Greenhouse Reduction Goals and Claims: Methodology & Tracking Progress

Carrier calculates its Scope 1, 2, and 3 GHG emissions using the GHG Protocol Corporate Accounting and Reporting Standard. Carrier tracks progress towards <u>GHG</u> <u>emissions goals, including its Net Zero and operational carbon neutrality goal</u> (covering Scope 1 and 2 GHG emissions), and the <u>Carrier Gigaton Goal</u>, and annually discloses progress through our sustainability reporting (see Carrier's 2024 Sustainability and Impact Report, p.15-24, p.86-87). Our <u>Roadmap to Net Zero</u> also describes our planned approach to net zero. Carrier's 2023 Scope 1 and Scope 2 (location-based) GHG emissions were subject to independent third-party attestation. Carrier's Scope 3 GHG emissions, U.S. products and solutions related GHG data and claims, and all other GHG emissions-related claims and goals, including net zero, carbon neutral and significant emissions reductions claims, are per Carrier calculations and have not undergone independent third-party verification.

Unless otherwise noted, product and solutions related data and claims around U.S. refrigerant Global Warming Potential (GWP) are calculated using values in the Intergovernmental Panel on Climate Change Fourth Assessment Report. Carrier requires suppliers to meet strict quality and environmental, health and safety criteria, including refrigerant specifications. GWP is not independently verified by a third party.

Zero Emissions Refrigeration/No Direct Engine Emissions data and claims are aligned to regulatory definitions for Zero Emissions found in 40 CFR Part 88, Alternative Fuels Data Center: All-Electric Vehicles, and Cal. Admin. Code tit. 13, § 2477.4(a), and not verified by an independent third party. Claims do not consider refrigerant leakage.

Definitional Concepts

Carrier's follows the Science Based Target initiative's Corporate Net-Zero Standard for our net zero commitment which is to reduce absolute Scope 1, 2, and 3 GHG emissions 90% by 2050 from a 2021 base year. Carrier anticipates applying permanent carbon removal and/or storage to counterbalance the 10% of residual emissions.

Carrier's operational carbon neutrality goal covers our Scope 1 and 2 greenhouse gas (GHG) emissions, which we calculate using the GHG Protocol Corporate Accounting and Reporting Standard. To supplement this ambition, Carrier has a Science Based Target initiative validated GHG emission reduction goal in line with a trajectory to limit global warming to 1.5°C, which is to reduce absolute Scope 1 and 2 GHG emissions 42% by 2030 from a 2021 base year. To progress towards these climate targets our strategy includes reducing overall energy consumption through energy efficiency programs and technologies; reducing reliance on fossil fuels and increasing electrification; expanding our refrigerant management practices; and increasing renewable energy consumption. In 2030, Carrier anticipates applying carbon offsets to address our remaining Scope 1 and 2 emissions.