational nature (hereinafter referred to as "other significant items"). Organic sales represents consolidated net sales (a GAAP measure), excluding the impact of foreign currency translation, acquisitions and divestitures completed in the preceding twelve months and other significant items. Adjusted operating profit represents income from continuing operations (a GAAP measure), excluding restructuring costs and other significant items. Adjusted net income represents net income from continuing operations (a GAAP measure), excluding restructuring costs and other significant items. Adjusted EPS represents diluted earnings per share from continuing operations (a GAAP measure), excluding restructuring costs and other significant items. The adjusted effective tax rate represents the effective tax rate (a GAAP measure), excluding restructuring costs and other significant items. For the business segments, when applicable, adjustments of net sales, operating profit and margins similarly reflect continuing operations, excluding restructuring and other significant items. GAAP financial results include the impact of changes in foreign currency exchange rates ("AFX"). We use the non-GAAP measure "at constant currency" or "CFX" to show changes in our financial results without giving effect to period-to-period currency fluctuations. Under U.S. GAAP, income statement results are translated in U.S. dollars at the average exchange rate for the period presented. Management believes that the non-GAAP measures just mentioned are useful in providing period-to-period comparisons of the results of the Company's ongoing operational performance.

Standalone pro forma sales and adjusted operating profit and margin are non-GAAP financial measures and adjust Carrier's net sales and operating profit and margin previously reported by United Technologies Corporation ("UTC") to include all sales and costs directly attributable to Carrier, costs for certain functions and services performed by UTC that were directly charged to Carrier and estimated costs associated with Carrier being a standalone public company. Management believes Standalone financial measures are useful in assessing the company as a standalone company compared to its historical performance as a business segment of UTC.

Free cash flow is a non-GAAP financial measure that represents cash flow from operations (a GAAP measure) less capital expenditures. Management believes free cash flow is a useful measure of liquidity and an additional basis for assessing Carrier's ability to fund its activities, including the financing of acquisitions, debt service, repurchases of Carrier's common stock and distribution of earnings to shareholders.

A reconciliation of the non-GAAP measures to the corresponding amounts prepared in accordance with GAAP appears in the tables in this Appendix. The tables provide additional information as to the items and amounts that have been excluded from the adjusted measures.

When we provide our expectation for standalone pro forma adjusted operating profit, adjusted EPS, adjusted operating profit, adjusted effective tax rate, organic sales and free cash flow on a forward-looking basis, a reconciliation of the differences between the non-GAAP expectations and the corresponding GAAP measures (expected diluted EPS from continuing operations, operating profit, the effective tax rate, sales and expected cash flow from operations) generally is not available without unreasonable effort due to potentially high variability, complexity and low visibility as to the items that would be excluded from the GAAP measure in the relevant future period, such as unusual gains and losses, the ultimate outcome of pending litigation, fluctuations in foreign currency exchange rates, the impact and timing of potential acquisitions and divestitures, and other structural changes or their probable significance. The variability of the excluded items may have a significant, and potentially unpredictable, impact on our future GAAP results.

Carrier Operating Results Reconciliation

Financials as reported under UTC

($USD, Millions)

	2019
Net Sales	18,608
Operating Profit	2,697
Restructuring	126
Other significant items of a non-operational nature (a)	155
Adjusted Operating Profit	2,978
Adjusted Operating Profit Margin	*16.0%*

(a) Details of other significant items of a non-operational nature

2019 Approximately $108 million of pre-tax charges related to an investment impairment

Approximately $34 million of pre-tax charges related to a consultant contract termination

Approximately $13 million of pre-tax costs associated with the Company's intention to separate [from UTC]

Carrier Operating Results Reconciliation

2019 Standalone Pro Forma financials

($USD, Millions)

	2019
Net Sales - as reported in Form 10	18,608
Operating profit - as reported in Form 10	2,491
Operating Profit Margin	*13.4%*
Restructuring	126
Other significant items of a non-operational nature (a)	76
One-Time separation costs	53
Incremental Public company costs	(107)
Standalone Pro Forma Adjusted Operating Profit	2,639
Standalone Pro Forma Adjusted Operating Profit Margin	*14.2%*

(a) Details of other significant items of a non-operational nature

Approximately $57 million of pre-tax gain on sales of interests in joint ventures
Approximately $22 million or pre-tax net gain on sale of expropriated plant
Approximately $108 million of pre-tax charges related to an investment impairment
Approximately $34 million of pre-tax charges related to a consultant contract termination
Approximately $13 million of pre-tax costs associated with the Company's intention to separate [from UTC]

Carrier

Segment Data

($USD, Millions)

($ Millions except per share amounts)	Form 10 Segment Data Reported 2017	2018	2019	Standalone Pro Forma Segment Data Adjusted (Unaudited) 2019
HVAC				
Net Sales	9,045	9,713	9,712	9,712
Operating Profit (a), (b), (d), (h)	2,001	1,720	1,563	1,642
Operating Profit %	22.1%	17.7%	16.1%	16.9%
Refrigeration				
Net Sales	3,823	4,095	3,792	3,792
'Operating Profit (a), (c),(h)	562	1,353	532	511
Operating Profit %	14.7%	33.0%	14.0%	13.5%
Fire & Security				
Net Sales	5,324	5,531	5,500	5,500
Operating Profit (a), (h)	639	726	708	740
Operating Profit %	12.0%	13.1%	12.9%	13.5%
Total Segments				
Net Sales	18,192	19,339	19,004	19,004
Operating Profit	3,202	3,799	2,803	2,893
Operating Profit %	17.6%	19.6%	14.7%	15.2%
Corporate, Eliminations, and Other				
Net Sales:				
Eliminations and other	(378)	(425)	(396)	(396)
Operating Profit:				
General corporate expenses (h)	(140)	(138)	(156)	(201)
Eliminations and other (a), (e), (f), (g)	(32)	(24)	(156)	(53)
Consolidated				
Net Sales	17,814	18,914	18,608	18,608
Operating Profit	3,030	3,637	2,491	2,639
Operating Profit %	17.0%	19.2%	13.4%	14.2%

Segment Data – 2019

Standalone Pro Forma Notes

($USD, Millions)

Standalone Pro Forma discussion adjusts 2019 segment results for restructuring costs, certain significant non-operational items, and Carrier incremental public company costs

The following restructuring costs and significant non-operational items are included in current Form 10 results and have been excluded from the standalone pro forma adjusted results (non-GAAP measures) presented in the investor day presentation.

(a) Restructuring costs as included in 2019 results:

	Restructuring Costs
	2019
Operating Profit:	
HVAC	(56)
Refrigeration	(14)
Fire & Security	(53)
Total Segments	(123)
General corporate expenses	(3)
Eliminations and other	-
Total consolidated operating profit	(126)

(b) Approximately $57 million pre-tax gain on sales of interests in joint ventures

(c) Approximately $22 million pre-tax net gain on sale of expropriated plant

(d) Approximately $108 million pre-tax net loss due to an investment impairment

e) Approximately $34 million pre-tax net loss due to a consultant contract termination

f) Approximately $13M of pre-tax costs associated with the Company's intention to separate [from UTC]

g) Approximately $53M of pre-tax one-time separation costs

The following standalone public company costs were excluded from the current Form 10 results and have been included in the standalone pro forma adjusted results (non-GAAP measures) presented in the investor day presentation.

h) Approximately $107M of pre-tax incremental public company costs

	Standalone costs
	2019
Operating Profit:	
HVAC	(28)
Refrigeration	(13)
Fire & Security	(21)
Total Segments	(62)
General corporate expenses	(45)
Eliminations and other	-
Total consolidated operating profit	(107)

Segment Operating Results Reconciliation

($USD, Millions)

	2019				
	HVAC	Refrigeration	Fire & Security	Corp/Other	Carrier
Net Sales - as reported in Form 10	9,712	3,792	5,500	(396)	18,608
Operating Profit - as reported in Form 10	1,563	532	708	(312)	2,491
Operating Profit Margin - as reported in Form 10	*16.1%*	*14.0%*	*12.9%*		*13.4%*
Restructuring	56	14	53	3	126
Other significant items of a non-operational nature (a)	51	(22)		47	76
One-Time separation costs				53	53
Incremental Public company costs	(28)	(13)	(21)	(45)	(107)
Standalone Pro Forma Adjusted Operating Profit	1,642	511	740	(254)	2,639
Standalone Pro Forma Adjusted Operating Profit Margin	*16.9%*	*13.5%*	*13.5%*		*14.2%*

(a) Details of other significant items of a non-operational nature

Approximately $57 million of pre-tax gain on sales of interests in joint ventures

Approximately $22 million or pre-tax net gain on sale of expropriated plant

Approximately $108 million of pre-tax charges related to an investment impairment

Approximately $34 million of pre-tax charges related to a consultant contract termination

Approximately $13 million of pre-tax costs associated with the Company's intention to separate [from UTC]

Free Cash Flow Reconciliation

($USD, Millions)

	2019
Net cash flows provided by operating activities - as reported in Form 10	2,002
Capital Expenditures - as reported in Form 10	(243)
Free Cash flow	1,759

Operating Profit - Reported

Form 10 reconciliation

($USD, Millions)

	2019
Net Sales - as reported in Form 10	18,608
Operating Profit - as reported by UTC	2,697
UTC Corporate cost pushdown	(118)
One-Time separation costs	(53)
Other Form 10 items (a)	(35)
Operating profit - as reported in Form 10	2,491
Operating Profit Margin - as reported in Form 10	*13.4%*

(a) adjustments for asbestos, self-insurance and other items to present operating profit on a stand-alone basis

Operating Profit – Adjusted

Standalone Pro Forma reconciliation

($USD, Millions)

	2019
Net Sales - as reported in Form 10	18,608
Adjusted Operating Profit - as reported by UTC	2,978
UTC Corporate cost pushdown	(118)
Incremental Public company costs	(107)
Other significant items of a non-recurring/non-operational nature (a)	(79)
Other Form 10 items (b)	(35)
Standalone Pro Forma Adjusted Operating Profit	2,639
Standalone Pro Forma Adjusted Operating Profit Margin	*14.2%*

(a) Details of other significant items of a non-operational nature

Approximately $57 million of pre-tax gain on sales of interests in joint ventures

Approximately $22 million or pre-tax net gain on sale of expropriated plant

(b) adjustments for asbestos, self-insurance and other items to present operating profit on a stand-alone basis