Q2 2021 EARNINGS CONFERENCE CALL

July 29, 2021

Cautionary Statement

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,” “scenario” and other words of similar meaning in connection with a discussion of future operating or financial performance or the separation and distribution from United Technologies Corporation (the “Separation” and the “Distribution”), since renamed Raytheon Technologies Corporation. 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, the estimated costs associated with the Separation, Carrier’s plans with respect to our indebtedness 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. 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. Such risks, uncertainties and other factors include, without limitation: (1) the effect of economic conditions in the industries and markets in which Carrier and our 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 COVID-19 and its effects, among other things, on production and on global supply, demand and distribution as the outbreak continues and results in a prolonged period of travel, commercial and other restrictions and limitations), 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, capital spending and research and development spending; (4) future availability of credit and factors that may affect such availability, including credit market conditions and Carrier’s capital structure and credit ratings; (5) the timing and scope of future repurchases of Carrier’s common stock, including market conditions and the level of other investing activities and uses of cash; (6) delays and disruption in the 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) risks resulting from being a smaller, less diversified company than prior to the Separation; (10) the outcome of legal proceedings, investigations and other contingencies; (11) the impact of pension plan assumptions on future cash contributions and earnings; (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. (including in connection with the Biden administration in Washington, D.C.) and other countries in which Carrier and our businesses operate, including the effect of changes in U.S. trade policies or the United Kingdom’s withdrawal from the European Union, on general market conditions, global trade policies and currency exchange rates in the near term and beyond; (14) the effect of changes (including potentially as a result of the Biden administration in Washington, D.C.) in tax, environmental, regulatory (including among other things import/export) and other laws and regulations in the U.S. and other countries in which we and our businesses operate; (15) the ability of Carrier to retain and hire key personnel; (16) the scope, nature, impact or timing of 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 of the Separation; (18) a determination by the U.S. Internal Revenue Service and other tax authorities that the Distribution or certain related transactions should be treated as taxable transactions; (19) risks associated with indebtedness, including that incurred as a result of financing transactions undertaken in connection with the Separation, as well as our ability to reduce indebtedness and the timing thereof; (20) the risk that dis-synergy costs, costs of restructuring transactions and other costs incurred in connection with the Separation will exceed Carrier’s estimates; and (21) the impact of the Separation on Carrier’s business and 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.

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 reports 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.

Sale of Chubb

Agreement to sell Fire & Security Field business (Chubb) for enterprise value of $3.1 billion

Divestiture makes Carrier a more focused global provider of healthy, safe, sustainable and intelligent building and cold chain solutions

Transaction improves Carrier’s growth profile, focus on product differentiation, operating margin and ROIC

Deploy capital to create long-term strategic growth and generate attractive shareowner returns

Transaction improves Carrier’s growth and return profile and focus on healthy building and cold chain solutions

Q2 2021 Summary

Sales	$5,440M *Reported +37% Y/Y* *Organic* +31% Y/Y* *Acquisitions +1% Y/Y* *F/X +5% Y/Y*
Adjusted Operating Profit*	$821M *+72% Y/Y*
Free Cash Flow*	$482M

Highlights

Sales, adjusted operating profit and free cash flow ahead of our expectations

Continued traction on aftermarket and digital initiatives

Closed acquisition of majority stake in Chigo

Organic sales* up 7% vs. Q2 2019

Increasing full-year 2021 outlook

Carrier

*See appendix for additional information regarding non-GAAP measures

Well-Positioned in Attractive Markets

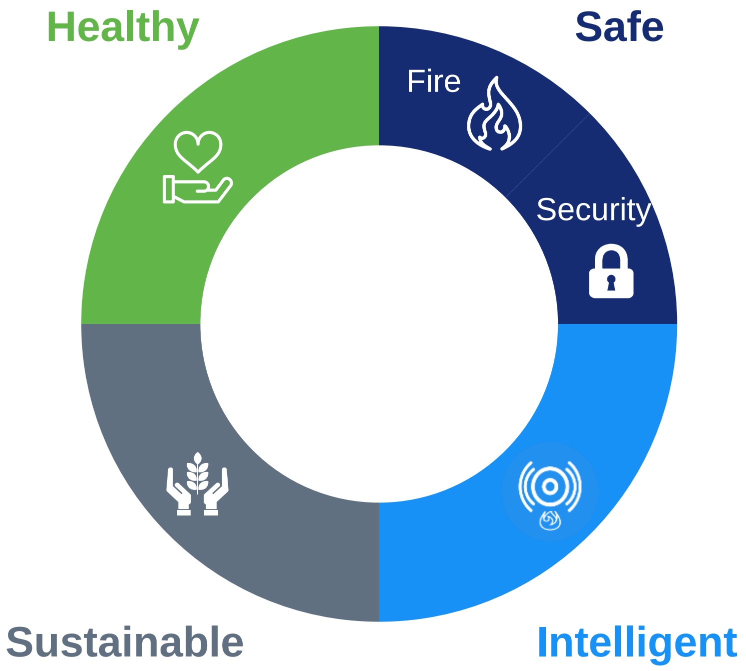
Secular Drivers

Sustainability and healthy environments

Climate and regulatory changes

Growing middle class and urbanization

Digitalization



Strategic

- Healthy, safe, sustainable & intelligent
- Market leadership
- Recurring revenues

Growth Focus Areas

- Strengthen and grow core
- Product extensions and geographic expansion
- Grow services and digital

Carrier is well-positioned in attractive and growing markets

Healthy and Intelligent

Healthy

- ✓ Carrier products in over 100M homes
- ✓ Healthy Buildings pipeline now over $500M with YTD orders of ~$250M
- ✓ K-12: Significant opportunity; Carrier well-positioned for growth

Investing in solutions

Intelligent

ABOUND LYNX

- ✓ ABOUND pilots across the U.S. with customers in the commercial building, K-12 education, entertainment and sports industries
- ✓ Lynx recognized among Fast Company's 2021 World Changing Ideas
- ✓ EcoEnergy's CORTIX wins "Best Predictive Analytics Platform"

Creating differentiated products

Recurring Revenues

BLUEDGE

- ✓ Chiller service coverage increased
  - ✓ On track for 10,000 more chillers under contract
  - ✓ Q2 attachment rate over 35%
- ✓ Continued adoption and expansion of BluEdge
- ✓ Aftermarket sales up over 20% in Q2

Executing on growth initiatives

Sustainability Leadership

Environmental

Automated Logic WebCTRL building automation system

Improved energy efficiency, operational efficiencies and sustainability performance

Infinity® 24 Heat Pump with Greenspeed® Intelligence

Most efficient heat pump in its class*

AquaEdge® 23XRV

World's leading efficiency screw chiller**

Vector® eCool™

The only 100% electric trailer refrigeration unit available in the market

Driving results

MSCI	Improved from A to AA
Greenhouse gases	68 MMT of avoided GHG emissions for 2020
Science-based targets	Committed Apr 2021
Sustainalytics	5th in Building Products Industry out of 133

Sustainability is core to our business, and we are leading the way for future generations

*For 25VNA4 models based on SEER for all sizes when paired with a fan coil

**42% better than the industry standard; among electric-driven, water-cooled chillers as mentioned by Integrated Part Load Value conditions based on ASHRAE 90.1 2010 minimum requirement.

Q2 2021 Results

	Q2 2021	Q2 2020	Y/Y
Sales	$5,440M	$3,972M	37%
Organic sales*			31%
Acquisition			1%
FX			5%
Adjusted operating profit*	$821M	$476M	72%
Adjusted operating margin*	15.1%	12.0%	310 bps
Adjusted effective tax rate*	25.0%	28.0%	(300) bps
Adjusted EPS*	$0.64	$0.33	$0.31
Free cash flow*	$482M	$463M	$19M

*See appendix for additional information regarding non-GAAP measures

Q2 2021 HVAC Results

	Q2 2021	Y/Y
Sales	$3,120M	36%
Organic sales*		32%
Acquisitions		1%
FX		3%
Adjusted operating profit*	$582M	62%
Adjusted operating margin*	18.7%	300 bps

Carrier won a large Healthy Buildings project for The Warehouse Mall in South Sabahiya, Kuwait. The Warehouse Mall is more than one million square feet of retail and commercial space currently under construction.

Highlights

34% sales growth in North American residential HVAC

Over 20% growth in commercial HVAC

Double digit growth in aftermarket

Strong trends in light commercial – up over 60% Y/Y

Results include one month of Chigo

*See appendix for additional information regarding non-GAAP measures

Q2 2021 Refrigeration Results

	Q2 2021	Y/Y
Sales	$1,021M	46%
Organic sales*		38%
FX		8%
Adjusted operating profit*	$126M	97%
Adjusted operating margin*	12.3%	320 bps

Seaco Global increased its sustainability efforts by placing an order for 200 NaturaLINE container refrigeration units. NaturaLINE uses the natural refrigerant CO_2, which has a Global Warming Potential (GWP) of 1.

Highlights

Accelerating NA truck/trailer

Continued strength in container demand

Higher freight costs

Positive trends continue in commercial refrigeration

*See appendix for additional information regarding non-GAAP measures

Q2 2021 Fire & Security Results

	Q2 2021	Y/Y
Sales	$1,403M	33%
Organic sales*		25%
FX		8%
Adjusted operating profit*	$169M	51%
Adjusted operating margin*	12.0%	140 bps

In support of a safe return to work, LenelS2 introduced two new subscription-based services for businesses in North America – Contact Notification and Indoor Location services – using LenelS2's access control security systems along with its BlueDiamond™ mobile credential app. These services elevate our Healthy Buildings offerings and enhance overall occupant experience.

Highlights

Commercial and residential fire remained strong

Double digit Access Solutions growth

Industrial fire returned to growth

Record Chubb installation backlog

*See appendix for additional information regarding non-GAAP measures

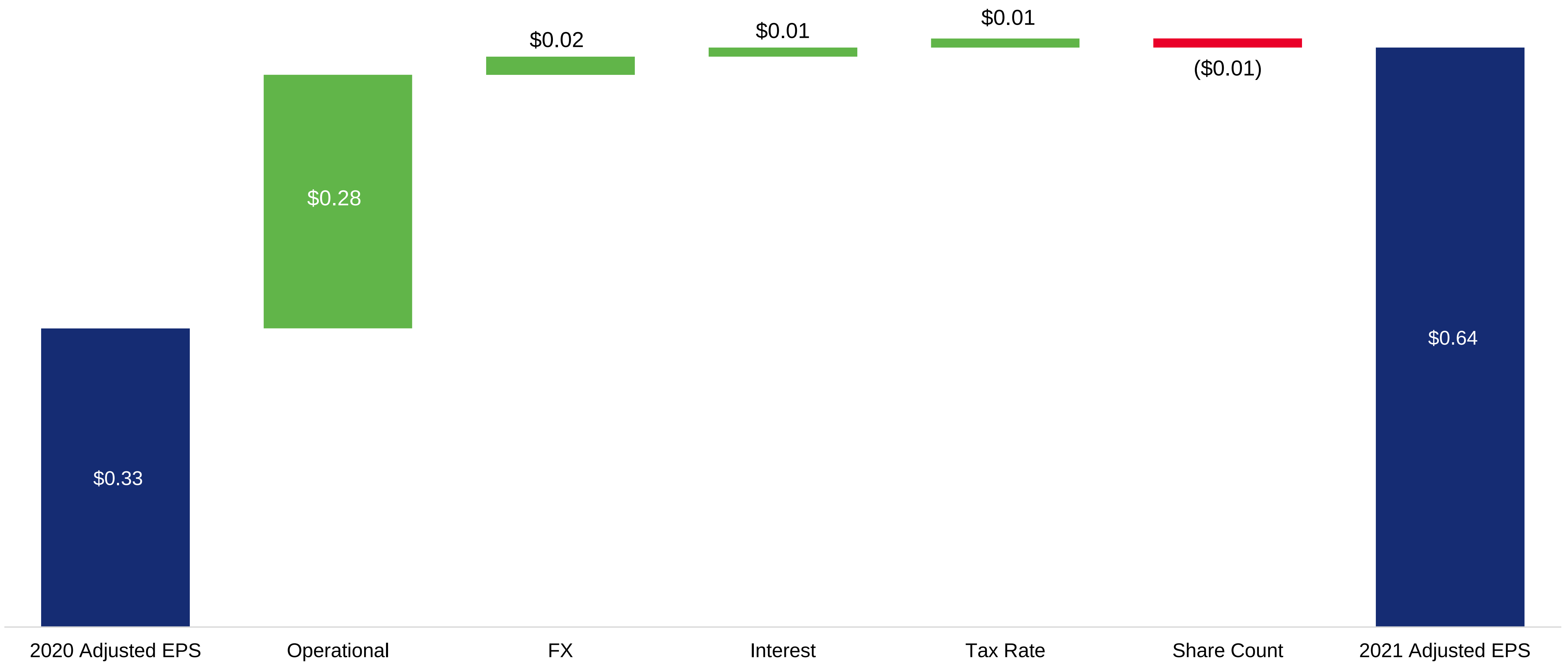
Organic Order Trends

Orders by Key Business Line	Q2 2021 (Y/Y)
HVAC*	30% - 35%
Residential & Light Commercial	*>30%*
*Commercial HVAC**	*>30%*
Refrigeration	50% - 55%
Transport Refrigeration	*~60%*
Commercial Refrigeration	*>40%*
Fire & Security	25% - 30%
Fire & Security Products	*>25%*
Fire & Security Field	*25% - 30%*
Total Carrier*	~35%

Orders by Geography	Q2 2021 (Y/Y)
Americas*	~35%
EMEA	40% - 45%
China	20% - 25%
Asia excluding China	15% - 20%

*Excludes NORESCO

Q2 2021 Adjusted EPS* Bridge



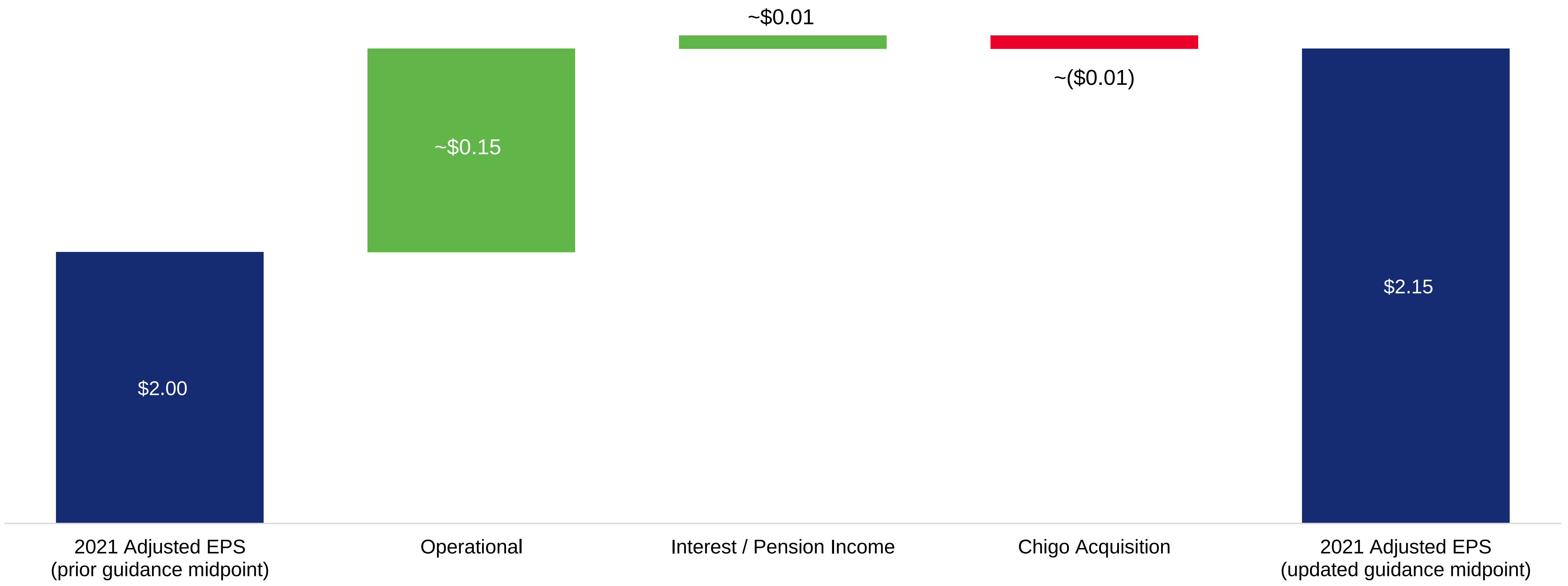
*See appendix for additional information regarding non-GAAP measures

Updated 2021 Outlook

	Updated (Jul 29th)	Prior (Apr 29th)
Sales	Up 14% - 16% Y/Y *Organic* +10% - 12% Y/Y* *Acquisitions +1% Y/Y* *FX +3% Y/Y*	Up 7% - 10% Y/Y *Organic* +5% - 8% Y/Y* *FX +2% Y/Y*
Adjusted Operating Margin*	>13.5%	~13.5%
Adjusted Effective Tax Rate*	~24%	~24%
Adjusted EPS*	$2.10 - $2.20	$1.95 - $2.05
Free Cash Flow*	~$1.9B	~$1.7B

*See appendix for additional information regarding non-GAAP measures

2021 Adjusted EPS* Outlook Bridge



*See appendix for additional information regarding non-GAAP measures

Sale of Chubb Fire and Security

Chubb Profile

- ~$2.2B of sales in 2021 (about 40% of Fire & Security revenues)
- High single-digit adjusted operating margin (about 25% of Fire & Security adjusted operating profits)

Transaction Summary

- Enterprise value of $3.1B
- Estimated net proceeds ~$2.6B
- >$2B in pension assets/liabilities included in the sale
- Loss of annual non-cash, non-service pension benefit on income statement (~$70M)

Capital Deployment

- ~$2.6 billion in cash at 6/30/2021 and ~$2.6 billion in net proceeds
  - ~$750 million debt repayment
  - Acquisitions
  - $1.75 billion share repurchase authorization
- Flexibility between acquisitions and repurchase

Faster growth, higher margin and higher free cash flow conversion profile

Summary

Executing on portfolio optimization

Achieving strong first half results in a challenging supply chain environment

Meaningfully increasing the 2021 full year outlook

Well-positioned to drive healthy, safe, sustainable and intelligent building and cold chain solutions

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. 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.

Organic sales, adjusted operating profit, adjusted operating margin, incremental margins / earnings conversion, earnings before interest, taxes and depreciation and amortization (EBITDA), adjusted EBITDA, adjusted net income, adjusted earnings per share (“EPS”), the adjusted effective tax rate, net debt and adjusted interest expense, net are non-GAAP financial measures. 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 of a nonoperational nature (hereinafter referred to as “other significant items”). Adjusted operating profit represents operating profit (a GAAP measure), excluding restructuring costs and other significant items. Adjusted operating margin represents adjusted operating profit as a percentage of net sales (a GAAP measure). Incremental margins / earnings conversion represents the year-over-year change in adjusted operating profit divided by the year-over-year change in net sales. EBITDA represents net income attributable to common shareholders (a GAAP measure), adjusted for interest income and expense, income tax expense, and depreciation and amortization. Adjusted EBITDA represents EBITDA, as calculated above, excluding non-service pension benefit, non-controlling interest in subsidiaries’ earnings from operations, restructuring costs and other significant items. Adjusted net income represents net income attributable to common shareowners (a GAAP measure), excluding restructuring costs and other significant items. Adjusted EPS represents diluted earnings per share (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. Net debt represents long-term debt (a GAAP measure) less cash and cash equivalents. Adjusted interest expense, net represents projected interest expense, net excluding prepayment premiums or discounts, write-off of deferred financing costs in conjunction with the prepayment of debt and other significant items that are components of interest expense, net. For the business segments, when applicable, adjustments of operating profit and operating margins represent operating profit, excluding restructuring and other significant items.

Free cash flow is a non-GAAP financial measure that represents net cash flows provided by operating activities (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 shareowners.

Orders are contractual commitments with customers to provide specified goods or services for an agreed upon price and may not be subject to penalty if cancelled. Remaining performance obligations (or backlog) are unsatisfied performance obligations to provide products or services subject to penalty if cancelled.

When we provide our expectations for organic sales, adjusted operating profit, adjusted operating margin, incremental margins / earnings conversion, adjusted EPS, adjusted interest expense, net 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 net sales, operating profit, operating margin, incremental operating margin, diluted EPS and net cash flows provided by operating activities) 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, future restructuring costs, 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.

Additional Items

	Updated outlook	Prior outlook
Shares outstanding (diluted)	~890M	~889M
Corporate expenses / eliminations	$220M - $240M	$225M - $250M
Adjusted interest expense, net*	$285M - $290M	$295M - $300M
Adjusted effective tax rate*	~24%	~24%
Non-service pension benefit	~$70M	$60M - $70M
Capital expenditures	~$375M	~$375M
Depreciation & amortization	$330M - $340M	$320M - $330M

Carrier

*See “Use and Definitions of Non-GAAP Financial Measures” for additional information regarding non-GAAP measures

Carrier Q2 2021 vs 2020 Sales Reconciliation

Y/Y %

Three Months Ended June 30, 2021 Compared with Three Months Ended June 30, 2020

	(Unaudited)				
	Factors Contributing to Total % change in Net Sales				
	Organic	FX Translation	Acquisitions / Divestitures, net	Other	Total
HVAC	32 %	3 %	1 %	— %	36 %
Refrigeration	38 %	8 %	— %	— %	46 %
Fire & Security	25 %	8 %	— %	— %	33 %
Consolidated	**31 %**	**5 %**	**1 %**	**— %**	**37 %**

Six Months Ended June 30, 2021 Compared with For the Six Months Ended

	(Unaudited)				
	Factors Contributing to Total % change in Net Sales				
	Organic	FX Translation	Acquisitions / Divestitures, net	Other	Total
HVAC	28 %	3 %	1 %	— %	32 %
Refrigeration	28 %	6 %	— %	— %	34 %
Fire & Security	13 %	7 %	— %	— %	20 %
Consolidated	**24 %**	**5 %**	**— %**	— %	29 %

See “Use and Definitions of Non-GAAP Financial Measures” for additional information regarding non-GAAP measures

Segment Adjusted Operating Profit Reconciliation

(Unaudited)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
(dollars in millions - Income (Expense))	2021	2020	2021	2020
HVAC				
Net sales	$ 3,120	$ 2,291	$ 5,606	$ 4,250
Operating profit	$ 573	$ 358	$ 938	$ 525
Restructuring	(7)	(1)	(11)	(3)
Impairment of joint venture investment	—	—	—	(71)
Separation costs	—	—	—	(2)
Giwee acquisition-related costs	(2)	—	(2)	
Adjusted operating profit	**$ 582**	**$ 359**	**$ 951**	**$ 601**
Refrigeration				
Net sales	$ 1,021	$ 700	$ 2,026	$ 1,508
Operating profit	$ 123	$ 61	$ 250	$ 160
Restructuring	(3)	(3)	(5)	(3)
Adjusted operating profit	**$ 126**	**$ 64**	**$ 255**	**$ 163**
Fire & Security				
Net sales	$ 1,403	$ 1,057	$ 2,707	$ 2,263
Operating profit	$ 148	$ 106	$ 298	$ 226
Restructuring	(9)	(6)	(20)	(9)
Separation costs	—	—	—	(3)
Other	(12)	—	(15)	—
Adjusted operating profit	**$ 169**	**$ 112**	**$ 333**	**$ 238**

(Unaudited)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
(dollars in millions - Income (Expense))	2021	2020	2021	2020
General Corporate Expenses and Eliminations and Other				
Net sales	$ (104)	$ (76)	$ (200)	$ (161)
Operating profit	$ (61)	$ (83)	$ (132)	$ (154)
Restructuring	(2)	(1)	(3)	(1)
Separation costs	(3)	(23)	(19)	(63)
Adjusted operating profit	**$ (56)**	**$ (59)**	**$ (110)**	**$ (90)**
Carrier				
Net sales	$ 5,440	$ 3,972	$ 10,139	$ 7,860
Operating profit	$ 783	$ 442	$ 1,354	$ 757
Total restructuring costs	(21)	(11)	(39)	(16)
Total non-recurring and non-operational items	(17)	(23)	(36)	(139)
Adjusted operating profit	**$ 821**	**$ 476**	**$ 1,429**	**$ 912**

Carrier

See “Use and Definitions of Non-GAAP Financial Measures” for additional information regarding non-GAAP measures

Q2 2021 EPS Reconciliation

	(Unaudited)					
	For the Three Months Ended June 30, 2021			For the Six Months Ended June 30, 2021		
(In millions)	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted
Net sales	$ 5,440	$ —	$ 5,440	$ 10,139	$ —	$ 10,139
Operating profit	783	38 a	821	1,354	75 a	1,429
Operating margin	*14.4 %*		*15.1 %*	*13.4 %*		*14.1 %*
Income from operations before income taxes	731	38 a,b	769	1,227	94 a,b	1,321
Income tax expense	(234)	42 c	(192)	(338)	29 c	(309)
Income tax rate	*32.0 %*		*25.0 %*	*27.5 %*		*23.4 %*
Net income attributable to common shareowners	**$ 487**	**$ 80**	**$ 567**	**$ 871**	**$ 123**	**$ 994**
Summary of Adjustments:						
Restructuring costs		$ 21 a			$ 39 a	
Separation costs		3 a			19 a	
Debt prepayment costs		— b			19 b	
Giwee acquisition-related costs		2			2	
Other		12 a			15 a	
Total adjustments		$ 38			$ 94	
Tax effect on adjustments above		$ (1)			$ (14)	
Tax specific adjustments		43			43	
Total tax adjustments		$ 42 c			$ 29 c	
Shares outstanding - Diluted	890.9		890.9	890.4		890.4
Earnings per share - Diluted	**$ 0.55**		**$ 0.64**	**$ 0.98**		**$ 1.12**

See “Use and Definitions of Non-GAAP Financial Measures” for additional information regarding non-GAAP measures

Q2 2020 EPS Reconciliation

	(Unaudited)					
	For the Three Months Ended June 30, 2020			For the Six Months Ended June 30, 2020		
(In millions)	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted
Net sales	$ 3,972	$ —	$ 3,972	$ 7,860	$ —	$ 7,860
Operating profit	442	34 a	476	757	155 a	912
Operating margin	*11.1 %*		*12.0 %*	*9.6 %*		*11.6 %*
Income from operations before income taxes	375	34 a,b	409	670	160 a,b	830
Income tax expense	(106)	(9) c	(115)	(299)	75 c	(224)
Income tax rate	*28.2 %*		*28.0 %*	*44.6 %*		*27.0 %*
Net income attributable to common shareowners	**$ 261**	**$ 25**	**$ 286**	**$ 357**	**$ 235**	**$ 592**
Summary of Adjustments:						
Restructuring costs		$ 11 a			$ 16 a	
Impairment of equity method investment		— a			71 a	
Separation costs		23 a			68 a	
Debt issuance costs		— b			5 b	
Total adjustments		$ 34			$ 160	
Tax effect on adjustments above		$ (9)			$ (22)	
Tax specific adjustments		—			97	
Total tax adjustments		$ (9) c			$ 75 c	
Shares outstanding - Diluted	870.9		870.9	870.9		870.9
Earnings per share - Diluted	**$ 0.30**		**$ 0.33**	**$ 0.41**		**$ 0.68**

See “Use and Definitions of Non-GAAP Financial Measures” for additional information regarding non-GAAP measures

Segment Net Sales and Operating Profit

	(Unaudited)							
	For the Three Months Ended June 30,				For the Six Months Ended			
	2021		2020		2021		2020	
(In millions)	Reported	Adjusted	Reported	Adjusted	Reported	Adjusted	Reported	Adjusted
Net sales								
HVAC	$ 3,120	$ 3,120	$ 2,291	$ 2,291	$ 5,606	$ 5,606	$ 4,250	$ 4,250
Refrigeration	1,021	1,021	700	700	2,026	2,026	1,508	1,508
Fire & Security	1,403	1,403	1,057	1,057	2,707	2,707	2,263	2,263
Segment sales	5,544	5,544	4,048	4,048	10,339	10,339	8,021	8,021
Eliminations and other	(104)	(104)	(76)	(76)	(200)	(200)	(161)	(161)
Net sales	**$ 5,440**	**$ 5,440**	**$ 3,972**	**$ 3,972**	$ 10,139	$ 10,139	$ 7,860	$ 7,860
Operating profit								
HVAC	$ 573	$ 582	$ 358	$ 359	$ 938	$ 951	$ 525	$ 601
Refrigeration	123	126	61	64	$ 250	255	160	163
Fire & Security	148	169	106	112	$ 298	333	226	238
Segment operating profit	844	877	525	535	$ 1,486	1,539	911	1,002
Eliminations and other	(23)	(21)	(56)	(36)	$ (63)	(46)	(91)	(31)
General corporate expenses	(38)	(35)	(27)	(23)	$ (69)	(64)	(63)	(59)
Operating profit	**$ 783**	**$ 821**	**$ 442**	**$ 476**	$ 1,354	$ 1,429	$ 757	$ 912
Operating margin								
HVAC	18.4 %	18.7%	15.6%	15.7%	16.7 %	17.0 %	12.4 %	14.1 %
Refrigeration	12.0 %	12.3%	8.7%	9.1%	12.3 %	12.6 %	10.6 %	10.8 %
Fire & Security	10.5 %	12.0%	10.0%	10.6%	11.0 %	12.3 %	10.0 %	10.5 %
Total Carrier	**14.4 %**	**15.1%**	**11.1%**	**12.0%**	13.4 %	14.1 %	9.6 %	11.6 %

Carrier

See “Use and Definitions of Non-GAAP Financial Measures” for additional information regarding non-GAAP measures

Free Cash Flow Reconciliation

	(Unaudited)						
(dollars in millions)	**Q1 2020**	**Q2 2020**	**Q3 2020**	**Q4 2020**	**FY 2020**	**Q1 2021**	**Q2 2021**
Net cash flows provided by operating activities	$ 47	$ 509	$ 937	199	$ 1,692	$ 184	$ 561
Less: Capital expenditures	48	46	57	161	312	53	79
Free cash flow	$ (1)	$ 463	$ 880	$ 38	$ 1,380	$ 131	$ 482

Carrier

See "Use and Definitions of Non-GAAP Financial Measures" for additional information regarding non-GAAP measures

Carrier Q2 2021 vs 2019 Organic Sales Reconciliation

Y/Y %

Three Months Ended June 30, 2021 Compared with Three Months Ended June 30, 2019

	(Unaudited)				
	Factors Contributing to Total % change in Net Sales				
	Organic	FX Translation	Acquisitions / Divestitures, net	Other	Total
Consolidated	7 %	3 %	— %	— %	10 %

See "Use and Definitions of Non-GAAP Financial Measures" for additional information regarding non-GAAP measures