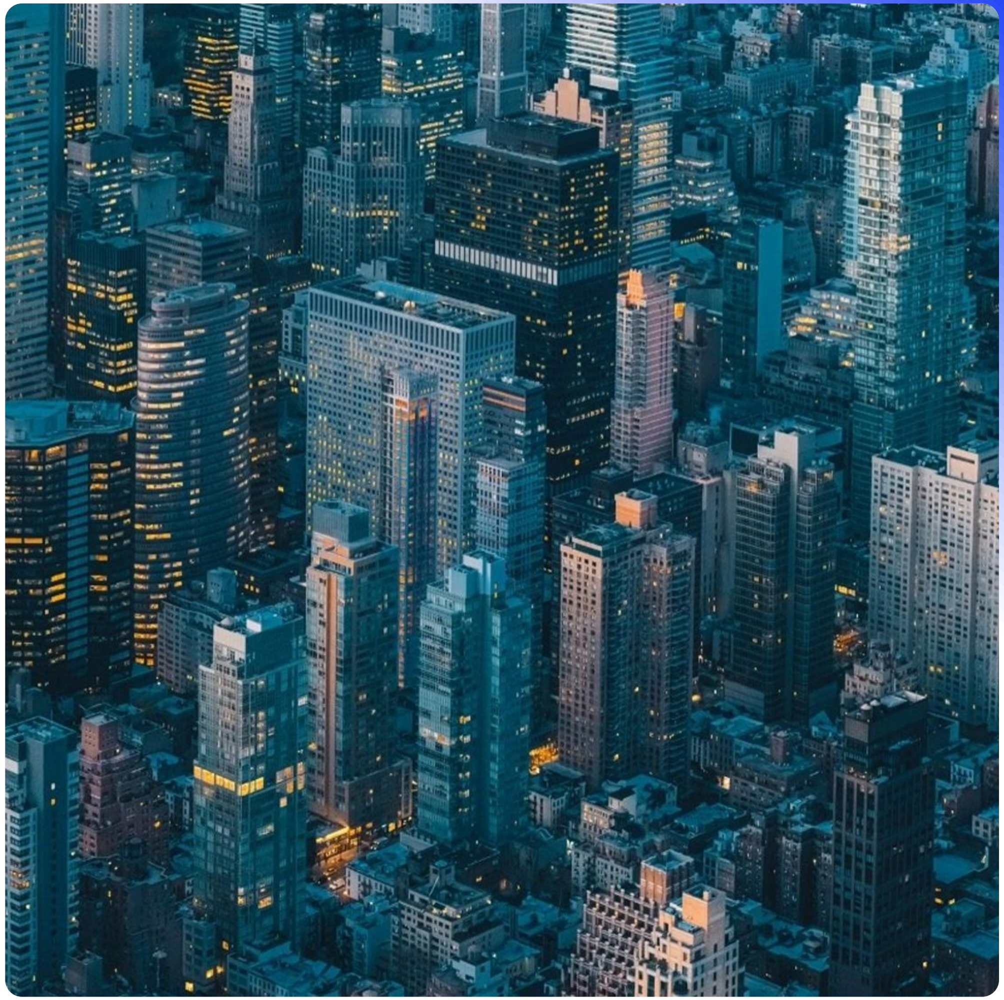
Q2 2025 Earnings Conference Call

July 29, 2025



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. 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, Carrier's guidance for full-year 2025, 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, those described below and under the section titled "Risk Factors" in our most recent Annual Report on Form 10-K and in subsequent reports that we file with the SEC: 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, inflationary cost pressures, 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, natural disasters and the financial condition of our customers and suppliers; challenges in the development, production, delivery, support, performance and realization of the anticipated benefits of advanced technologies and new products and services; future levels of capital spending and research and development spending; future availability of credit and factors that may affect such availability, including credit market conditions and Carrier's capital structure and credit ratings; 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; delays and disruption in the delivery of materials and services from suppliers; cost reduction efforts and restructuring costs and savings and other consequences thereof; new business and investment opportunities; the outcome of legal proceedings, investigations and other contingencies; the impact of pension plan assumptions on future cash contributions and earnings; the impact of the negotiation of collective bargaining agreements and labor disputes; the effect of changes in political conditions in the U.S. and other countries in which Carrier and our businesses operate, including the effect of ongoing uncertainty and/or changes in U.S. trade policies, on general market conditions, global trade policies, the imposition of tariffs, and currency exchange rates in the near term and beyond; 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 we and our businesses operate; the ability of Carrier to retain and hire key personnel; the scope, nature, impact or timing of acquisition and divestiture activity, such as our portfolio transformation transactions, 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; a determination by the IRS and other tax authorities that the distribution of Carrier from RTX Corporation (f/k/a United Technologies Corporation) or certain related transactions should be treated as taxable transactions; and risks associated with current and future indebtedness, as well as our ability to reduce indebtedness and the timing thereof. The forward-looking statements speak only as of the date of this communication. 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 SEC.

Q2 2025 Summary

Sales	**$6,113M** *Organic[1] +6% Y/Y*
Adjusted Operating Profit[1]	**$1,166M** *+10% Y/Y*
Adjusted Operating Margin[1]	**19.1%** *+130 bps Y/Y*
Adjusted EPS[1]	**$0.92** *+26% Y/Y*
Free cash flow[1,2]	**$568M**

Highlights

CSA sales up MT with commercial[3] sales up ~45%

Global aftermarket[3] sales up 13%

Residential Europe heat pump sales up >10% including Germany up >50%

Very strong growth in CSAME in India, Japan and the Middle East

~30% core earnings conversion driven by strong organic sales growth and productivity

$1.9B[4] in share repurchases year-to-date; on track to repurchase $3B by end of 2025

▶ Solid organic growth and continued margin expansion position Carrier for another strong year

1. See appendix for additional information regarding non-GAAP measures
2. Includes results of continuing operations and discontinued operations
3. Excludes NORESCO
4. Includes $300M block trade entered into with an affiliate of Viessmann on June 5, 2025 with payment in July 2025

Strong progress on strategic focus areas

Growth	Q2 2025 Results
Best-in-class products, channels and brands	• New mag-bearing air cooled chiller with top-tier efficiency • $45M data center win in the Middle East • Received 2025 Sustainable Product of the Year[1] award for the integrated air-to-water heat pump / domestic hot water heater in North America and will launch in Q3 2025
Digitally-enabled lifecycle solutions	• +13% aftermarket growth[2] • ~63k connected chillers,[3] up 40% • Enhanced Abound app with AI insights to optimize chiller performance and maintenance
Fully-integrated systems	• Strong progress on HEMS solutions for Europe and North America • Providing a complete end-to-end fully integrated heating and cooling equipment and building management system for Shanghai Oriental Hub infrastructure project
Margin expansion and productivity	• 130 bps of adjusted operating margin expansion driven by continued strong productivity
Disciplined capital deployment	• Returned $2.3B[4] to shareholders YTD through dividends and share repurchases

1. Awarded by 2025 Green Builder
2. Excludes NORESCO
3. Includes Toshiba chillers
4. Includes $300M block trade entered into with VGG on June 5, 2025 with expected payment in July 2025

Residential and light commercial (RLC) Europe

Leveraging world-class combination

Differentiated technology

- Home Energy Management System
- Hydronics
- Component designs

Global platforming

- Global controls rationalization
- One Base: over 1 million connected devices on ViCare

Synergies

Carrier
VIESSMANN
TOSHIBA

- One Base global integration
- Dual and best-cost sourcing
- One Europe consolidation
- Multi-brand, multi-channel

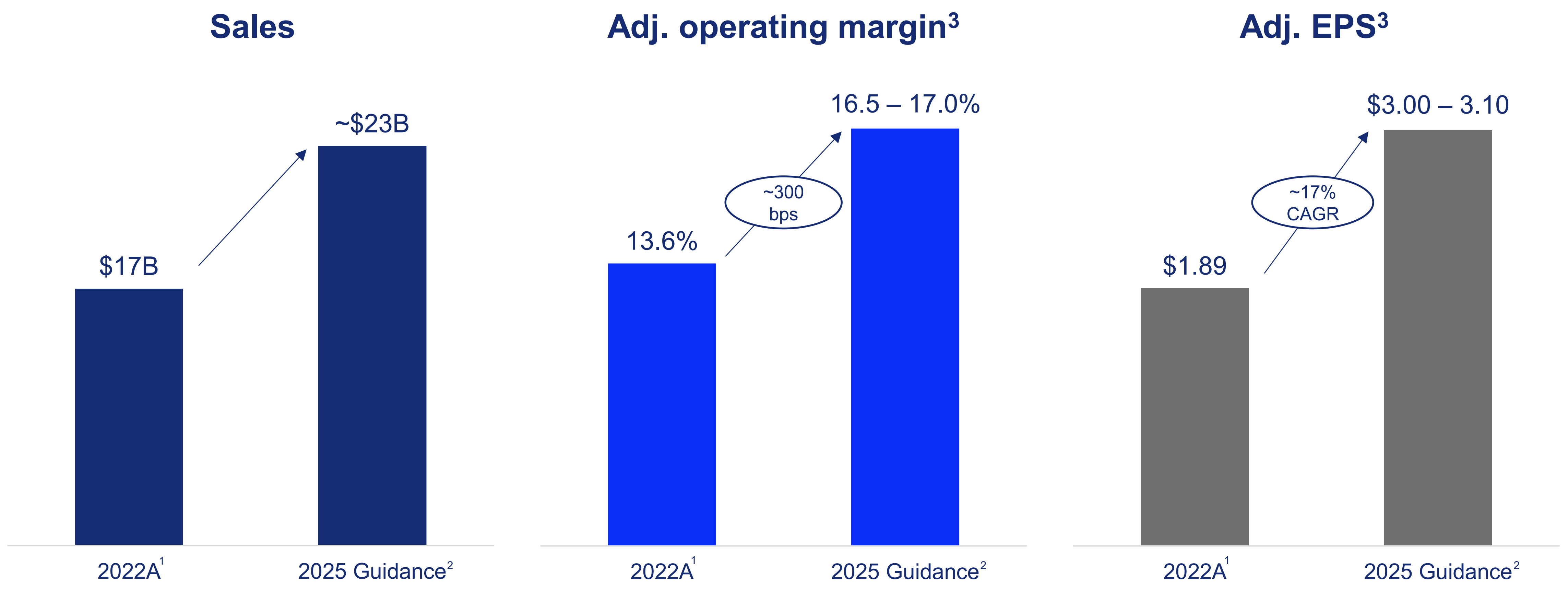
Talent

- Global talent pool

Q2 Highlights

- Sales in-line with expectations
- Germany heat pump units up >50%
- Sales outside of Germany up LSD year-over-year
- Delivering cost and revenue synergies
- Strong growth in air-conditioning sales
- On-track for full-year double-digit aftermarket growth
- Integration with commercial HVAC Europe to yield strong sales growth and margin expansion opportunities
- Further increasing number of “Viessmann Systems Profi” partners; on average realizing stronger growth with these partners

Continued growth momentum and margin expansion



▶ Accelerating organic sales growth and delivering continued mid-teens+ adj. EPS growth

1. Actuals are reflective of continuing operations
2. Guidance as of July 29, 2025
3. See appendix for additional information regarding non-GAAP measures

Q2 2025 Results

	Q2 2025	Q2 2024	Y/Y
Sales	$6,113M	$5,934M	3%
Organic sales[1]			6%
Acquisitions / Divestitures, net			(4%)
FX			1%
Adjusted operating profit[1]	$1,166M	$1,056M	10%
Adjusted operating margin[1]	19.1%	17.8%	130 bps
Adjusted effective tax rate[1]	22.1%	22.7%	
Adjusted EPS[1]	$0.92	$0.73	26%
Free cash flow[1,2]	$568M	$549M	

1. See appendix for additional information regarding non-GAAP measures
2. Includes results of continuing operations and discontinued operations

Q2 2025 Climate Solutions Americas (CSA)

	Q2 2025	Q2 2024	Y/Y
Sales	$3,252M	$2,865M	14%
Organic sales[1]			14%
Acq / div, net			0%
FX			0%
Segment operating profit	$879M	$713M	23%
Segment operating margin	27.0%	24.9%	210 bps

Highlights

Very strong organic growth at 14%

Continued strength in commercial[2], sales up 45%

Residential sales up 11%

Light commercial sales down ~20%, in-line with expectations

Significant margin expansion driven by strong organic sales growth and productivity

1. See appendix for additional information regarding non-GAAP measures
2. Excludes NORESCO

Q2 2025 Climate Solutions Europe (CSE)

	Q2 2025	Q2 2024	Y/Y
Sales	$1,253M	$1,194M	5%
Organic sales[1]			0%
Acq / div, net			0%
FX			5%
Segment operating profit	$99M	$93M	6%
Segment operating margin	7.9%	7.8%	10 bps

Highlights

Residential and light commercial sales flattish

- Heat pump units in Germany up >50%

Commercial sales up LSD

Margin expansion driven by cost synergies, partially offset by unfavorable regional and product mix

1. See appendix for additional information regarding non-GAAP measures

Q2 2025 Climate Solutions Asia Pacific Middle East & Africa (CSAME)

	Q2 2025	Q2 2024	Y/Y
Sales	$882M	$902M	(2%)
Organic sales[1]			(4%)
Acq / div, net			0%
FX			2%
Segment operating profit	$135M	$157M	(14%)
Segment operating margin	15.3%	17.4%	(210 bps)

Highlights

Very strong sales growth in India, Japan and the Middle East

Continued weakness in China, sales down 11%

Margin in-line with expectations, driven by a prior year favorable currency impact and lower volume, partially offset by productivity

1. See appendix for additional information regarding non-GAAP measures

Q2 2025 Climate Solutions Transportation (CST)

	Q2 2025	Q2 2024	Y/Y
Sales	$726M	$973M	(25%)
Organic sales[1]			(1%)
Acq / div, net			(25%)
FX			1%
Segment operating profit	$128M	$138M	(7%)
Segment operating margin	17.6%	14.2%	340 bps

Highlights

Global Truck & Trailer sales down MSD; North America returned to growth

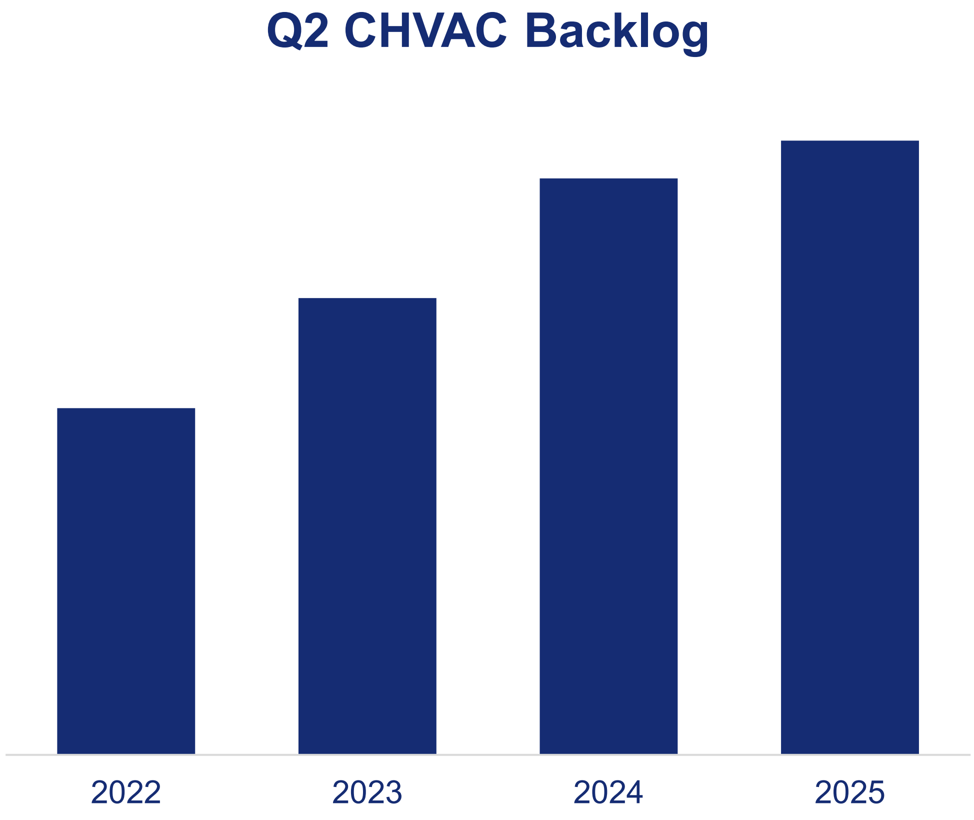
Container sales up MSD

Sensitech sales up HSD

Strong margin expansion mainly due to the Commercial Refrigeration exit

1. See appendix for additional information regarding non-GAAP measures

Q2 2025 Organic orders down HT



Climate Solutions Americas (CSA)[1]	(~30%)
Residential	(~60%) vs. >100% PY
Light commercial	>+20%
Commercial[1]	+HT
Climate Solutions Europe (CSE)	**(MSD)**
Residential and light commercial	(MSD)
Commercial	(HSD)
Climate Solutions Asia Pacific MEA (CSAME)	**(LSD)**
China	(HSD)
Balance of segment	+LSD
Climate Solutions Transportation (CST)[2]	**+HSD**
Global Truck & Trailer	(MSD)
Container	~+40%

▶ Excluding CSA residential, total company orders up mid-single digits

1. Excludes NORESCO
2. Excludes Commercial Refrigeration

Reaffirming FY 2025 guidance

	February Guidance	May Guidance	Current Guidance
Sales	$22.5B - $23.0B *Organic +MSD*	~$23B ⬆ *Organic +MSD*	~$23B *Organic +MSD*
Adjusted Operating Margin	16.5 – 17.0% *+~100 bps*	16.5 – 17.0% *+~100 bps*	16.5 – 17.0% *+~100 bps*
Adjusted EPS	$2.95 – $3.05 +15-19%	$3.00 – $3.10 ⬆ +17-21%	$3.00 – $3.10 +17-21%
Free cash flow	$2.4 - $2.6B	$2.4 - $2.6B	$2.4 - $2.6B

▶ Strong first half of 2025 – On-track to deliver about 20% adjusted EPS growth

1. See appendix for additional information regarding non-GAAP measures

FY 2025 Organic sales[1] guidance

Change vs. prior guide

Segment	Current guide (July 2025)	Prior guide (May 2025)
Climate Solutions Americas (CSA)	**+HSD**	**+HSD**
Residential	+MSD	+HSD - DD
Light commercial	(MT)	(DD)
Commercial	>+20%	+DD
Climate Solutions Europe (CSE)	**+LSD**	**+LSD**
Residential and Light commercial	~Flat	~Flat
Commercial	+DD	+DD
Climate Solutions Asia Pacific MEA (CSAME)	**+LSD**	**+LSD**
China	~(MSD)	~Flat
Balance of segment	+MSD-HSD	+MSD
Climate Solutions Transportation (CST)	**+MSD** ~(20%) reported	**+MSD** ~(20%) reported
Carrier	**~$23B** **Organic +MSD** FX 1% Acquisitions 0% Divestitures (3%) +LSD reported	**~$23B** **Organic +MSD** FX 1% Acquisitions 0% Divestitures (3%) +LSD reported

1. See appendix for additional information regarding non-GAAP measures

FY 2025 Profit and cash guidance

Change vs. prior guide

Segment	Current guide (July 2025)	Prior guide (May 2025)
CS Americas	~22.75% Margin +~75 bps	~22.5% Margin +~50 bps
CS Europe	~10.0% Margin +~50 bps	~10.5% Margin +~100 bps
CS Asia Pacific Middle East & Africa	~13.5% Margin ~Flattish	~13.5% Margin ~Flattish
CS Transportation	~16.5% Margin +~250 bps	~16.5% Margin +~250 bps
Carrier adj. operating margin[1]	16.5 – 17.0% Margin +~100 bps	16.5 – 17.0% Margin +~100 bps
Adj. EPS[1]	$3.00 – $3.10	$3.00 – $3.10
Free cash flow[1,2]	$2.4 – $2.6B	$2.4 – $2.6B
Share repurchases	~$3B	~$3B

1. See appendix for additional information regarding non-GAAP measures
2. Includes results of continuing operations and discontinued operations

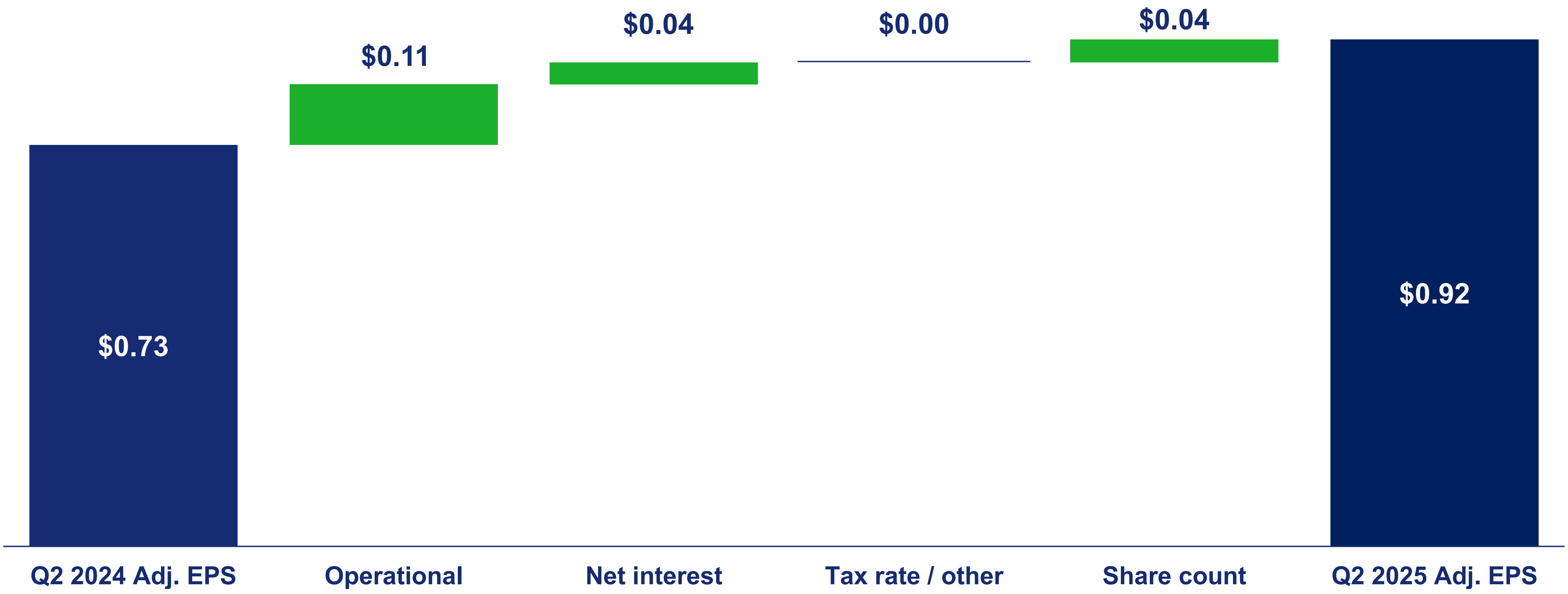
Summary

- Strong Q2 with +6% organic growth and +26% adjusted EPS growth
- Exceptional +45% CSA commercial[1] growth and +13% global aftermarket[1] growth
- Traction on all key growth initiatives: products, aftermarket and systems
- Continued productivity drove 130 basis points of margin expansion in Q2
- Reaffirming full-year guidance; expecting another year of mid-teens+ adjusted EPS growth
- On-track to return ~$3.8B to shareholders in 2025 through dividends and share repurchases

1. Excludes NORESCO

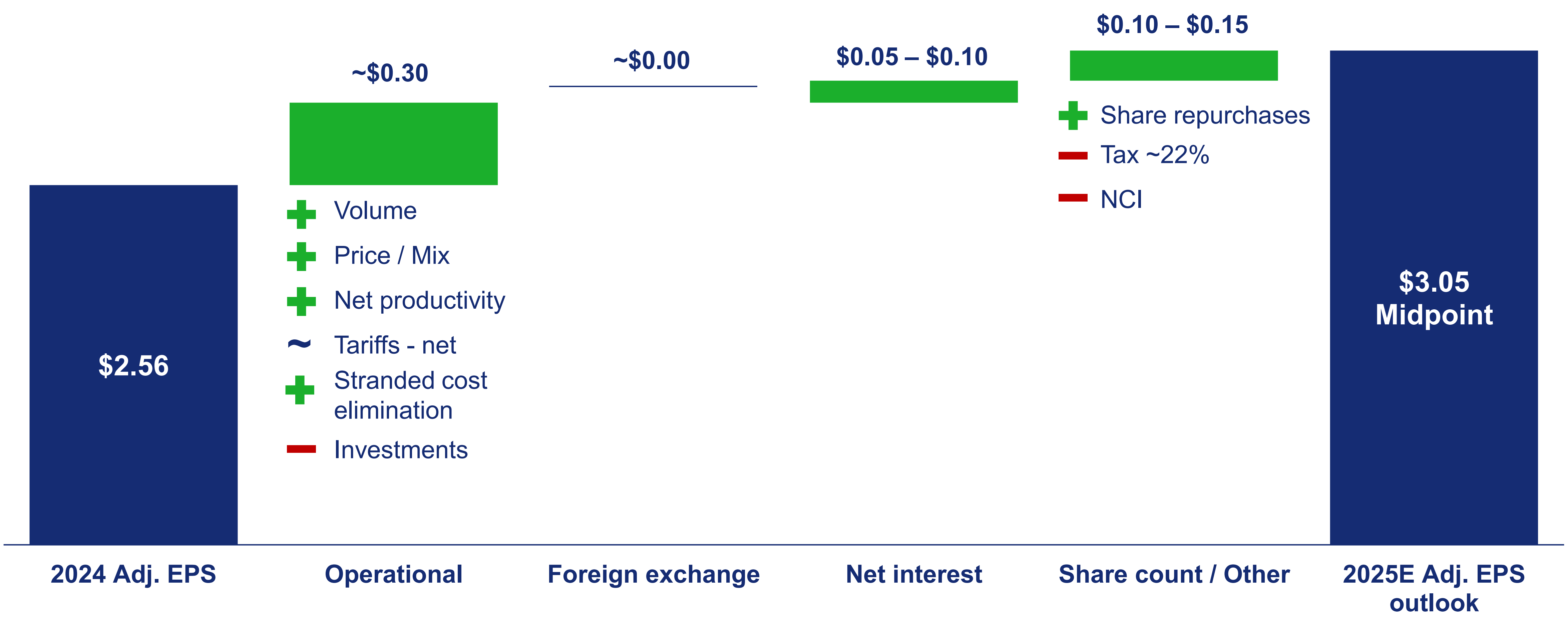
APPENDIX

Q2 2025 Adjusted EPS[1] bridge



1. See appendix for additional information regarding non-GAAP measures

FY 2025 Adjusted EPS[1] guidance bridge



▶ Projecting third consecutive year of at least mid to high-teens adjusted EPS growth

1. See appendix for additional information regarding non-GAAP measures

Additional items

	Current Guidance (July 2025)	Prior Guidance (May 2025)
Average shares outstanding (diluted)	~865M	~865M
Corporate expenses / eliminations and other	~$225M	~$225M
Interest expense, net[1]	$350 – $360M	$350 – $360M
Adjusted effective tax rate[1]	~22.0%	~22.0%
Non-controlling interest	~$110M	~$110M
Capital expenditures	~$500M	~$500M
Depreciation and amortization	~$1.2B	~$1.2B

1. See appendix for additional information regarding non-GAAP measures

Use and definitions of non-GAAP financial measures

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, adjusted net income, adjusted earnings per share (“EPS”), adjusted effective tax rate and net debt are non-GAAP financial measures and are associated with Carrier's continuing operations unless specifically noted.

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 consolidated operating profit (a GAAP measure), excluding restructuring costs, amortization of acquired intangibles and other significant items. Adjusted operating margin represents adjusted operating profit as a percentage of consolidated net sales (a GAAP measure). Adjusted net income represents net income attributable to common shareowners (a GAAP measure), excluding restructuring costs, amortization of acquired intangibles and other significant items. Adjusted EPS represents diluted earnings per share (a GAAP measure), excluding restructuring costs, amortization of acquired intangibles and other significant items. The adjusted effective tax rate represents the effective tax rate (a GAAP measure), excluding restructuring costs, amortization of acquired intangibles and other significant items. Net debt represents long-term debt (a GAAP measure) less cash and cash equivalents (a GAAP measure).

Free cash flow is a non-GAAP financial measure that represents net cash flows provided by continuing 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.

When Carrier provides our expectations for organic sales, adjusted operating profit, adjusted operating margin, adjusted effective tax rate, adjusted EPS and free cash flow on a forward-looking basis, a reconciliation of the differences between the non-GAAP expectations and the corresponding GAAP measures 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.

As a result of Carrier's portfolio transformation, Carrier revised its reportable segments during the first quarter of 2025 to better reflect its business strategy, align its management reporting and increase transparency for investors. In connection with the revised structure, the Chief Operating Decision Maker changed the measure used to evaluate segment profitability from Operating profit to Segment operating profit. It represents operating profit (a GAAP measure) adjusted to exclude restructuring costs, amortization of acquired intangible assets and other significant items of a nonoperational nature. All prior period comparative information has been recast to reflect the revised segment structure.

Segment summary

(In millions)	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
	(Unaudited)			
Segment net sales				
Climate Solutions Americas	$ 3,252	$ 2,865	$ 5,824	$ 5,225
Climate Solutions Europe	1,253	1,194	2,422	2,486
Climate Solutions Asia Pacific, Middle East & Africa	882	902	1,708	1,786
Climate Solutions Transportation	726	973	1,377	1,857
Segment net sales	**$ 6,113**	**$ 5,934**	**$ 11,331**	**$ 11,354**
Segment operating profit				
Climate Solutions Americas	$ 879	$ 713	$ 1,449	$ 1,138
Climate Solutions Europe	99	93	204	260
Climate Solutions Asia Pacific, Middle East & Africa	135	157	256	265
Climate Solutions Transportation	128	138	225	251
Segment operating profit	**$ 1,241**	**$ 1,101**	**$ 2,134**	**$ 1,914**
Segment operating margin				
Climate Solutions Americas	27.0 %	24.9 %	24.9 %	21.8 %
Climate Solutions Europe	7.9 %	7.8 %	8.4 %	10.5 %
Climate Solutions Asia Pacific, Middle East & Africa	15.3 %	17.4 %	15.0 %	14.8 %
Climate Solutions Transportation	17.6 %	14.2 %	16.3 %	13.5 %

Organic sales reconciliation

Three Months Ended June 30, 2025 Compared with Three Months Ended June 30, 2024

	(Unaudited)				
	Factors Contributing to Total % change in Net Sales				
	Organic	**FX Translation**	**Acquisitions / Divestitures, net**	**Other**	**Total**
Climate Solutions Americas	14 %	— %	— %	— %	14 %
Climate Solutions Europe	— %	5 %	— %	— %	5 %
Climate Solutions Asia Pacific, Middle East & Africa	(4) %	2 %	— %	— %	(2) %
Climate Solutions Transportation	(1) %	1 %	(25) %	— %	(25) %
Consolidated	**6 %**	**1 %**	**(4)%**	**— %**	**3 %**

Earnings before income taxes reconciliation

(In millions)	(Unaudited) Three Months Ended June 30, 2025	2024	(Unaudited) Six Months Ended June 30, 2025	2024
Reconciliation to Earnings before income taxes				
Segment operating profit	$ 1,241	$ 1,101	$ 2,134	$ 1,914
Corporate and other	(75)	(45)	(120)	(94)
Restructuring costs	(47)	(29)	(55)	(37)
Amortization of acquired intangibles	(214)	(170)	(415)	(342)
Acquisition step-up amortization	—	(109)	—	(220)
Acquisition/divestiture-related costs	(9)	(24)	(19)	(72)
CCR gain	7	—	7	—
Viessmann-related hedges	—	—	—	(86)
Gain on liability adjustment	—	—	—	46
Non-service pension (expense) benefit	—	—	1	—
Interest (expense) income, net	(91)	(157)	(173)	(298)
Earnings before income taxes	**$ 812**	**$ 567**	**$ 1,360**	**$ 811**

Adjusted operating profit reconciliation

	(Unaudited)			
	Three Months Ended June 30,		Six Months Ended June 30,	
(In millions)	2025	2024	2025	2024
Reconciliation of Segment operating profit to Adjusted operating profit				
Climate Solutions Americas	$ 879	$ 713	$ 1,449	$ 1,138
Climate Solutions Europe	99	93	204	260
Climate Solutions Asia Pacific, Middle East & Africa	135	157	256	265
Climate Solutions Transportation	128	138	225	251
Segment operating profit	$ 1,241	$ 1,101	$ 2,134	$ 1,914
Corporate and other	(75)	(45)	(120)	(94)
Adjusted operating profit	**$ 1,166**	**$ 1,056**	**$ 2,014**	**$ 1,820**

Q2 and YTD 2025 EPS reconciliation

	(Unaudited)										
	Three Months Ended June 30, 2025					Six Months Ended June 30, 2025					
(In millions, except per share amounts)	Reported	Adjustments			Adjusted	Reported	Adjustments			Adjusted	
Net sales	**$ 6,113**	**$**	**—**		**$ 6,113**	**$ 11,331**	**$**	**—**		**$ 11,331**	
Operating profit	$ 903		263	a	$ 1,166	$ 1,532		482	a	$ 2,014	
Operating margin	*14.8 %*				*19.1 %*	*13.5 %*				*17.8 %*	
Earnings before income taxes	$ 812		263	a	$ 1,075	$ 1,360		482	a,b	$ 1,842	
Income tax (expense) benefit	$ (162)		(75)	c	$ (237)	$ (273)		(133)	c	$ (406)	
Effective tax rate	*20.0 %*				*22.1 %*	*20.1 %*				*22.1 %*	
Earnings from continuing operations attributable to common shareowners	**$ 608**	**$**	**188**		**$ 796**	**$ 1,020**	**$**	**349**		**$ 1,369**	
Summary of Adjustments:											
Amortization of acquired intangibles		$	214	a			$	415	a		
Restructuring costs			47	a				55	a		
Acquisition/divestiture-related costs [(1)]			9	a				19	a		
CCR gain			(7)	a				(7)	a		
Total adjustments		$	263				$	482			
Tax effect on adjustments above		$	(69)				$	(127)			
Tax specific adjustments			(6)					(6)			
Total tax adjustments		$	(75)	c			$	(133)	c		
Diluted shares outstanding	866.3				866.3	872.3				872.3	
Diluted earnings per share:											
Continuing operations	**$ 0.70**				**$ 0.92**	**$ 1.17**				**$ 1.57**	

Carrier

Q2 and YTD 2024 EPS reconciliation

(Unaudited)												
	Three Months Ended June 30, 2024						Six Months Ended June 30, 2024					
(In millions, except per share amounts)	Reported	Adjustments		Adjusted			Reported	Adjustments		Adjusted		
Net sales	$ 5,934	$ —		$ 5,934			$ 11,354	$ —		$ 11,354		
Operating profit	$ 724	332	a	$ 1,056			$ 1,109	711	a	$ 1,820		
Operating margin	*12.2 %*			*17.8 %*			*9.8 %*			*16.0 %*		
Earnings before income taxes	$ 567	344	a,b	$ 911			$ 811	723	a,b	$ 1,534		
Income tax (expense) benefit	$ (120)	(87)	c	$ (207)			$ (167)	(173)	c	$ (340)		
Effective tax rate	*21.2 %*			*22.7 %*			*20.6 %*			*22.2 %*		
Earnings from continuing operations attributable to common shareowners	**$ 415**	**$ 257**		**$ 672**			**$ 592**	**$ 550**		**$ 1,142**		
Summary of Adjustments:												
Amortization of acquired intangibles		$ 170	a					$ 342	a			
Restructuring costs		29	a					37	a			
Acquisition/divestiture-related costs		24	a					72	a			
Acquisition step-up amortization [1]		109	a					220	a			
Viessmann-related hedges		—	a					86	a			
Gain on liability adjustment [2]		—	a					(46)	a			
Debt prepayment costs		$ 12	b					$ 12	b			
Total adjustments		$ 344						$ 723				
Tax effect on adjustments above		$ (87)						$ (173)				
Total tax adjustments		$ (87)	c					$ (173)	c			
Diluted shares outstanding	915.3			915.3			913.6			913.6		
Diluted earnings per share:												
Continuing operations	**$ 0.45**			**$ 0.73**			**$ 0.65**			**$ 1.25**		

[1] Amortization of the step-up to fair value of acquired inventory and backlog.
[2] Gain associated with an adjustment to our tax-related liability owed to UTC.

Free cash flow reconciliation

	(Unaudited)			
	Three Months Ended June 30,		Six Months Ended June 30,	
(In millions)	**2025**	**2024**	**2025**	**2024**
Net cash flows provided by operating activities	$ 649	$ 660	$ 1,132	$ 700
Less: Capital expenditures - continuing operations	(81)	(108)	(144)	(210)
Less: Capital expenditures - discontinued operations	—	(3)	—	(5)
Free cash flow	**$ 568**	**$ 549**	**$ 988**	**$ 485**

Net debt reconciliation

(In millions)	(Unaudited) June 30, 2025	December 31, 2024
Long-term debt	$ 11,336	$ 11,026
Current portion of long-term debt	107	1,252
Less: Cash and cash equivalents	1,797	3,969
Net debt	**$ 9,646**	**$ 8,309**

2022 reconciliations

(In millions)	(Unaudited) Year Ended December 31, 2022 Carrier
Net sales	**$ 17,288**
Operating profit	**$ 3,984**
Reported operating margin	*23.0%*
Adjustments to segment operating profit:	
Restructuring costs	$ 20
Amortization of acquired intangibles	46
Acquisition step-up amortization [1]	51
Acquisition/divestiture-related costs	31
Chubb gain	(1,105)
TCC acquisition-related gain [1]	(705)
Russia/Ukraine asset impairment	3
Charge resulting form legal matter	22
Total adjustments to operating profit	$ (1,637)
Adjusted operating profit	**$ 2,347**
Adjusted operating margin	*13.6%*

	(Unaudited) Year Ended December 31, 2022				
(In millions, except per share amounts)	Reported	Adjustments		Adjusted	
Net sales	$ 17,288	$ —		$ 17,288	
Operating profit	$ 3,984	$ (1,637)	a	$ 2,347	
Operating margin	*23.04%*			*13.58%*	
Earnings before income taxes	$ 3,823	$ (1,665)	a,b	$ 2,158	
Income tax (expense) benefit	$ (616)	$ 139	c	$ (477)	
Effective tax rate	*16.11%*			*22.10%*	
Earnings from continuing operations attributable to common shareowners	**$ 3,157**	**$ (1,526)**		**$ 1,631**	
Summary of Adjustments:					
Restructuring costs		$ 20	a		
Amortization of acquired intangibles		46	a		
Acquisition step-up amortization [1]		51	a		
Acquisition/divestiture-related costs		31	a		
Chubb gain		(1,105)	a		
TCC acquisition-related gain [2]		(705)	a		
Russia/Ukraine asset impairment		3	a		
Charge resulting form legal matter		22	a		
Debt extinguishment (gain), net [3]		(28)	b		
Total adjustments		$ (1,665)			
Tax effect on adjustments above		$ 176			
Tax specific adjustments		(37)			
Total tax adjustments		$ 139	c		
Diluted shares outstanding	861.2			861.2	
Diluted earnings per share:					
Continuing operations	**$ 3.67**			**$ 1.89**	

[1] Amortization of the step-up to fair value of acquired inventory and backlog.

[2] The carrying value of our previously held TCC equity investments were recognized at fair value and subsequently adjusted

[3] The Company repurchased approximately $1.15 billion of aggregate principal senior notes on March 30, 2022 and recognized a net gain of $33 million and wrote-off $5 million of unamortized deferred financing costs in Interest